



UNITED NATIONS ENVIRONMENT PROGRAMME

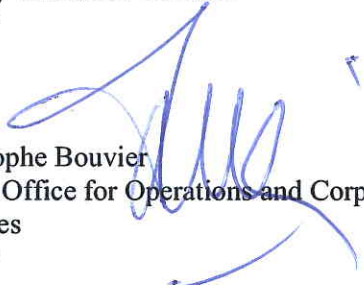
Programme des Nations Unies pour l'environnement Programa de las Naciones Unidas para el Medio Ambiente
Программа Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة
联合国环境规划署



MEMORANDUM


To: Ms. Amina Mohamed
Deputy Executive Director
UNEP

Date: 12 January 2012

From: 
Christophe Bouvier
Chief, Office for Operations and Corporate
Services
UNEP

Reference: CAP/2011

Subject: Authority to establish a General Trust Fund for the Core Budget of the Carpathian Convention for the Protection and Sustainable Development of the Carpathians and related Protocols.

OK to Amina

16/01/12

1. The Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) entered into force on 4 January 2006 and UNEP has been comprehensively involved in the activities of the Carpathian Convention including the administering of the interim secretariat of the convention in Vienna and the development of the proposal for administering the permanent secretariat.
2. The activities of the Carpathian Convention are of direct relevance to most of the work being undertaken by UNEP under "Environmental Protection and Sustainable Development". At the third meeting of the Conference of Parties (COP) held 25-27 May, 2011 in Bratislava, Slovak Republic, members agreed to establish a trust fund to cover the cost of administering and meeting the objectives of the Carpathian Convention and related Protocols, including the functioning of its Secretariat through decision COP3/14 para 12 and in para 15 requested the Executive Director of UNEP to assume the responsibility of administering the Trust Fund.
3. The purpose of this memorandum is to seek your formal authority to establish the above trust fund in accordance with paragraph II of ST/SGB/188 in order to receive and account for contributions to fund the activities of the Framework Convention on the Protection and Sustainable Development of the Carpathians and related Protocols (Carpathian Convention).
4. Under paragraph IV (ii) of ST/SGB/188 on the establishment of trust funds, the implementing office is required to ensure that the purpose of the trust fund

established is clearly defined and I attach herewith terms of reference for the trust fund agreed at the 3rd COP.

5. Programme support costs (PSC) will be charged at the rate of 13 percent in line ST/AI/286
6. In accordance with paragraph II(c) of ST/AI/284, I hereby certify that:
 - (i) the trust is properly defined as a General Trust Fund within the guidelines laid down in document ST/SGB/188;
 - (ii) there are no additional financial implications for the regular budget other than those to be met by programme support costs;
 - (iii) the appropriate offices in UNEP have been consulted.
7. In accordance with Article V of the General Procedures Governing the Operations of the Fund of the United Nations Environment Programme and the certification in the previous paragraph, I would like to request you to approve the establishment of this trust fund with effect from 1 January 2012 to 31 December 2014.

Approved by:



Amina Mohamed
Deputy Executive Director
UNEP

Date:

17/01/12

Attachment: a) Terms of Reference of the Trust Fund
b) Copy of decision COP3/14 of Carpathian Conventions on Administration and financial management of the Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) and its Protocols

cc: All Divisional Directors

TERMS OF REFERENCE FOR THE ADMINISTRATION OF THE GENERAL TRUST FUND FOR THE CORE BUDGET OF THE CARPATHIAN CONVENTION FOR THE PROTECTION AND SUSTAINABLE DEVELOPMENT OF THE CARPATHIANS AND ITS PROTOCOLS

1. The General Trust Fund is established for Administering and Meeting the Objectives of the Framework Convention on the Protection and Sustainable Development of the Carpathians and related Protocols (hereinafter referred to as the Carpathian Convention and related protocols) including providing financial support for the implementation of the Program of Work (POW) of the Convention and the functioning of the Secretariat..
2. The purpose of the trust fund is to receive contributions for the Framework Convention on the Protection and Sustainable Development of the Carpathians and related Protocols. The contributions to the Trust Fund will include:
 - a) Annual Assessed contributions from the Contracting Parties,
 - b) Additional Voluntary contributions from the Contracting Parties,
 - c) Contributions from Governments which are not Contracting Parties, governmental, intergovernmental and non-governmental organizations and programs, and the private sector;
3. The Trust Fund is established in accordance with the rules and regulations of the United Nations, the rules and regulations governing the Environment Fund of UNEP, the relevant provisions of the Secretary-General's bulletin ST/SGB/188, Administrative Instruction ST/AI/284, the authority of the Executive Director to establish general trust funds under the rules of the Environment Fund, as provided for in Article V of the General Procedures Governing the Operations of the Environment Fund of the United Nations Environment Programme and under the terms of ST/SGB/188 , which were confirmed in a letter from Ms. Susan Mills, Deputy Controller of Programme Planning, Budget and Finance, to the Assistant Executive Director, Fund and Administration, United Nations Environment Programme, dated 15 October 1991 and in a telex from Mr. Foran of 27 February 1984, and all other relevant policies and procedures promulgated by the Secretary General of the United Nations .
4. The establishment of the trust fund is a specific response to decision COP3/14 of Carpathian Conventions on Administration and financial management of the Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) and its Protocols.
5. The Executive Director of UNEP shall maintain and administer the Trust Fund in accordance with the financial regulations, rules and directives of the United Nations and of the Environment Fund of UNEP as applicable. Any personnel recruited by UNEP for the purposes of the Trust Fund, shall be recruited and administered in accordance with the provisions of regulations, rules and directives of the United Nations and of the Environment Fund of UNEP.
6. Payments to the Trust Fund shall be deposited in convertible currency into the UNEP Trust Fund and Counterpart Contributions account No. 485-002809 with JP Morgan Chase Bank, International Agencies Banking, 1166 Avenue of the Americas, 17th Floor, New York, N.Y., 10036-2708, United States of America. Wire transfers: Chase ABA number = 021000021, SWIFT number = BIC-CHASUS33, or CHIPS participant number = 0002.
7. All contributions received into the Trust Fund and not immediately required for the financing of projects and activities shall be invested at the discretion of the United Nations and income earned shall be credited to the Trust Fund.

8. UNEP may draw on the funds deposited in the Trust Fund as required to meet the cost of activities and projects consistent with the purpose of the Trust Fund referred to in paragraph 2 above in compliance with the regulations, rules, policies and procedures governing, as applicable, UNEP Environment Fund and UNEP Trust Fund activities.

9. No commitments against the resources of the Trust Fund may be made in advance of corresponding resources having become available to the Trust Fund.

10. Should the resources paid into the Trust Fund, including the investment income credited to the Trust Fund in accordance with paragraph 7 above, exceed the amount spent by UNEP or other parties concerned on activities financed from the Trust Fund, the surplus amount, after settlement of all outstanding obligations and after presentation of the final statement of account, shall be disposed of in accordance with the decisions of the Parties and the applicable rules, regulations and procedures of managing the Trust Funds.

11. In accordance with the United Nations rules, UNEP shall deduct from the income of the Trust Fund a programme support cost (PSC) charge equal to 13 per cent of the expenditures charged to the Trust Fund in respect of activities and projects financed from the Trust Fund. All other expenses of managing the Trust Fund will be recovered as direct cost of the budget of activities of this Trust Fund.

12. Annual accounts of the Trust Fund shall be prepared and audited in accordance with normal United Nations procedures, and copies of audited and/or certified financial statements will be sent to the Head of the Secretariat.



DECISION COP3/14
Administration and financial management of the Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) and its Protocols

The Conference of the Parties

1. *Noting* the entry into force of the Framework Convention on the Protection and Sustainable Development of the Carpathians (Carpathian Convention) on 4 January 2006;
2. *Recalling Article 15* of the Convention on the establishment and functions of the Convention Secretariat;
3. *Recalling* also that the Rules of Procedure and the Financial Rules adopted at its First Meeting contain provisions as to the role and functions of the Convention Secretariat;
4. *Recalling* its Statement at its Second Meeting in which it invited United Nations Environment Programme (UNEP) to develop a proposal for administering the permanent Secretariat;
5. *Highly appreciating* the successful work of the interim Secretariat in Vienna, and expressing their gratitude to United Nations Environment Programme (UNEP) for administering the interim Secretariat in an effective manner;
6. *Recalling* also Rule 1 of the Financial Rules for the Administration of the Trust Fund for the Convention, concerning the designation of a Trustee which shall establish and manage the Trust Fund;
7. *Recalling* that, in accordance with Rule 3 of the Financial Rules, the Trust Fund shall be used for funding the administration of the Convention, including the functioning of the Secretariat;
8. *Having considered* the note by the interim Secretariat on the administration and financial management of the Framework Convention on the Protection and Sustainable Development of the Carpathians;
9. *Welcoming* the willingness of the Executive Director of the United Nations Environment Program to assume responsibility for administering a Trust Fund for administering and meeting the objectives of the Convention and related Protocols, including the functioning of the Secretariat;
10. *Recalling* the decision by the Conference of the Plenipotentiaries that the Secretariat of the Carpathian Convention will be located in the Carpathian Region (Conference resolution, paragraph 4);
11. *Requests* the United Nations Environment Programme (UNEP) to continue to carry out the Secretariat functions on interim basis in Vienna until permanent arrangements are made;
12. *Agrees* to establish a Trust Fund to cover the cost of administering and meeting the objectives of the Carpathian Convention and related Protocols, including the functioning of its Secretariat and adopts the terms of reference for the administration of the Trust Fund as contained in Annex 4;



13. *Decides* that the Trust Fund cited above will contain:
 - a) (Assessed) Annual contributions from the Contracting Parties,
 - b) (Additional) Voluntary contributions from the Contracting Parties,
 - c) Contributions from Governments which are not Contracting Parties, governmental, intergovernmental and non-governmental organizations and programs, and the private sector;
14. *Decides* that the Programme of Work - Budget for 2012, 2013 and 2014 for the Framework Convention on the Protection and Sustainable Development of the Carpathians as approved in decision COP3/13, para. 10 shall be used as the budget for the Trust Fund;
15. *Requests* the Executive Director of the United Nations Environment Program to assume responsibility for administering the Trust Fund, and to delegate the necessary administrative authorities to the Head of the Secretariat in line with the Rules and Regulations of the United Nations;
16. *Decides* that each Party will contribute to the Trust Fund on a yearly basis in accordance with the attached scale of assessment as in Annex 3¹;
17. *Appeals* to Countries and organizations in a position to do so to make voluntary contributions, in cash and in kind, towards meeting the cost of the Trust Fund and other costs related to the implementation of the Convention and its Protocols;
18. *Reiterates* its firm intention and determination to reach an early agreement on the permanent arrangements of the Carpathian Convention Secretariat including composition and permanent location of the Secretariat, and requests the Secretariat on an interim basis to facilitate the decision making on these issues.

¹ Ukraine contribution of 30.000 Euros will consist of 21.500 Euros of mandatory contribution and 8.500 Euros of voluntary contribution

Annex 2 (DECISION COP3/13)

– Budget and Counterpart Contributions of the Trust Fund

Carpathian Convention Trust Fund - Budget		average exchange rate per UN		
		198,500 Eur	198,500 Eur	198,500 Eur
		0.734	0.734	0.734
		2012	2013	2014
10	PERSONNEL COMPONENT			
1100	Personnel			
1101	Head of Secretariat	93,000	93,000	93,000
1102	Technical Assistance Officer / Biodiversity	-	-	-
1103	Information and Communication Officer ¹	-	-	-
1104	Data Base Operator	-	-	-
1105	Administrative Officer ²	-	-	-
1199	Sub-total	93,000	93,000	93,000
1200	Consultants			
1201	Consultants/Individual Contractors	-	-	-
1299	Sub-total	-	-	-
1300	Administrative Support			
1301	Programme Assistant	35,000	35,000	35,000
1321	Team Assistant	-	-	-
1399	Sub-total	35,000	35,000	35,000
1600	Travel on official business			
1601	Travel on official mission	12,000	12,000	12,000
1699	Sub-total	12,000	12,000	12,000
	Component total	140,000	140,000	140,000
20	SUB-CONTRACT COMPONENT			
2100	Sub-contracts			
2101	MoU for UN family	15,000	15,000	15,000
2200	Sub-contracts (LOAs)			
2201	MoU (NGOs etc.)	20,960	20,960	20,960
2300	Sub-contracts (for commercial purposes)			
2399	Commercial subcontracts	-	-	-
2999	Component total	35,960	35,960	35,960
30	TRAINING COMPONENT			
3300	Meetings/Conferences			
3301	Meetings, workshops etc.	24,000	24,000	24,000
3999	Component total	24,000	24,000	24,000
40	EQUIPMENT AND PREMISES COMPONENT			
4100	Expendable and Non Expendable Equipment			
4999	Component total	12,150	12,150	12,150
50	MISCELLANEOUS COMPONENT			
5100	Operation and maintenance of equipment			
5999	Component total	18,000	18,000	18,000
	Contingency Exchangerate gain/loss 4%	9,204	9,204	9,204
99	DIRECT COST TO TRUST FUND	239,314	239,314	239,314
	Programme Support Costs (13%)*	31,111	31,111	31,111
	GRAND TOTAL	270,425	270,425	270,425

* Needs to cover United Nations Office in Vienna (UNOV) administrative support and secretariat administrative staff

¹ Services currently provided by UNEP and UN Information Service in Vienna

² Services provided by Administrative Service Center in Geneva and UNOV

Counterpart contributions to Carpathian Convention Trust Fund and projects		average exchange rate per UN		
		87,833 0.734 2012	87,833 0.734 2013	87,833 0.734 2014
10	PERSONNEL COMPONENT			
1100	Personnel			
1101	Head of Secretariat	15,000	15,000	15,000
1102	Technical Assistance Officer / Biodiversity	10,000	10,000	10,000
1103	Information and Communication Officer	-	-	-
1104	Data Base Operator	-	-	-
1105	Administrative Officer	-	-	-
1199	Sub-total	25,000	25,000	25,000
1200	Consultants			
1201	Consultants/Individual Contractors	-	-	-
1299	Sub-total	-	-	-
1300	Administrative Support			
1301	Programme Assistant	15,000	15,000	15,000
1321	Team Assistant	-	-	-
1399	Sub-total	15,000	15,000	15,000
1600	Travel on official business			
1601	Travel on official mission	10,000	10,000	10,000
1699	Sub-total	10,000	10,000	10,000
	Component total	50,000	50,000	50,000
20	SUB-CONTRACT COMPONENT			
2100	Sub-contracts			
2101	MoU for UN family	11,750	11,750	11,750
2200	Sub-contracts (LOAs)			
2201	MoU (NGOs etc.)	22,000	22,000	22,000
2300	Sub-contracts (for commercial purposes)			
2399	Commercial subcontracts	-	-	-
2999	Component total	33,750	33,750	33,750
30	TRAINING COMPONENT			
3299	Sub-total	-	-	-
3300	Meetings/Conferences			
3301	Meetings, workshops etc.	22,000	22,000	22,000
3999	Component total	22,000	22,000	22,000
40	EQUIPMENT AND PREMISES COMPONENT			
4100	Expendable and Non-Expendable Equipment			
4999	Component total	2,500	2,500	2,500
50	MISCELLANEOUS COMPONENT			
5100	Operation and maintenance of equipment			
5999	Component total	3,500	3,500	3,500
99	DIRECT COST TO TRUST FUND	111,750	111,750	111,750
	Programme Support Costs (7%)*	7,823	7,823	7,823
	GRAND TOTAL	119,573	119,573	119,573

* Needs to cover United Nations Office in Vienna (UNOV) administrative support and secretariat administrative staff

Anticipated project income
BIOREGIO Carpathians

USD
358,990



Annex 3 (DECISION COP3/14)

SCALE OF ASSESSMENT OF CONTRIBUTIONS BY STATE PARTIES TO THE TRUST FUND FOR THE THREE YEARS 2012 – 2013 - 2014 FOR THE FRAMEWORK CONVENTION ON THE PROTECTION AND SUSTAINABLE DEVELOPMENT OF THE CARPATHIANS

(EURO)

The contributions by the Parties as specified below will be used for funding the administration of the Convention and its Protocols, including the functioning of its Secretariat.

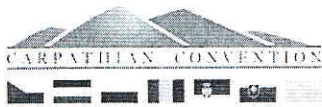
State Party	Year 2012	Year 2013	Year 2014
The Czech Republic	30.000	30.000	30.000
The Republic of Hungary	30.000	30.000	30.000
The Republic of Poland	30.000	30.000	30.000
Romania	30.000	30.000	30.000
Serbia	18.500	18.500	18.500
The Slovak Republic	30.000	30.000	30.000
Ukraine	30.000	30.000	30.000
TOTAL	198.500	198.500	198.500



Annex 4 (DECISION COP3/14)

Draft terms of reference for the Trust Fund for Administering and Meeting the Objectives of the Carpathian Convention and its Protocols, including the functioning of the Secretariat

1. The Trust Fund for Administering and Meeting the Objectives of the Framework Convention on the Protection and Sustainable Development of the Carpathians and related Protocols (hereinafter referred to as the Carpathian Convention and related protocols) including the functioning of the Secretariat (hereinafter referred to as the Trust Fund) is established for an initial period of three years, to provide financial support for the implementation of the Program of Work (POW) of the Convention and the functioning of the Secretariat.
2. The administration of the Trust Fund shall be entrusted to the Secretary-General of the United Nations and, at his discretion to the Executive Director of UNEP under the relevant financial rules and regulations of the United Nations as well as the general procedures governing the operations of the Fund of UNEP, taking into account the Financial Rules for the administration of the Trust Fund of the Carpathian Convention and related protocols, adopted at the first Meeting of the Conference of Parties. The Executive Director can delegate the administration of the Trust Fund to the Head of the Secretariat of the Carpathian Convention and related protocols.
3. The Trust Fund shall be used for funding the implementation of the Program of Work (POW) of the Convention and the functioning of its Secretariat; its budget will be composed of two sections to cover the expenditures under the following categories:
 - Section I: Assessed contributions for Administering and Meeting the Objectives of the Convention and related Protocols, including the functioning of the Secretariat.
 - Section II: (Additional) voluntary contributions for Administering and Meeting the Objectives of the Convention and related Protocols, including the functioning of the Secretariat.
4. The appropriation of section I shall be composed of:
 - (Assessed) Annual contributions from the Contracting Parties.
5. The appropriation of section II shall be composed of
 - Additional voluntary contributions from the Contracting Parties
 - Contributions from Governments which are not Contracting Parties, governmental, intergovernmental and non-governmental organizations and programs, and the private sector.
6. The (assessed) annual contributions from the Contracting Parties for Administering and Meeting the Objectives of the Convention and related Protocols, including the functioning of the Secretariat will for each of the Contracting Parties consist of a share of the budget for Section I of the Trust Fund, to be determined by the



Conference of the Parties (COP); the contributions shall be due on 1 January of each calendar year.

7. Voluntary (additional) contributions for Administering and Meeting the Objectives of the Convention and related Protocols, including the functioning of the Secretariat may be pledged and made at any time. They shall be used in accordance with the terms and conditions agreed between the Head of the Secretariat and the respective contributor.
8. The financial period shall be for three calendar years beginning 1 January of the first year and ending 31 December of the third calendar year.
9. The budget estimates, covering the income and expenditures for the financial period to which they relate, prepared in US dollars, shall be submitted to and approved by the Conference of the Parties to the Carpathian Convention and related protocols.
10. The estimates for each of the calendar years covered by the financial period shall be divided into sections and chapters as shown in the appendix to this terms of reference, shall be specified according to budget lines, shall include references to the program of work to which they relate, and shall be accompanied by any further information as the Executive Director of UNEP may deem useful and advisable.
11. The Head of the Secretariat may commit resources against the Trust Fund only if such commitments are covered by contributions already received. In the event that the Executive Director anticipates that there might be a shortfall in resources over the financial period as a whole, he shall notify the Head of Secretariat, who shall adjust the budget so that expenditures are at all times fully covered by contributions received.
12. The Executive Director of UNEP on the advice of the Head of the Secretariat may make transfers from one section/budget line to another. At the end of the first calendar year of a financial period, the Executive Director may proceed to transfer any uncommitted balance of appropriations, to the same section in the second calendar year.
13. It is for the Conference of the Parties and UNEP to agree on an administrative support charge to be paid to UNEP².
14. At the end of each calendar year, the Executive Director of UNEP shall submit to the Contracting Parties, through the Head of the Secretariat, the certified accounts for that year. At the close of the financial period, he shall submit to them the audited accounts for the financial period.
15. The Trust Fund shall be subjected to external auditing, as decided by the COP and in accordance with the rules and regulations of the United Nations.

² Position to be developed until COP 3 and UNEP services for PSC to be defined.



16. The Executive Director of UNEP shall prepare a report on the budget implementation and submit it to the Contracting Parties at least 6 weeks before the date of each ordinary meeting of the COP.
17. In the event that the COP decides to terminate the Trust Fund, a notification to that effect shall be presented to UNEP at least six months before the date of termination selected by the COP. The COP shall decide, in consultation with UNEP, on the distribution of any unspent balance after all liquidation expenses have been met.

These terms of reference shall be effective from the date of their approval by the Contracting Parties.