



United Nations

ECLA



UNEP

Distr.
RESTRICTED

E/CEPAL/PROY.3/L.4
19 November 1979

Original : English

Meeting of Government Nominated Experts
to Review the Draft Action Plan for the
Wider Caribbean Region

Caracas, Venezuela
28 January - 1 February 1980



Options for Financial and Institutional Arrangements

**UNEP / CEPAL
1979**

This document has been prepared as a contribution to the joint UNEP/ECLA Caribbean Environment Project (FP-1000-77-01). The views expressed in it are not necessarily those of UNEP and ECLA.

Table of contents

	Paragraphs
I INTRODUCTION	1
II INSTITUTIONAL ARRANGEMENTS	2 - 31
Overall authority	4 - 5
Overall co-ordination	6
Regional co-ordinating unit (RCU)	7 - 17
National focal points (NFP)	19 - 20
National institutions (NI)	21 - 22
Subregional and regional institutions (organizations)	23 - 25
Networking	26 - 29
International organizations	30
Communication links	31
III FINANCIAL ARRANGEMENTS	32 - 46
Financial support	33 - 34
Funding mechanisms	35 - 39
Contributions to the Trust Fund	40 - 44
Management of financial resources	45 - 46

I INTRODUCTION

1. This document has been prepared to illustrate some of the options that may be used for the institutional and financial arrangements needed to implement the Action Plan for the Caribbean Environment Programme.

II INSTITUTIONAL ARRANGEMENTS

2. The efficient implementation of the Action Plan and its results will depend on action at regional, sub-regional and national levels. It is, therefore, very important to identify the lines of authority and communication on policy and working levels and to develop appropriate institutional capabilities and co-operative mechanisms at each of these levels.
3. The Action Plan calls for the establishment of simple co-ordinating mechanisms using, to the greatest possible extent, existing organizations and co-ordinating bodies which would deal, directly or indirectly, through the appropriate national authorities, with the national institutions designated by their Governments as participants in the Action Plan.

Overall authority

4. The overall authority to determine the content of the Action Plan, to review its progress and to direct its course, including the financial implications, are the regular (periodic) meetings of Governments (intergovernmental meetings) participating in the Action Plan.
5. In view of the large number of States and Territories expected to participate in the Action Plan, the Governments may decide to transfer all or some of the prerogatives of the intergovernmental meetings to a smaller group (Council of Ministers, Bureau, etc.) which could meet in between the regular intergovernmental meetings.

Overall co-ordination

6. The Governments of the States and Territories participating in the Action Plan should assign the responsibility for the overall co-ordination of the Action Plan's implementation to one well-defined organization which would be responsible to the Governments

participating in the Action Plan. Some of the options available to the Governments in selecting this organization are: UNEP, ECLA, an existing or newly-created regional organization. The Advisory Panel on the Caribbean Environment Programme recommended the selection of UNEP as the organization which should be responsible for the implementation of the Action Plan.

Regional co-ordinating unit (RCU)

7. A central regional co-ordinating unit (RCU) will be necessary to ensure the timely and harmonious implementation of the Action Plan.
8. The RCU should operate under the authority of the organization to which the Governments will assign the task of overall co-ordinator of the Action Plan.
9. The regional co-ordinating unit should be kept to the minimum size possible to ensure that the maximum of funds available may be used to achieve the major goals set forth in the Action Plan. To this end great care must be exercised in determining the terms of reference, the administrative arrangements, the location and the staff structure.

(a) Terms of reference

10. The principal function of the RCU should be technical, i.e. to develop and co-ordinate the work of national and subregional institutions which will carry out the various activities agreed as part of the Caribbean Action Plan.
11. The RCU should not itself conduct research, but serve as a referral centre providing information and identifying experts and institutions to aid participating States and Territories in solving specific environmental problems.
12. The RCU should also be responsible for preparing and organizing periodic meetings of Government-nominated experts and intergovernmental meetings to assess the progress of the Action Plan and to consider the adoption of new programme elements, protocols or conventions if their preparation has been requested by the Governments participating in the Action Plan.

(b) Location

13. The physical location of the RCU can affect its operational efficiency and cost significantly. Naturally, the RCU should be sited in the wider Caribbean Region but, in choosing a location, the following points should be borne in mind:

- local availability of support from the organization under whose authority the RCU operates;

- proximity to other organizations supporting the implementation of the Action Plan, in particular the organization to which the overall co-ordination has been assigned;
- suitable telecommunication and travel conditions;
- local availability of back-up services, such as translators, interpreters, libraries, data banks and computer facilities;
- local availability of physical space for offices and adequate conference facilities;
- other factors bearing on the cost and efficient functioning of the RCU.

(c) Personnel (staff)

14. The staff of the RCU should be recruited preferably from the nationals of the States and Territories participating in the Action Plan.
15. Initially, the RCU may comprise not more than three professionals and the necessary support staff distributed as follows:

1 Programme Co-ordinator	(United Nations level P.5/D.1)
2 Programme Officers	(United Nations level P.4/P.5)
1 Administrative Officer	(United Nations level P.2/P.3)
1 Senior Secretary	(United Nations level G.4)
1 Bilingual Secretary	(United Nations level G.3)
1 Typist	(United Nations level G.2)
1 Telephone/telex operator	(United Nations level G.2/3)
1 Messenger	(United Nations level G.1/2)
16. If the RCU were co-located with the offices of the organization under whose authority it should operate, some of the supporting staff (administrative officer, telephone/telex operator and messenger) may be made available on a part-time cost-sharing basis. The professional staff of that organization may also provide some technical assistance, thereby reducing pressures which could cause a future increase in the staff of the RCU.
17. It is understood that for the tasks requiring specific expertise, the RCU will be assisted by consultants selected from the Region as far as possible.
18. As the programme gathers momentum, it may become necessary to recruit a data processor (United Nations level P.2) and additional supporting staff.

National focal points (NFP)

19. The active participation and co-operation of the States and Territories are the basic prerequisites for the success of the Action Plan. In order to achieve an efficient and well co-ordinated co-operation, a national focal point (NFP), to deal with all matters relevant to the Action Plan, should be established (or an existing structure should be assigned this task) at a high level in each of the participating States and Territories.
20. The role of the national focal points should be:
 - to co-ordinate the input of their national institutions into the Action Plan;
 - to maintain links with the central co-ordinating unit of the Action Plan;
 - to keep their Governments informed on the progress of the Action Plan.

National institutions (NI)

21. National institutions (NI) designated by their Governments should provide the institutional basis for the activities agreed upon between the Governments as components of the Action Plan. They should be the principal executants of specific activities within the Action Plan.
22. In order to allow for their full participation in agreed activities, technical and managerial assistance (equipment, training, etc.) should be provided through the Action Plan to those national institutions requiring it.

Subregional and regional institutions (organizations)

23. The existing subregional (covering only parts of the Wider Caribbean Region) and regional institutions should be used to the maximum possible extent for the implementation of specific activities or for the co-ordination of their implementation.
24. Whenever necessary, a national institution could also assume a subregional or regional role.
25. Technical and managerial assistance should be provided through the Action Plan to the subregional and regional institutions participating in it.

Networking

26. In principle, each of the activities agreed as part of the Action Plan should be carried out by several national institutions (NI) located in the various States and Territories of the Region. They should be linked in networks of co-operating institutions.
27. The regional (RI) and subregional institutions (SRI) participating in specific activities should also be considered as members of the networks.
28. One member of each network should assume the role of the regional activity centre (RAC) for that network and co-ordinate the activity for which the network was established.
29. Several options could be identified for the type of operative links between the participants in the implementation of the Action Plan:
 - (a) a regionwide option would establish direct links between the regional (central) co-ordinating unit and each national, regional and subregional institution;
 - (b) a subregional option would establish links between the regional (central) co-ordinating unit and several regional and subregional institutions, each of which would in turn establish linkages with institutions in a specified geographical area;
 - (c) a third option relies on identification of national institutions which could assume the role of regional activity centre (RAC), each having special expertise or facilities qualifying it to deal with a particular subject area. For each activity within the Action Plan, the regional co-ordinating unit would establish linkage principally with the RAC, which would in turn co-ordinate the work of other institutions pursuing that same activity.

International organizations

30. The assistance of the international organizations, in particular those belonging to the United Nations system, is essential for the implementation of the Action Plan and therefore, their technical and managerial support for specific projects should be solicited. The RCU should, in general, assume responsibility for co-ordinating such support.

Communication links

31. The suggested communication links on policy and technical matters between the various elements of the proposed institutional arrangements are indicated in figures 1 and 2.

III FINANCIAL ARRANGEMENTS

32. Although the ultimate aim is that the implementation phase of the Caribbean Action Plan should be financially self-supporting, it is expected that the United Nations system should initially provide a substantial financial contribution, progressively decreasing as the Governments of the Region, through a Trust Fund or other mechanism, assume fuller financial responsibility.

Financial support

33. Financial support for the activities which may be agreed as part of the Caribbean Action Plan could come from several sources:
- (a) voluntary contributions from States and Territories participating in the Action Plan;
 - (b) voluntary contributions from States supporting the Action Plan but not participating in it;
 - (c) support from the United Nations organizations on a project-funding basis;
 - (d) contributions from the regional and international organizations which are not part of the United Nations system, in most cases on a project-funding basis.
34. All these contributions could be in cash or in kind (staff time, experts, training, facilities, services, etc.). Although contributions in kind could be of great importance, contributions in cash are essential for the smooth implementation of the Action Plan.

Funding mechanisms

35. Two mechanisms could be envisaged for channels of cash contributions:
- (a) a Caribbean Regional Trust Fund to cover the expenses related to common cost (co-ordination, meetings, etc.) and the costs of projects (activities) of general interest to all participants in the Action Plan;
 - (b) contributions to specific projects (activities) agreed as part of the Action Plan.
36. While not neglecting the importance of support to specific projects, the establishment of a Trust Fund seems to be the prerequisite for the balanced implementation of the Action Plan in the long run.

37. Contributions to the Trust Fund could be primarily expected to come as voluntary contributions from States and Territories participating in the Action Plan, including the States having Caribbean Territories. To a smaller extent, contributions to the Trust Fund could also be expected from States supporting the Action Plan but not participating in it.
38. Contributions from the United Nations system should be mainly expected on a project-funding basis, although UNEP could also contribute towards the common costs (co-ordination, meetings) of the Action Plan.
39. Thus, the total financial resources of the Action Plan would consist of the Trust Fund and the contributions towards specific projects. The relationship between these components, as well as with the sources of funds, is shown in figure 3 (broken lines: contributions in kind).

Contributions to the Trust Fund

40. There are many possible ways to determine the level of voluntary contributions of the participating States and Territories to the Trust Fund.
41. The table shows two possible options to determine a mutually agreeable scale of voluntary contributions to the Trust Fund assuming that all Caribbean States and States having Caribbean Territories will contribute to it. As the basis for the calculation, the proposed scale of assessment to the United Nations budget (in percentage of contributions of all United Nations States Members) for the period 1980 - 1982 was used (column B in the table). For comparison, the scale for the 1978 - 1979 biennium is shown in column A of the table.
42. The total contribution of the Caribbean States and States having Caribbean Territories to the United Nations budget is 39.07 per cent. The relative contributions of these States are shown in column C of the table (in percent of the total contribution to the Trust Fund) which were calculated as $C=2.559 \times B$. This could be one way of agreeing to aliment the Trust Fund.
43. Column D of the table is a modification of column C, based on the application of the "25 per cent maximum" principle. It was calculated as $D=7.463 \times B$. The repartition of contributions as given in this column could be considered as the second option.
44. Another alternative for the scale of voluntary contributions to the Trust Fund is the scheme according to which each of the participants in the Action Plan contributes, on equal terms ("entrance fee"), to cover a certain percent (10 - 25 per cent) of overall cash requirements the rest to be contributed according to the scale proposed in column C or D of the table.

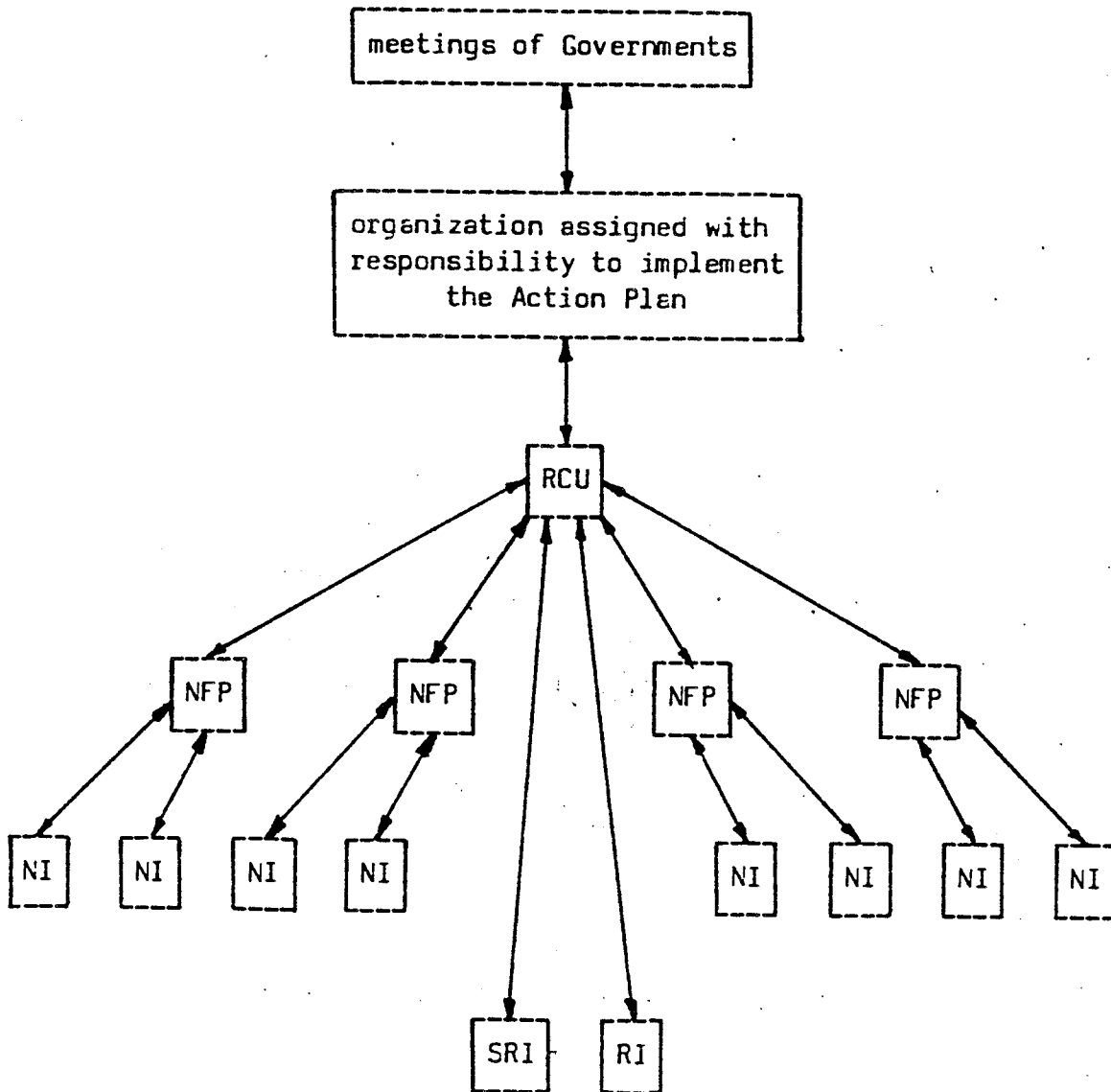
Management of financial resources

45. The management of the financial resources, in particular the Trust Fund, should be decided by the Governments contributing to the budget supporting the Action Plan. In principle, the management of these resources could be entrusted:
- (a) to the organization designated to co-ordinate the implementation of the Action Plan under the supervision of the Governments participating in it;
 - (b) to any State participating in the Action Plan;
 - (c) to an independant financial institution.
46. The costs related to the management of the Trust Fund, if established, should be borne by the Fund itself.

Suggested basis for the calculation of contributors to the Caribbean Trust Fund (for explanation see paragraphs 40 - 42)

STATE OR TERRITORY	A	B	C	D
Antigua	n.a.	n.a.	-	-
Bahamas	0.01	0.01	0.026	0.075
Barbados	0.01	0.01	0.026	0.075
Belize	n.a.	n.a.	-	-
British Virgin Islands	n.a.	n.a.	-	-
Cayman Islands	n.a.	n.a.	-	-
Colombia	0.11	0.11	0.281	0.821
Costa Rica	0.02	0.02	0.051	0.149
Cuba	0.11	0.11	0.281	0.821
Dominica	n.a.	0.01	0.026	0.075
Dominican Republic	0.02	0.03	0.077	0.224
French Guiana	n.a.	n.a.	-	-
Grenada	0.01	0.01	0.026	0.075
Guadeloupe	n.a.	n.a.	-	-
Guatemala	0.02	0.02	0.051	0.149
Guyana	0.01	0.01	0.026	0.075
Haiti	0.01	0.01	0.026	0.075
Honduras	0.01	0.01	0.026	0.075
Jamaica	0.02	0.02	0.051	0.149
Martinique	n.a.	n.a.	-	-
Mexico	0.79	0.76	1.945	5.672
Monserrat	n.a.	n.a.	-	-
Netherlands Antilles	n.a.	n.a.	-	-
Nicaragua	0.01	0.01	0.026	0.075
Panama	0.02	0.02	0.051	0.149
Puerto Rico	n.a.	n.a.	-	-
St. Kitts-Nevis-Anguilla	n.a.	n.a.	-	-
St. Lucia	n.a.	n.a.	-	-
St. Vincent	n.a.	n.a.	-	-
Suriname	0.01	0.01	0.026	0.075
Trinidad and Tobago	0.03	0.03	0.077	0.224
Turks and Caicos Islands	n.a.	n.a.	-	-
U.S.A.	25.00	25.00	63.975	25.00
US Virgin Islands	n.a.	n.a.	-	-
Venezuela	0.39	0.50	1.279	3.732
France	5.82	6.26	16.019	25.00
Netherlands	1.42	1.63	4.171	12.165
United Kingdom	4.52	4.46	11.413	25.00
	38.37	39.07	99.956 (100.000)	99.930 (100.00)

Fig. 1. Communication links on policy matters



RCU : Regional Co-ordinating Unit

NFP : National Focal Point

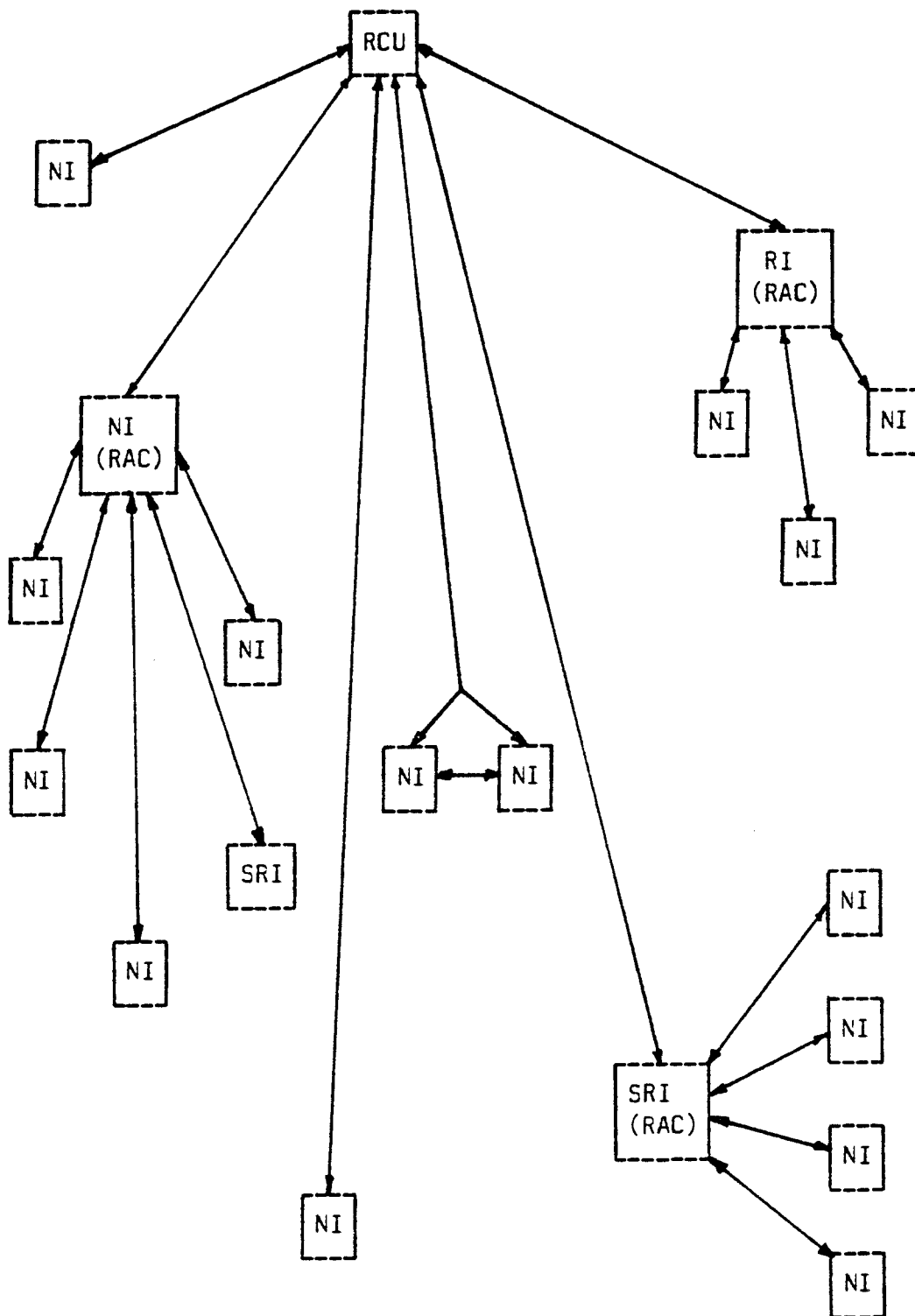
NI : National Institution

RI : Regional Institution (organization)

SRI : Subregional Institution (organization)

Note : links with international organization not indicated in this simplified scheme

Fig. 2 : Communication links on technical matters
(implementation of specific activities through networks)



RCU : Regional Co-ordinating unit
 NI : National Institution
 RI : Regional Institution (organization)
 SRI : Subregional Institution (organization)
 RAC : Regional Activity Centre

Note : links with international organizations not indicated
 in this simplified scheme

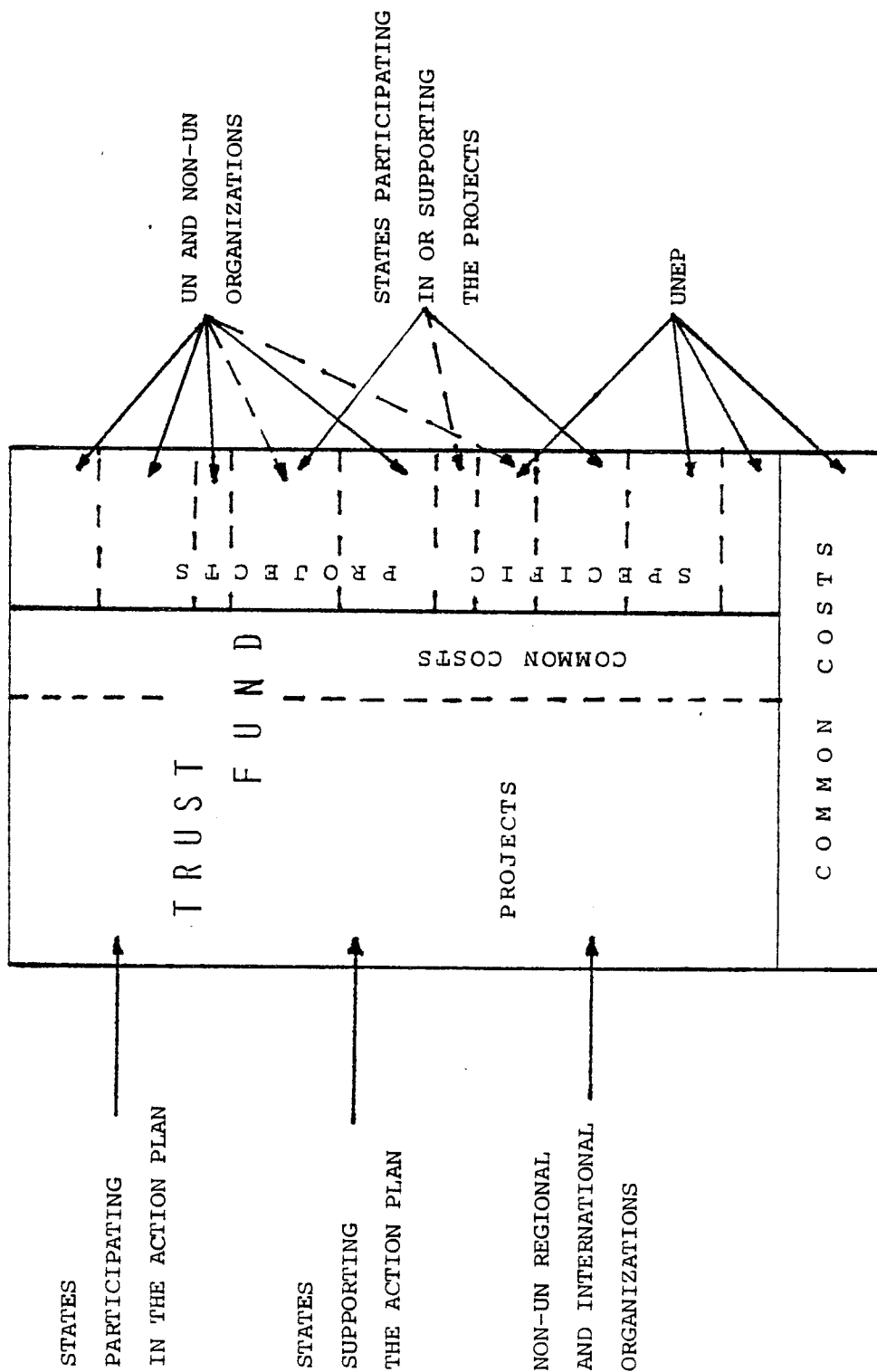


Fig. 3. Financial resources envisaged for the Caribbean Action Plan.