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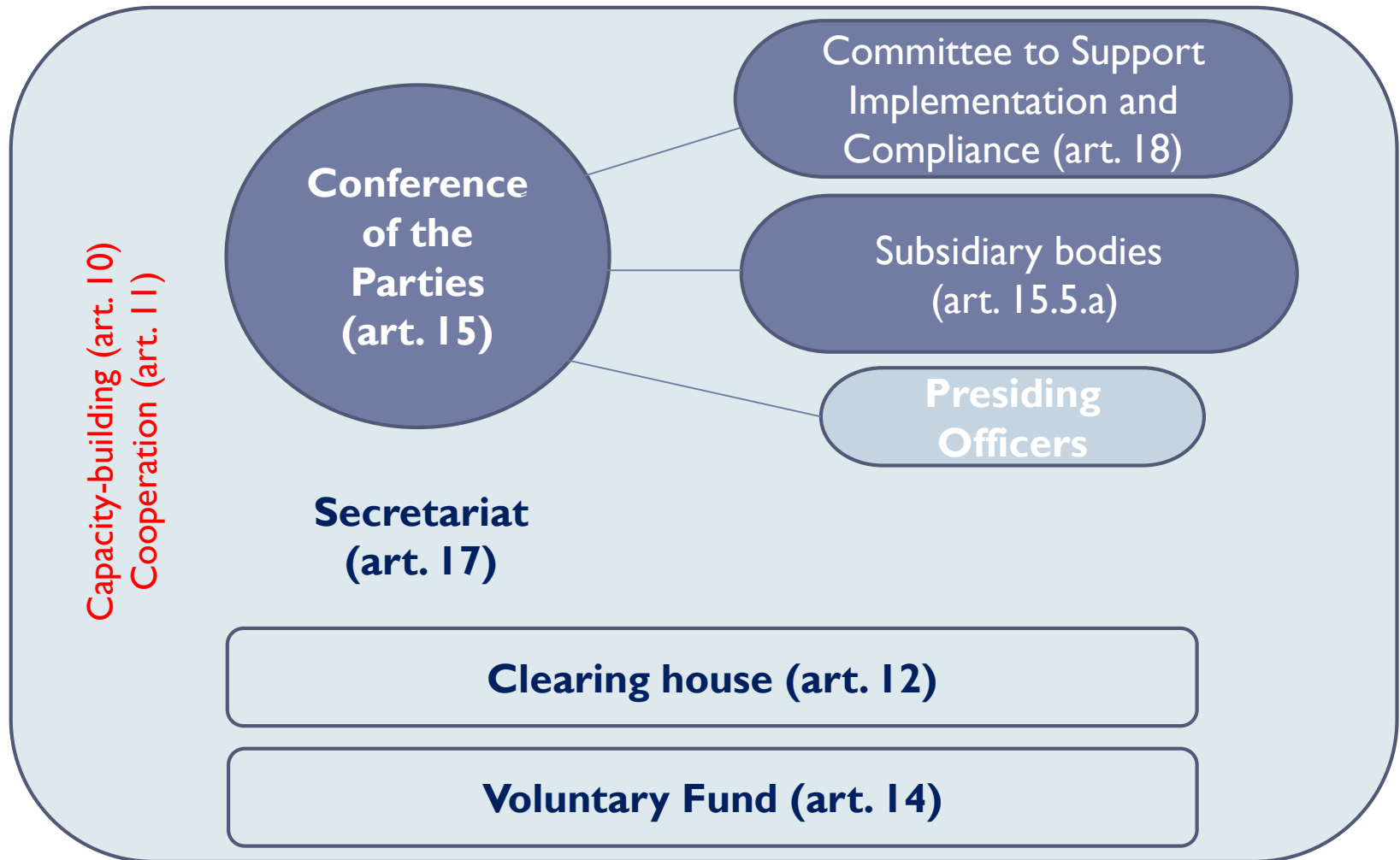
Economic Commission for Latin America and the Caribbean

Financial provisions and Voluntary Fund
for the Escazú Agreement

11 October 2019



Institutional structure of the Agreement





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Functions of the Secretariat (art. 17.2)

- (a) to convene and organize the meetings of the Conference of the Parties and its subsidiary bodies and provide the necessary services;
- (b) to provide assistance to the Parties upon their request for capacity-building, including the sharing of experiences and information and the organization of activities in accordance with articles 10, 11 and 12 of the present Agreement;
- (c) to determine, under the general guidance of the Conference of the Parties, the administrative and contractual arrangements needed to carry out its functions effectively; and
- (d) to perform any other secretariat functions specified in the present Agreement and any other functions as determined by the Conference of the Parties.

References:

- Seventh Meeting of the Negotiating Committee (LC/CNPI0.7/3: Future Regional Agreement...and the procedures for establishing its Secretariat)



Conference of the Parties (art. 15)

15.2. The Executive Secretary of the ECLAC shall convene the first meeting of the Conference of the Parties no later than one year after the entry into force of the present Agreement.

15.4. **At its first meeting, the Conference of the Parties shall:**

(b) discuss and adopt by consensus the financial provisions that are necessary for the functioning and implementation of the present Agreement.

15.5. The Conference of the Parties shall examine and promote the implementation and effectiveness of the present Agreement. To that end:

(g) it shall establish guidelines and modalities for mobilizing financial and non-financial resources from various sources to facilitate the implementation of the present Agreement;



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Voluntary Fund (article 14)

1. A Voluntary Fund is hereby established to support the financing of the implementation of the present Agreement, the **functioning of which shall be defined by the Conference of the Parties.**
 2. Parties may make **voluntary contributions** to support the implementation of the present Agreement.
 3. The Conference of the Parties **may seek**, in accordance with paragraph 5(g) of article 15 of the present Agreement, **to obtain funds from other sources** to support the implementation of the present Agreement.
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Administrative arrangements and financial provisions

- ▶ Functions of the Secretariat
 - ▶ Predictable and stable resources
 - ▶ Backed by ECLAC governing bodies (Resolutions: 686(XXXV) (Lima, 2014), 693(PLEN.30) (New York, 2015), 706(XXXVI) (Mexico City, 2016), 725(XXXVII) (La Habana, 2018))
- ▶ Multi-donor fund.
 - ▶ Transparency and efficient management.
 - ▶ Render account at every COP
 - ▶ Unearmarked contributions.
 - ▶ Main uses

References:

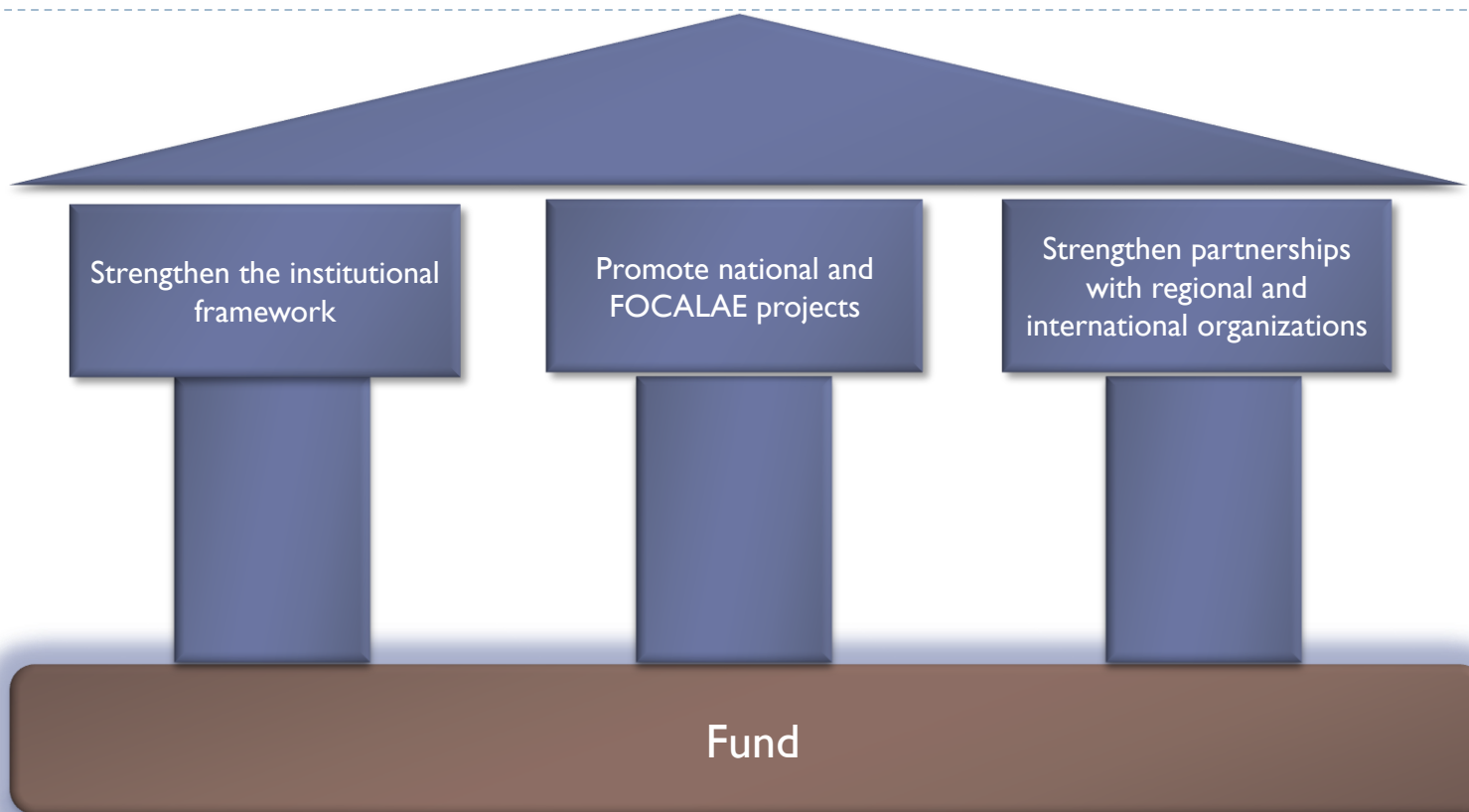
- Seventh Meeting of the Negotiating Committee (LC/CNPI0.7/3: Future Regional Agreement...and the procedures for establishing its Secretariat)
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Characteristics of Multidonor funds administered by ECLAC

- ▶ **Extrabudgetary resources** that complement ordinary resources and are based on the substantive and financial support of different cooperation entities (Governments, United Nations bodies, multilateral organizations, among others)
 - ▶ Administered in accordance with the **rules, regulations, norms and standards of the United Nations Secretariat**
 - ▶ Preference is given to a **regional, multi-sectoral and multi-annual approach** in the implementation of extrabudgetary programmes and projects.
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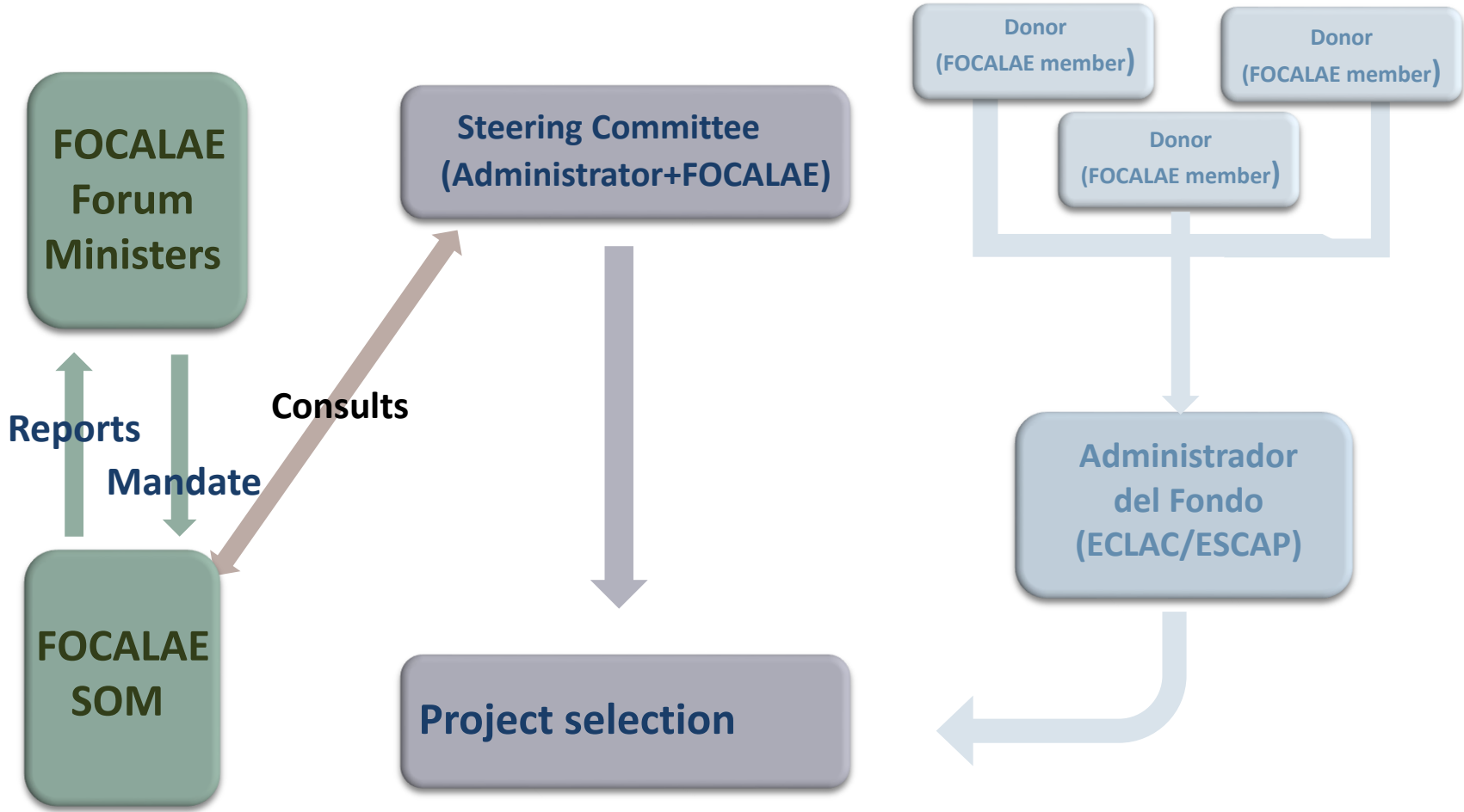
FOCALAE Example: Objectives



1. Establishment: Agreement in Forum of Ministers
2. Terms and Conditions of the Fund
3. Terms of Reference of the Steering Committee
4. Cooperation agreements donor-ECLAC on individual contributions



FOCALAE Example: Legal basis and structure





Terms and conditions of Funds: main elements

- ▶ Established under the Financial Rules and Regulations and directives of the United Nations for the receipt and administration of such funds.
 - ▶ The Trust Fund and the activities financed from it shall be administered by the United Nations in accordance with the applicable United Nations regulations, rules, procedures, directive and policy.
 - ▶ The Trust Fund may be placed in an interest-bearing account. Any interest earned will be credited to the Trust Fund.
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Terms and conditions of Funds: main elements

Steering Committee

- ▶ Comprising representatives of donor countries and ECLAC. The Steering Committee shall act as a central advisory body and will play a critical role in identifying priorities projects and activities among others, in accordance with its **Terms of Reference**.
 - ▶ The Steering Committee will be chaired/co-chaired
 - ▶ It may adopt its own rules of procedure on the basis of consensus.
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Terms and conditions of Funds: main elements

Auditing and reporting

- ▶ The Trust Fund shall be subject exclusively to the internal and external **auditing** procedures laid down in the Financial Regulations, Rules and directives of the United Nations.
 - ▶ The United Nations shall provide a **consolidated annual progress and financial report** on the activities funded by the Trust Fund, prepared in accordance with the United Nations accounting and reporting procedures.
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Individual cooperation agreements

- ▶ Between each individual donor and ECLAC with regard to the contribution to the Multidonor Fund
 - ▶ Refer to the main objective of the fund and its terms and conditions
 - ▶ Comply with United Nations rules and backup for donor
 - ▶ Indicate the amount of the contribution
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Aspects to consider with respect to the Voluntary Fund (Escazú)

- ▶ Governing body? Composition? Decision-making? Terms of reference of the Steering Committee?

 - ▶ What projects/activities to fund?
 - Activities on capacity-building and cooperation.
 - Support participation of delegations and the public in the Conference of the Parties.

 - ▶ How are the voluntary contributions? Who can contribute?
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Conclusions

- ▶ Agreement with minimum cost, efficient and effective
 - ▶ Predictable and stable resources
 - ▶ Voluntary Fund:
 - ▶ Experience at the Secretariat (ECLAC) and the countries of Latin America and the Caribbean
 - ▶ Administrative and financial aspects of the Terms of Reference have been negotiated
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Secretariat of the Escazú Agreement

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United Nations – Economic Commission for Latin America
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<http://www.cepal.org/acuerdodeescazu>

<http://observatoriop10.cepal.org>

#AcuerdodeEscazú #EscazúAgreement
