

**Malawi intervention during 9th Annual subcommittee meeting
on Agenda Item 7: Financial outlook and funding challenges for
the United Nations Environment Programme**

1. My delegation thanks and appreciates the Secretariat for the presentation regarding funding and finances. Malawi has two preliminary points to raise.
2. From the outset my delegation would like to align itself with the statement delivered on behalf of the African group.
3. Before going further let me that the Deputy Executive Director of UNEP for her opening remarks and also the panelists for sharing their input to this very important agenda item.
4. Chair we note with dismay the reference to one outcome of UNEA 5 as being landmark. In our own view we would like to stress the need to avoid creating a hierarchy of importance for the resolutions.
5. Going on, we have taken note of the funding challenges that are affecting UNEP. We would like to comment on two of these namely regarding insufficient core funding and narrow funding base despite universal affiliation. These two are closely related, if not one and the same. The reason why there is insufficient core funding is that a considerable number of the 193 Member States of the

organisation have not been and are not meeting their voluntary obligations.

6. In its presentation, the Secretariat has stated, that 15 Member States, or less than 10 percent of Member States, provide over 90 percent of the total income to UNEP, including to the Environment Fund. We are further told that less than half of UNEP's member states provide funding in any given year, with about half of those contributing their full share of the voluntary allotments. We would like to call those that are in the other halves as also 'non-traditional funding sources'.

7. Therefore, deliberate efforts must be undertaken towards these non-traditional sources. We would like to strongly urge the Secretariat to continue innovating on its communication and outreach for purposes of the resource mobilization strategy.

8. For instance, in the various visits undertaken by the Executive Director, how many of those are to the non-paying member states? Does the Executive Director see value in pitching up at regional environmental ministers' meetings to lobby for support from member states? The African group recently held its ministerial session in Dakar, which presented a unique opportunity to engage at the highest level from both UNEP's and member states' point of view.

9. We believe that it is equally important to express appreciation for those doing their part, as it is also very useful to engage and encourage others to increase their interest and willingness to financially support UNEP's work.

10. Secondly, we have taken note with appreciation the proposal by the Secretariat to set up three thematic funds to attract more stable funding for the organisation.

11. However, we are of the strong view that introduction of the three strategies will not be very helpful in trying to deal with the current situation regarding unavailability of inflexible funding. Why do we say so? We say so because we believe that creation of new funds will not change the basic reasons why earmarked funding attracts more funding. Funding is primarily determined by attitudes and self-interests of those that prefer to contribute through earmarked funding.

12. Creation of new funds will not change their attitudes and self-interests. By the Secretariat's own admission, growth in funding over the last decade has been driven by earmarked funding. It appears to all intents and purposes that there will be unlikely any change in attitudes and self-interests that would be helpful and constructive for the proposed three thematic funds.

13. Our concern is that creating the three thematic funds might end being an opportunity cost for other interventions that equally require funds, based on the principle of common but differentiated responsibilities. Because in the absence of an increased resource envelope, the only way to populate the additional funding mechanisms would be to move resources from existing targets or beneficiary interventions.

14. As I conclude, let me emphasise that we do not want to gather here, discussing and supporting an intervention that is more likely dead upon arrival at the implementation door-step. We do not want to sit here to endorse something that will look beautiful on paper but untenable in reality. We do not want to sit here to sanction a process that ends up being a lame duck initiative.

15. I thank you most sincerely for your kind attention