

## **Location and arrangements Secretariat Carpathian Convention.**

(Note for discussion by UNEP Vienna ISCC)

### **Introduction.**

Article 15 of the Framework Convention on the Protection and Sustainable Development of the Carpathians, establishes “a Secretariat of the Convention” with the following tasks:

- (a) to make arrangements for sessions of the Conference (of the Parties) and to provide them with services required
- (b) to compile and transmit reports submitted to it;
- (c) to coordinate its activities with the secretariats of other relevant international bodies and conventions;
- (d) to prepare reports on the exercising of its functions under this Convention and its Protocols, including financial reports, and present them to the Conference;
- (e) to facilitate research, communication and information exchange on matters relating to this Convention, and
- (f) to perform other secretariat functions as may be determined by the Conference

In the Resolution adopting the Convention, the Conference of Plenipotentiaries decided that the Secretariat of the Convention “will be located in the Carpathian region” (para 4), in the understanding that – in line with article 1 of the Convention - the geographical scope of the region would be defined by the Conference of the Parties (COP).

In the same Resolution the Conference of Plenipotentiaries requested UNEP-ROE to continue to service the Convention process, pending the decision on the location of the Secretariat (para 5).

UNEP-ROE was requested to prepare and submit to the COP1:

- A consolidated proposal for Secretariat arrangements (para 5 Resolution);
- A comprehensive report and proposal on the scope of application of the Convention (para 6 Resolution)

Furthermore, in the same Resolution, the Conference of Plenipotentiaries welcomed the offer by Austria to host and support the interim arrangement. In June 2004, UNEP Vienna - Interim Secretariat of the Carpathian Convention was officially opened by the UNEP Deputy Executive Director in the United Nations Headquarters building in Vienna.

At its first Meeting, 11-13 December 2006, Kyiv, Ukraine, (COP1) the COP requested the Carpathian Convention Implementation Committee (CCIC) to further review “the issue of the scope of application of the Convention” and decided to postpone decision making on this issue as well as on updated “proposals concerning the Permanent Secretariat arrangements of the Convention”, to COP2 (decisions COP1/15 and 16).

The COP1 appreciated the activities of the interim Secretariat provided by UNEP in Vienna, and expressed its gratitude to the Government of Austria for its support to the

Carpathian Convention, notably by continuing to host and co-finance the Secretariat of the Carpathian Convention on an interim basis.

At its second Meeting, 17-19 June 2008, Bucharest, Romania, the COP called for further consultations on both the scope of application and the arrangements for the Secretariat of the Convention (decisions COP/2/14 and 15). In the Ministerial Declaration of the Meeting the activities of the interim Secretariat in Vienna were appreciated and it was requested “to further support the Convention’s implementation by coordinating follow-up activities and projects”.

At its third Meeting, 25-27 May 2011, Bratislava, Slovak Republic, the COP did not take a decision on the scope of application of the Convention. As to secretariat arrangements the COP:

- “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”, and “adopted the terms of reference for the administration of the Trust Fund” (decision COP/3/14 and Annex 4)
- “Underlined the need and urgency of taking a decision on the location of the Permanent Secretariat of the Carpathian Convention and decided that serviced by the interim Secretariat, a meeting at expert level will be held within six months to prepare for a High-level meeting to be organized by the Presidency. In preparation for the meetings Country offers should be updated, proposed sites should be visited, and criteria for the selection of the location should be prepared” (decision COP/3/16).

COP3 also highly appreciated the successful work of the interim Secretariat in Vienna, and expressed their gratitude to United Nations Environment Programme (UNEP) for administering the interim Secretariat in an effective manner. Furthermore, COP3 expressed its gratitude to the Government of the Republic of Austria for its continuous support to the Carpathian Convention, notably by continuing to host and co-finance its Secretariat on an interim basis.

### **UNEP administered vs independent Secretariat.**

The assets and requirements of a Secretariat administered by UNEP versus an independent Secretariat can be illustrated as follows.

	Secretariat with UNEP	Independent Secretariat
Networking possibilities, partnerships and visibility of the convention and the secretariat; Cooperation with other Multilateral and Regional Environmental Agreements	The institutional integration into UNEP, and therefore the UN system, will have various positive effects on the image, visibility and recognition of the Carpathian Convention; the Convention will be more on	Compared to the option where the Secretariat is under UNEP, these possibilities will be more limited.

	Secretariat with UNEP	Independent Secretariat
	“equal footing” with other UN administered regional (f.i. ECE) agreements; establishing and strengthening networks and partnerships will be more easy.	
Staffing of Secretariat: Head (appointment, accountability)	Head of Secretariat (Executive Secretary) will be nominated by COP, in accordance with Rule 22.1 Rules of Procedure but would have to be actually appointed by UNEP ED, Head is accountable to COP for Convention/ programmatic issues and to UNEP ED for administrative matters	Head of Secretariat (Executive Secretary) will be nominated by COP, in accordance with Rule 22.1 Rules of Procedure. Head will be accountable to COP.
Staffing of Secretariat: other secretariat staff (appointment, accountability)	Other staff will be provided for by the Executive Secretary in line with Rule 22.2 Rules of Procedure	Other staff will be provided for by the Executive Secretary in line with Rule 22.2 Rules of Procedure
Secretariat staff: working conditions, entitlements, salary, spousal employment	Applicable UN rules and regulations	COP to agree with host country: staff rules, including applicable labour law, entitlements and travel, social security scheme, pension scheme, staff insurances, separation, training etc. To be negotiated and agreed upon.
Secretariat staff: liability, immunity, waivers, visa, security, jurisdiction	Applicable UN rules and regulations	COP to agree with host country: Jurisdictional arrangement similar to the administrative courts, as host country tribunals would not be competent for the Carpathian Convention Secretariat as an independent international organization: To be negotiated and agreed upon.
Administrative services to be provided by Secretariat to COP, subsidiary and ad hoc bodies, including: budget and financial management, ICT, human resources management, contracts and procurement, safety and security, building and facilities management, oversight-audit, legal	Applicable UN rules and regulations; UNEP has extensive experience hosting many multilateral, regional and sub-regional environmental agreements	All these items need to be separately agreed upon by COP with host government.

	Secretariat with UNEP	Independent Secretariat
services, monitoring and evaluation, knowledge management systems, communication and information procedures, subcontracting, partnership administration, etc.		
Substantive support to Secretariat from host	UNEP has a tradition of providing substantive support to the Convention Secretariats it hosts, such as on scientific assessment, early warning, legal issues and governance, data and knowledge management, training, project development and in implementation at the national level	May be possible from institutions in host country
Financial support to Secretariat from host	Would be possible, to be negotiated. UNEP has a record of providing incidental support to convention secretariats. In case UNEP decides to allocate funds from its own resources (Env. Fund, partnership funds, counterpart contributions), those will not be transferred into a specific trust fund but will be allocated directly to the Convention for its activities.	Would be possible, depending on host country, to be negotiated
Secretariat staff: costs	Depending on host country. If location is decided: applicable UN rules and regulations. It is the practice of UNEP to allocate 67% of the 13% Programme Support Costs (PSC) in support of the convention secretariat	Depending on host country, and on host country agreement: to be negotiated and agreed upon
Secretariat: office costs	Depending on host country, and on host country agreement: to be negotiated and agreed upon	Depending on host country and on host country agreement: to be negotiated and agreed upon
Agreement of host country to host the Secretariat	Requires adoption of a decision by the UNEP GC. If location in region is agreed upon, needs host government agreement with host country.	Requires decision by national government of host country
Legal status of Secretariat	As agreed in host country agreement: as per applicable UN rules and regulations, legal status derived from UNEP.	Constitutive instrument needed, and as further agreed in host country agreement: to be negotiated and agreed upon

	Secretariat with UNEP	Independent Secretariat
Financial arrangements	Use can be made of the Trust Funds established in UNEP UN financial rules and regulations are applicable and up to 13% PSC is levied. The funds are deposited in the UNEP TF account; interest incurred will be recorded under the income of the Convention TF. The TF accounts shall be subject to audit of the UN Board of Auditors. At the end of each calendar year, UNEP will provide a certified statement of accounts. UN financial rules and regulations require that the day to day financial transactions are certified. A certifying officer and an approving officer are designated by UNEP HQ. In line with established practice, the Executive Secretary will be designated as the programme manager of the TF	Trust fund arrangement or similar required. Financial set-up to be determined including procurement regime, applicable tax regime, budgetary rules, auditing, accounting systems, financial reporting, etc. need to be discussed and agreed upon. The level of administrative support charges, as well as their exact content, will have to be negotiated between COP and host.
Decision on location of the Permanent Secretariat	Agreement on location is not necessarily required	Agreement on location needs to be reached
Location of Permanent Secretariat	In the country (in the region) that will host the secretariat	In the country (in the region) that will host the Secretariat

### **Location of the Secretariat.**

At present the Carpathian Convention process which includes the implementation of up to four Protocols is serviced by UNEP Vienna as part of its overall mandate which furthermore includes: liaison to Vienna-based international organizations; support to UNEP program delivery in South East Europe; and delivery of UNEP's agenda on mountains.

Four countries - Poland; Slovak Republic; Romania; Ukraine – have submitted their candidature for hosting the Convention Secretariat. A comparative table of the main elements of the four offers has been circulated. All offers include free of charge office accommodation and some equipment and services free of charge.

### **Analysis in terms of Secretariat location, host organization and costs.**

No final decisions have been taken on the location of the Secretariat and on the offer by UNEP to administer it. Equally no decision has been taken on the scope of application of the Carpathian Convention; consequently, the borders of the Carpathian region remain undefined.

At present the UNEP Vienna – ISCC team, working on Convention activities, and considered as the minimum needed to effectively manage the Convention process, consisted of 11 assignments – staff, consultants, other subcontracts. The cost of the three members of the team on a UNEP contract – Head of Office; Project Officer; Assistant – are shared with UNEP and their Carpathian Convention related services are budgeted for an amount of USD 150,000 per year which is USD 18,000 less than the USD 168,000 foreseen in the budget of the two trust funds, approved and welcomed in decision COP3/13, Annex 3.

The team furthermore includes full time program officer provided by EURAC, information/communication services provided by UNEP/UN Information service, and Administrative services provided by UNEP.

Travel, meeting and reporting costs are calculated at around USD 87,700 per year slightly more than the USD 68,000 foreseen in the Trust Fund budgets.

Office costs are calculated at USD 36,000 per year, equal to the amount included in the Trust Funds. The rent - USD 43,000 (including PSC) – not foreseen in the trust funds nor in the Carpathian project is paid by UNEP.

The cost of collaboration with the UN, NGO's, Service providers and consultant services through MOUs is estimated to be close to USD 119,000 per year, USD 49,190 more than foreseen in the Trust Funds.

Finally, an amount of slightly over USD 50,000 per annum is to be set aside for contingency and PSC, USD 11,000 higher than for the two Trust Funds budgets together.<sup>1</sup>

Moving the Secretariat to a location outside Vienna would not allow anymore the possibility of sharing the cost of the staff on UNEP contract with UNEP Vienna. It would furthermore imply loosing the staff and related support provided by EURAC and UNEP Vienna and introduce the need to compensate for these services, by hiring additional staff or services. Together this would raise the staff and related services cost from USD 150,000 to at the minimum around USD 448,520 (Secretariat in Romania) to at the maximum around USD 550,100 (Secretariat in Ukraine).

All in all a Secretariat arrangement outside Vienna would cost between around USD 778,690 (Romania) and well over USD 902,510 (Ukraine), which is between USD

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<sup>1</sup> Depending on further consultations regarding the rate of Programme Support Cost (PSC).

323,770 (Romania) and USD 447,590 (Ukraine) more expensive than the Secretariat in Vienna.

Moving the Secretariat to a location outside Vienna would furthermore change and possibly reduce the environment and potential for obtaining additional project funding, in particular from Austria and make the flexibility in the use of funds, now provided by the financial solvability of UNEP Vienna as a whole - entirely dependent of the actual payment dates of the contributions of the Parties.

Finally, as UNEP is paying the rent of the Secretariat premises in Vienna, moving to another location subsidized by a host country would not reduce or augment the cost.

NB. The income of the ISCC from country contributions to the budget of the CC is Euro 198,500 or USD 269,335 (rate 0.737) p.a. (Decision COP3/13, Annex 3).

**Conclusion.**

The CCIC may wish to review the secretariat arrangements on the basis of the information provided above and formulate a recommendation/recommendations to COP4 as to the location and administration of the Convention Secretariat.

ISCC, 12 February 2014

Annex I

Comparative table Secretariat costs

Description of functions Annual cost	Permanent Secretariat Poland	Permanent Secretariat Romania	Permanent Secretariat Slovakia	Permanent Secretariat Ukraine	Exiting arrangements (secretariat as part of UNEP presence in Vienna)
<b>1100 Personnel cost</b>	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Coordinator, P4	179.69	157.43	184.50	194.34	100.00
Project Officer, P3	145.50	127.36	149.41	157.43	10.00
Programme Officer, P3	145.50	127.36	149.41	157.43	-
Assistant, G4	35.92	19.83	28.90	22.22	50.00
Assistant, G3	31.27	16.54	23.58	18.68	-
<b>Total personnel</b>	<b>537.88</b>	<b>448.52</b>	<b>535.80</b>	<b>550.10</b>	<b>160.00</b>
<b>2200 Activity Component</b>					
Travel activity	26.34	26.34	26.34	26.34	26.34
Meetings* different cost for differe	53.31	53.31	53.31	53.31	53.31
MoU	118.90	118.90	118.90	118.90	118.90
Reporting Cost	8.04	8.04	8.04	8.04	8.04
<b>Subtotal activity Component</b>	<b>206.59</b>	<b>206.59</b>	<b>206.59</b>	<b>206.59</b>	<b>206.59</b>
<b>4000-5000 Office cost</b>					UNEP provides coverage for rent annually
Rent					**
Furniture	0.00	0.00	0.00	0.00	0.00
Computer Hardware and Software				8.00	2.00
IT services, support	22.00	22.00	22.00	22.00	22.00
Technical Equipment (Printers, Photocopier, etc)	0.00	0.00	0.00	0.00	0.00
Communication cost (Telephone, Internet)	12.00	12.00	12.00	12.00	12.00
<b>Subtotal office cost</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>42.00</b>	<b>36.00</b>
<b>Cost for moving the secretariat</b>					
Transportation	2.14	3.05	1.00	4.30	0.00
new computer and hardware	-	10.00		10.00	
Relocation cost					
<b>Subtotal office cost</b>					
<b>Total of above subtotals</b>	<b>778.46</b>	<b>689.11</b>	<b>776.39</b>	<b>798.69</b>	<b>402.59</b>
<b>Overheads 13%</b>	<b>101.20</b>	<b>89.58</b>	<b>100.93</b>	<b>103.83</b>	<b>52.34</b>
<b>Grand Total</b>	<b>879.66</b>	<b>778.69</b>	<b>877.32</b>	<b>902.51</b>	<b>454.92</b>

\* Meeting cost might apply in Brasov and Banska Bystrica for larger meetings

\*\* Rent is annually covered by UNEP ROE for the Vienna Office