



United Nations Environment Programme

**EP**

UNEP(DEPI)/MED IG 20/Inf.6
27 January 2012

ENGLISH



MEDITERRANEAN ACTION PLAN

17th Ordinary Meeting of the Contracting Parties to
the Convention for the Protection of the Marine Environment
and the Coastal Region of the Mediterranean and its Protocols

Paris (France), 8-10 February 2012

Reports, Conclusions and recommendations of the Meetings of the Bureau of the Contracting Parties to the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean and its Protocols held in 2010-2011

UNEP/MAP
Athens, 2012

**Report of the Meeting of the Bureau of the Contracting Parties to the
Convention for the Protection of the Marine Environment and the Coastal
Region of the Mediterranean and its Protocols**

Rabat, Morocco, 5-6 May 2010

TABLE OF CONTENTS

Report

Annex I: List of participants

Annex II. Agenda

Annex III: Decisions

Introduction

1. At the invitation of the Government of Morocco, the 70th Meeting of the Bureau of the Contracting Parties to the Barcelona Convention and its Protocols was held on 5 and 6 May 2010 at the Golden Tulip Farah Hotel in Rabat, Morocco.

Participation

2. The following members of the Bureau and advisers attended the meeting: Mr Mohamed Benyahia (Morocco), Ms Marijana Mance-Kowalsky (Croatia), Ms Mawaheb Abu-Elazm (Egypt), Mr Ilias Mavroidis (Greece), Ms Ayelet Rosen (Israel) and Mr Oliviero Montanaro (Italy), Ms Fatiha El Mahdaoui and Mr Rachid Firadi (Morocco) and Ms Heba Sharawy (Egypt).

3. UNEP and the MAP Coordinating Unit were represented by Ms Maria Luisa Silva Mejias, Officer-in-Charge and Deputy Coordinator of MAP and Ms Tatjana Hema, MAP Programme Officer.

4. The list of participants is attached as **Annex I** to this report.

Agenda item 1: Opening of the meeting

5. The President of the Bureau, Mr Mohamed Benyahia, Director of Communication and Cooperation Partnership, Ministry of Energy, Mines, Water and Environment of Morocco, opened the meeting, warmly welcomed the participants and thanked the Secretariat for making all necessary preparations for the present meeting. In his opening speech, he highlighted a number of important recent developments and activities in Morocco such as the process for preparing the national Environment and Sustainable Development Chart through a process of consultation with regional and local authorities, and all other stakeholders: civil society, media, academic and scientific community and private sector. He also briefed the meeting regarding the celebration in Morocco of the 40th Anniversary of Earth day, an event that gathered together, for almost one week, civil society and the governmental sector. Such celebrations were concluded through commitment and establishment of partnerships among different stakeholders including the socio-economic actors for projects on renewable energies, CO₂ emission reduction through gas generation from the landfill in Rabat etc. All this work demonstrates the commitment of Morocco with regard to the environment also as a contribution to the environmental protection at the regional level. The President continued his opening speech by pointing out the expected outcome of this Bureau meeting, in particular the guidance to the Secretariat on the proposed roadmaps for different processes in view of implementing the MAP programme of work. In particular, he emphasised the commitment of Morocco, newly elected as member of the Compliance Committee in Marrakesh, to contribute to the successful implementation of its programme of work over the biennium, thus facilitating the work of the Contracting Parties to achieve compliance with the obligations under the Barcelona Convention and its Protocols and principles of sustainable development.

6. Ms Silva Mejias, Officer-in-charge and Deputy Coordinator of MAP, thanking, on behalf of the Secretariat, the Ministry of Energy, Mines, Water and Environment for hosting in Rabat the first Bureau meeting since the 16th Contracting Parties in Marrakesh and their hospitality and their efforts in supporting meeting preparations, pointed out the main directions of the work of the Secretariat since Marrakesh in terms of planning, organizing and strategizing key priorities in particular in the field of MAP Governance and establishing the necessary partnerships that would allow MAP to advance as much as possible in the implementation of its programme of work, including the Marrakesh Declaration. In the views of the Secretariat, the purpose of this Bureau meeting was two-fold: to report on progress

achieved and seek Bureau guidance on several issues that would enable the Secretariat to strategize its work, launch key priority outputs and focus on their deliverables.

Agenda item 2: Adoption of the Provisional Agenda and organization of work

7. The meeting adopted the agenda and annotated agenda contained in documents UNEP/BUR/70/1 and 2. The agenda is attached as **Annex II** to the present report.

Agenda item 3: Progress Report by the Secretariat on activities carried out during the period November 2009 – March 2010

8. The meeting examined the Progress Report (UNEP/BUR/70/3) section by section.

Governance

1. Legal issues

9. Ms Silva, reviewing the information contained in the progress report UNEP/BUR/70/3, highlighted the importance that the Secretariat attached to ratification process and emphasized the progress achieved with regard to the increased number of parties for which the new and revised MAP legal instruments were already in force. In particular, she informed the meeting of the likely universal ratification of the Barcelona Convention because of Bosnia-Herzegovina/one Contracting Party's announcement regarding the ratification of all MAP revised and new legal instruments that is expected to be finalized soon. As a result, the Offshore and Dumping Protocols, needing only one additional ratification/acceptance, may also enter into force at the same time. The ICZM Protocol for which the process of ratification was at an advanced stage which means that if those processes are finalized as reported, this Protocol may enter into force by the end of this year.

10. During discussions, several issues were raised. With reference to MAP reporting system, it was requested that INFO/RAC should make the online reporting system more user friendly. Bureau members highlighted the necessity and importance of having the online reporting system operational as soon as possible with the view to facilitating the Contracting Parties work for uploading their reports on measures taken during 2008-2009 biennium to implement the Convention and its Protocols.

11. Responding to a question regarding the work of the Compliance Committee, Ms Silva clarified that the meeting was scheduled early 2011 in order to enable the Committee to address issues arisen from 2008-2009 reporting cycle, the implementation of which was foreseen during the second six months of 2010, thus ensuring that the Compliance Committee focuses mainly on substantial matters.

12. Mr Benyahia while indicating that the ratification process of the ICZM Protocol was close to its finalization in Morocco, in his capacity as the President of the Bureau thanked those Contracting Parties that have advanced ratification process urging all the other Contracting Parties to make progress with a view to achieving the universal ratification of the Barcelona Convention and in particular the entry into force of the ICZM Protocol and of the 1995 amendments to the Dumping Protocol.

2. Coordination and cooperation

13. Introducing this subject, Ms Silva pointed out that during the period under reporting, the Secretariat's work was focused on enhancing internal governance by inducing a very intense planning and distribution of responsibilities among RACs judicating for the smooth

implementation of the programme of work and advancing the RAC country agreement process in consultation with UNEP, Bureau and the respective Contracting Parties. On the external side, the work was focused on enhancing cooperation with 11 partners for UNEP/MAP GEF Strategic Partnership LME project, in particular the relationship with World Bank regarding the investment component; cooperation with EC and EEA, in the context of implementing H2020 initiative and the joint UNEP/MAP EC work programme. She reported that discussions were ongoing with the EC on ways and means to ensuring synergy, in particular with regard to the projects implemented in the framework of H2020 initiative, (MESHIP, SEIS and Capacity Building) as well as the coordination component of UNEP/MAP GEF SP LME project. An idea under discussion was the possibility to implement a common replication strategy for the investment and capacity building components of these projects.

14. Pending further and more in-depth discussion on this matter under Agenda item 4 during next sessions, Bureau members noted that synergy and close coordination with regional actors is key to achieve success and effectiveness. Bureau members congratulated the Secretariat for all efforts made during such a short period of time, in particular for cooperating closely with the EC on several issues of importance and the EEA, and advised that the work for the shared information system should be closely linked to INFO MAP.

15. The Secretariat was advised to follow up closely the recent developments of environmental regional governance in the Mediterranean including other fora such as Adriatic and Ionian initiatives, 5+5 meetings, etc. Such evolving developments should be updated and followed in a careful manner.

3. Financial, personnel and administrative matters

16. Ms Silva reviewed the information contained in the progress report on the status of contribution pointing out that the amounts already deposited were higher than those received by the same month during the previous biennium. A larger number of Contracting Parties had already paid their ordinary contributions for 2010. She also informed the Bureau on some effective cost cutting and greening measures by the Secretariat in view of implementing the decision of the 16th Contracting Parties meeting on the programme budget 2010-2011. Information on vacant posts at the Coordinating Unit and two RACs, including consultants recruited by them with a view to enhancing the implementation of programme of work, was also provided.

17. Several issues were raised during discussions in particular with respect to the collection of the arrears, vacant posts and hiring of consultants.

18. The meeting appreciated the work of the Secretariat in undertaking cost-cutting measures. It was requested that all MAP components do so without delay: implement in particular the CP/RAC audit measures and ISO certification as done by Blue Plan.

19. Mr Oliviero Montanaro (Italy) informed the Bureau members that ISPRA, the Italian Institute hosting INFO/RAC, is under reorganization and all measures will be taken to organize INFO/RAC as an autonomous structure within ISPRA. Bureau members appreciating the legal steps taken by the Government of Italy in respect of INFO/RAC, emphasized that apart from information/knowledge management component, INFO/RAC should focus its work on communication such as children education.

20. With reference to vacant posts in the Coordinating Unit and other RACs, several Bureau members pointed out the need to fill them on an urgent basis. With regard to the PAP/ RAC Director vacant post, Ms Mance (Croatia) informed the meeting that the current Steering Committee of PAP/RAC confirmed Mr. Marko Prem as director ad interim and that the process is expected to advance pending the renewal of the Centre's Steering Committee.

21. Highlighting the strategic importance and the necessity of having the MAP Coordinator's post filled as quickly as possible and within 2010, several Bureau members shared some concerns with regard to the delays and procedures followed for the recruitment of the post during the first round vacancy announcement process and why Contracting Parties through the Bureau were not informed, neither on the short list selected nor consulted prior to deciding that no candidate would be recommended for the post. The Bureau firmly requested to be informed in real time of the outcome of every step of the recruitment process once the deadline for receiving applications was over on 21 May 2010.

22. Mr Mavroidis (Greece) informed the meeting regarding a communication on this matter to UNEP Executive Director by Ms Tina Birbili, Minister of Environment, Energy and Climate Change and copied to Bureau members, the intention of which was to highlight MAP importance and the urgent need to expedite the Coordinator recruitment.

23. Acknowledging the urgency and the political relevance of the matter, concluding the discussions on this topic, the President requested UNEP to inform the Bureau in real time of the outcome of every single step of the recruitment process and make every effort to accelerate it with a view to having the MAP Coordinator on board and fully involved and operational well in advance of the 17th Contracting Parties meeting.

24. With reference to consultants, the Bureau requested the Secretariat to use a coherent and wide approach in view of assessing and timely planning its consultancy needs, building up a permanent roster of experts as well as establishing a quality control procedure of their work.

25. Reviewing and taking note of the information provided in the tables to the progress report with regard to progress achieved in the implementation of 2010-2011 Programme of work for the 6 themes, Bureau members made some suggestions. With regard to climate change, it was suggested to ensure a better linkage with other processes such as UfM Mediterranean Water Strategy. It was also requested to emphasize the need to prioritize the work on ICZM theme with a view to preparing an operational strategy to guide the implementation of the ICZM Protocol.

Agenda item 4: Report by the Secretariat on Specific issues

Implementation of Programme of Work 2010-2011 in relation to the Five-Year Strategic Programme of Work

26. Ms Silva, introducing the report by the Secretariat on Specific Issues, document UNEP/BUR/70/4, provided explanations on the rationale behind the proposals contained with regard to priority planning, the role of lead components for different outputs of MAP Programme of work, proposed calendar of meetings and progress reporting template, including an indicative and concise list of key activities as priority actions for the forthcoming months.

27. Following discussions, the Bureau agreed with the Secretariat proposals and the approach followed on all matters addressed and made several suggestions. It was proposed to build up a MAP cross-cutting output matrix with a view to a better understanding of who does what in MAP Secretariat (Coordinating Unit and Components) for each theme.

28. With reference to 6-month Progress Reporting Format on the implementation of the Programme of Work, the Bureau requested the Secretariat to strengthen the narrative part of the template in the form of an executive summary, thus providing information and a strategic

vision on issues related to implementation, difficulties occurred, issues at stake, reasons for delaying or lack of implementation, if any etc. It was recommended that the report on specific issues should be future oriented and focused on matters of importance for the forthcoming period. In addition, preparation of a summary of accomplished outputs would also be a very good tool to track and project progress.

29. It was also suggested that the stocktaking ICZM exercise should be highlighted as key priority action and coordinated with the similar exercise in the framework of the EU ICZM recommendations implementation, in order to avoid responding to different questionnaires. In addition, it was requested to further work on linking climate change with ICZM. The Secretariat informed the meeting that at the next Bureau meeting it would share a position paper on that subject currently under preparation by PAP/RAC.

30. The Bureau agreed that the resource mobilization plan and preparation of the new programming cycle be given priority attention in the forthcoming period and included in the agenda of the next Bureau meeting in order to speed up resource mobilization efforts for unfunded and most urgent priorities. In addition, the Bureau also requested the Secretariat to develop a strategic approach with regard to the re-allocation of unspent funds for implementing priority outputs for consideration and decision by the Bureau.

31. Following discussion on key priorities during the forthcoming 6 months, Ms Silva clarified that the Secretariat was aware of the gaps in terms of funding and instead of developing a very comprehensive document, which would have taken very long time and due to the financial crisis affecting the Mediterranean countries, had targeted some resource mobilization. Therefore, the Secretariat was in discussion to get some resources for the MCSD, for the ecosystems approach and also for climate change adaptation. After the holiday period, the Secretariat would engage into developing a full fledged strategy which would not only cover the short term, but the full five-year programme of work.

32. The Bureau endorsed the back-to-back meeting approach as an effective tool, provided that overlapping is avoided in order for the Contracting Parties to nominate the same expert attending such meetings as appropriate, with a view to reducing costs.

Draft Template Country Agreement for MAP Regional Activity Centres

33. Ms Silva presented the process for finalizing the Country Agreement template, in coordination with UNEP and consultation with the Bureau, pointing out in particular its added value. Referring to an organigramme distributed to the Bureau members that in a simplified manner showed the institutional setup of RACs management including the relevant technical and management bodies, she considered the establishment of a Steering Committee as an important mechanism to ensure the necessary dialogue with the respective governments with regard to RAC performance and work.

34. During discussions several issues were raised. Generally agreeing with the content of the template communicated to the RAC hosting countries by the Secretariat, the Bureau made some proposals indicating above all that RACs should be given functional autonomy for the purpose of implementing the programme of work. The need for flexibility in order to accommodate the specificities of respective countries during the national customizing of RAC agreement template was strongly recommended.

35. Emphasis was placed on the need to ensure that the Steering Committee mandate would be drafted in a way that should avoid any confusion regarding the role of RAC Director for implementing the MAP programme of work and the ECP coordinating mechanisms at the Secretariat level. Some Bureau members suggested that the number of country representatives at the Steering Committee should be larger; the differences between RAC

national and international personnel and the nationality of RAC directors should be better clarified so as to leave no room for any misinterpretation. Discussions were also held on whether the Country Agreement should refer to a mechanism for using MTF resources as a contribution to the running of the RACs, thus leaving the Contracting Parties meeting to decide on concrete figures. It was reported that for some RACs, Steering Committees and or management boards or advisory boards were already in place as very useful and effective structures. In some cases the mandate of such boards already includes the appointment of RAC Director in consultation with the MAP Coordinating Unit.

36. Following discussions, the Bureau highlighted as a major importance the need to identify a number of key and principal elements for the functioning of RACs equal and common to all of them *inter alia* that the director should have the necessary qualifications for the post and be a national of the host country; the Coordinating Unit be a permanent Steering Committee member, the RACs should have functional autonomy in order to effectively discharge their regional role, etc.

37. The President clarified that the RACs, in spite of being national institutions, need to conform to a set of agreed common indispensable elements a sort of a common standards for all the RACs in order to be part of UNEP/MAP so as to ensure equality and uniformity, and allow RACs to play effectively their regional role. With regard to other issues referred to in the draft template RAC agreement, the President advised to leave them at the discretion of the Host country and UNEP/MAP Secretariat for mutual negotiation based on both legal situations and the established RAC management bodies.

38. The Bureau agreed that the Secretariat should further work on precisely defining the common standards based on the orientations and current discussions of the Bureau on this matter and submit them for the consideration of the meeting of the Bureau during the adoption session the next day of the present Bureau meeting.

Information Communication Strategy

39. Referring to Chapter 4 of the Report on Specific Issues UNEP BUR 70/4 - Addendum 1, Ms Silva indicated that as mandated by the Governance Paper, the Secretariat is working to speak with a single voice. She provided information on the participatory process carried out for elaborating the strategy and in this respect, the Secretariat's approach was to focus on developing in the future a strategy that should be based on 3 pillars: a) pass a MAP common message across with a view to clearly brand all components as part of the same organization, b) identify and mobilize strong partners from the civil society and from private sector and c) using a campaign approach with a view to inspire other actors at regional and national levels and public at large around key issues. She shared with the Bureau members some of the preliminary recommendations of the assessment.

40. Following discussions, the Bureau congratulated the Secretariat for the initiative and pointed out the importance of communication as an important tool to enhance MAP objectives, reaching the public and MAP partners. All that could be useful also in terms of mobilizing additional external resources. The Bureau also suggested to prepare targeted actions for different categories of stakeholders: legal, government and large public. It would also imply permanent consultation and update information on the regional organizations cooperation.

Implementation of Decision IG 17/6 on Ecosystem Approach

41. Considering the implementation of ecosystem approach as a process aimed at producing concrete results and owned by the Contracting Parties, Ms Silva, introducing the chapter of the document BUR/70/4 on Specific Issues, invited the Bureau to focus the

discussion on three issues: work plan 2010-2011, necessary synergy with relevant processes and Secretariat's proposal for developing the SoE report based on the outcome of assessment steps of ecosystem approach implementation. She also emphasized that more resources and time are needed in order to ensure a proper involvement of the Contracting Parties in this process. In this respect, combining activities with regard to effectiveness indicators with the process of ecosystem approach implementation would allow a more effective use of resources. In addition, the Secretariat is confident that additional support would come from the EC for this purpose.

42. The Bureau addressed in depth the need for ensuring synergies as an opportunity to enhance political attention on marine and coastal issues in the Mediterranean and contribute to implementing coherent approaches so as to avoid useless duplication of efforts and resources. The Secretariat informed the meeting that the EC has established a coordination mechanism that would enable the regional seas to exchange experience and take the lead on different aspects in the implementation of the ecosystem approach.

43. With regard to the work plan, some Bureau members expressed their concern regarding possible discrepancies for implementing decision IG 16/5 of the 15th Meeting of the Contracting Parties in Almeria and the EU MSFD. The representative of Greece made some suggestions to correct some paragraphs related to the proposed work plan in the text of the report and some references to targets and indicators and timetable in Annex IV to the report.

44. The representative of Italy requested the Secretariat to undertake activities that would identify potential synergies with EU MSFD to be achieved in the short and long term prospective because it would be very hard for EU member states to run two different processes in parallel on the same issue.

45. With regard to the assessment report on the status of marine environment, some Bureau members requested the Secretariat to make every effort in ensuring the necessary balances among chapters covering pollution and biodiversity, in view of the fact that the MSFD descriptors/indicators and expected ecological objectives would be substantially biodiversity related. Furthermore, the overall assessment for the whole Mediterranean from the different sub regional assessment report needed further discussions and reflection.

46. Finally, the members of the Bureau requested that the prioritization exercise should be first inspired by issues than by areas based on the assessment report outcome. With regard to the timetable for implementing the ecosystem approach roadmap, the Bureau also advised to consider and take into account the necessary synergy to be established with the implementation cycle of the MSFD as appropriate, with the view to further advancing the MAP process and enhancing resources for their effective implementation.

47. Taking the floor, Ms Silva thanked the members of the Bureau for supporting the efforts made so far for implementing ecosystem approach roadmap and explaining the main reasons for which the Secretariat has brought this subject to the attention of the Bureau: to ensure Party ownership, to ensure work resources and to ensure synergies and advance the process, while all technical issues will be addressed in depth by the second meeting of experts of July 2010.

48. Following several interventions, the Bureau advised towards implementing a spirit of coherence and strengthening convergences between both processes and mandated the Secretariat to identify with the support of technical expertise, the necessary synergies for discussion at the July meeting of experts on ecosystem approach, bearing in mind that the Parties cannot afford to undertake different assessment processes and different monitoring programmes.

Specially Protected Areas of a Mediterranean importance (SPAMI) beyond national jurisdiction

49. Ms Silva, reviewing chapter 5 of the document BUR/70/4, explained the rationale for asking Bureau's approval for the SPA/RAC to hold its Extraordinary meeting of its Focal points as well as some proposals of the Secretariat with regard to MAP involvement at the CBD Nagaya meeting in October 2010.

50. The Bureau agreed with the proposal with regard to the Extraordinary SPA/RAC's Focal points meeting and had an exchange of views with regard to its expected outcome. In particular, the Bureau addressed ways and means for elaborating a sound legal and institutional approach for establishing SPAMIs in areas beyond national jurisdiction for further discussion by the Bureau and SPA/RAC Focal Points. This approach would help creating a clear vision with regard to SPAMI management and the need to enhance cooperation with other component international organizations for this purpose, in line with MAP Programme of work and Marrakesh Declaration. It was highlighted that the Parties may need time and internal consultation with other Ministries including the Ministries of Foreign Affairs for studying the entire aspects and all legal implications for establishing areas beyond national jurisdiction as SPAMI.

CBD 2010

51. The meeting exchanged views on the most effective way of MAP presence and contribution to the CBD 11 Nagaya, taking into account that the Mediterranean has a historical and natural heritage in which one could find, in a small scale, all global concerns, and in a medium scale the north and south cooperation that is absolutely original. Analyzing the three proposed options, stand, side event, conference, the Bureau agreed with the proposal of the Secretariat regarding the stand and organization of a side event at CBD 11 October 2010 in Nagaya Japan and that a statement is made by the President/UNEP/MAP Coordinator to the ministerial session of this meeting. The Bureau agreed on the procedure for preparing such a statement under the guidance of the President.

Implementation of Marrakesh Declaration

Climate change adaptation regional framework

52. Ms Silva presented the roadmap for preparing the regional framework on adaptation to climate change in the Mediterranean following the Marrakesh Declaration and the 12th MCSD meeting.

53. The Bureau agreed on the proposals by the Secretariat including the approach used for preparing the template, advising that the template may be a sort of a framework of principles or action oriented and which should provide clear linkages with other actors and existing regional policy platforms such as ICZM, MSSD, UfM Water Strategy, UNEP/MAP GEF climate variability project, application of ecosystem approach by MAP and MSFD and to focus on marine and coastal zone. The representative of Egypt emphasized the need to keep working on assessing vulnerability to climate change areas within a timeframe, due to the urgency of the matter and serious implications of climate change for the Mediterranean.

54. The Bureau suggested that MAP Focal Points should be contacted by the Secretariat with a view to providing information on actions, programmes, and institutions with regard to adaptation to climate change stock taking paper that is expected to contain information on knowledge networks, existing programmes and organizations.

55. In addition, it was suggested that the national communications in the framework of UNFCCC could be an excellent source of information for preparing the stock taking paper.

56. With regard to necessary resources for developing the regional framework, the Bureau agreed that the Secretariat could use unspent budget funds, emphasizing that in the future, a policy should be established according to which a list of priority activities/actions should be submitted by the Secretariat for Bureau consideration and approval of unspent funds according to established priorities.

Regional Governance

57. Recalling that in Marrakesh, the Contracting Parties requested the different organizations working in the Mediterranean to establish synergies based on their comparative advantages, Ms Silva shared with the Bureau some reflections made by the Secretariat during the last 6 months on how to best operationalize the implementation of this general statement and commitments for synergy with the view to identifying key areas for and the best modalities of cooperation, in particular with the UfM. Being an important regional actor at strategic and institutional level as well as at project level, in the Secretariat's view, it would be wise and useful to establish the first contact with UfM Secretariat in order to perform this cooperation in a structural manner by participating in its processes for developing policy documents and establish institutional cooperation with regard to projects.

58. Following discussion it was pointed out that UfM worked at the very high political level and at project level while MAP addressed a number of key policy and technical issues on marine and coastal environment and related sustainable development issues at political, legal and institutional levels. In this respect, MAP could lend to UfM its key target and priorities to the highest political agenda of the UfM and could take from the UfM the capacity for mobilizing and bringing additional financial resources and projects in its field of competence and higher political attention to MAP agenda. In spite of difficulties that the UfM is facing, there was a strong support from the Contracting Parties, some of which were holding position in the institutional structure of the UfM, that establishing cooperation is of major importance.

59. Bureau members agreed with the proposed approach for cooperation. Articulating the practical aspects of establishing contacts with UfM to build organic linkages at both political and projects levels was considered as a major importance. A first step to be taken at first hand was to exchange information on projects undertaken in order to avoid overlapping and ensure complementarities. It might be left to MAP to promote projects because of its knowledge of countries' need and priorities, thus promote resource mobilization.

60. In the ensuing discussion, some Bureau members suggested that MAP should liaise with UfM in a prudent manner. Others considered that MAP needs to know UfM priorities with regard to the environment and develop a strategic vision of cooperation with the Union. Another member suggested to wait for the meeting of environmental ministers so as to have a clearer idea on the UfM agenda regarding the environment before embarking into discussion with the UfM Secretariat. The representative of Croatia, regretting that the Dubrovnik ministerial meeting was postponed, emphasized the need for MAP to be present at the ministerial meeting because it was in a position to play a key role, has knowledge, long standing experience with the countries and use should be made of UfM political relevance to enable MAP to bring additional important financial resources to the region and enhance the attention of the political fora.

61. The President, concluding the discussions, pointed out that this was the right time to move from the statement by the Contracting Parties into operationalization of cooperation, to concrete results that would be quite challenging. In addition, although all regional organizations confirmed their will to cooperate with each other, when it came to put the

matter in practice, it became complicated. He recalled that the meeting of the Contracting Parties, in particular the last meeting in Marrakesh, identified the UfM as an important regional process with which MAP should have strong cooperation, complementarity and favour respective synergies. Although UfM was not advancing at the required speed, it was important that at least, at the level of projects, an organic and fully operational link be established, MAP having a lot to offer, taking into account its longstanding 35-year experience and the institutional and human network with regard to different projects. UfM being a major actor, MAP should establish links at operational, technical and strategic levels in order to play its role and enhance its visibility. Although, at the beginning, the cooperation may not be effective in terms of achieving concrete results, it is important to initiate contacts and create long term prospective. This will be beneficial for UfM, MAP itself and above all for the people of the Mediterranean.

62. Ms Silva, again taking the floor, introduced another EU led initiative on integrated maritime policy, a process that has been followed carefully by MAP. A stock taking exercise was undertaken with regard to integrated maritime policy with a view to identifying governance opportunities, including the current regional structures for enhancing regional cooperation in this field.

63. Bureau members pointed out the necessary linkages to be established between both the EU MFSD and EU Integrated Maritime Policy. The representative of Italy suggested that in addition to the addressed field of cooperation with the EC, namely ecosystem approach, integrated maritime policy, H2020, three other topics were very important: ICZM, EU Water Framework Directive and LBS Protocol.

MCSD/MSSD assessment

64. Introducing this agenda sub item, Ms Silva explained the mandate to assess the MSSD implementation in 2010. She added that the ToR of the assessment were revised to make sure that they took into consideration the evolving situation of the Mediterranean and the new actors. The Steering Committee of the MCSD has been consulted and the ToR have been agreed. The Secretariat has prepared a detailed work plan including a timeline of around seven months. The revision of the composition of the Mediterranean Commission on Sustainable Development, which is the other mandate that was pending, had to wait until the assessment was done because the assessment would provide some direction and ideas as to how the MCSD should be working in the future. Therefore, the Secretariat asked the Bureau to share their views on the ToR for the assessment and the process, the roadmap that is foreseen for having the assessment done with a view to assist the Secretariat in future discussions on considering the MCSD as a platform to which it can span environmental concerns into other sectorial policies.

65. The representative of Greece, as a member of the Steering Committee of the MCSD, informed the meeting that his country was involved in this process and very pleased with the results.

66. The Bureau requested that besides the process to review the mandate and the structure of MCSD, an effort to use savings should be made to link the activity of the MCSD to the updating of the strategic 5-year indicative project and the biannual Programme of Work for the next conference of the Parties because the work of the MCSD should influence the final mechanism of the preparation of the Programme of Work. With regard to funds requested, the Bureau agreed with the request of the Secretariat to use savings to support MCSD activities, but in the future there is a need to have clear information on figures in terms of savings.

67. Responding to the concern on the gap between the expected finalization of the MSSD assessment process, February 2011 and the MCSD meeting in May 2011, Ms Silva clarified that all efforts are being made to secure the necessary funds to start a serious and a very solid consultation process on the assessment outcome with a particular focus and on the new/revised priorities for the MCSD.

Legally binding measures and programmes to combat pollution

68. Introducing the sub item, Ms Tatjana Hema, MAP Programme Officer, recalled the decision taken in Marrakesh on the development of another set of legally-binding measures on Mercury, on food industry and a number of POPs. She informed the Bureau that the work has already started and the Secretariat would like to share with the Bureau its views regarding the process, taking into account the important role the Contracting Parties should play in the development of such a mechanism, not only on implementing the legally-binding measures but also in their formulation.

69. In view of several assessment processes taking place in MAP during this year, the members of the Bureau requested the Secretariat to make all these activities more synergetic in order to avoid overlapping and excessive burden for the countries. Assessments undertaken on the global level and other regional levels as the one on Mercury, should take into account the need for synergy and coherence, otherwise the Contracting Parties would have to submit information on the same matter to three different processes. The Bureau also pointed out that the timeline with regard to assessment on Mercury was tighter compared to the global process timeframe undertaken in the framework of UNEP Governing Council decision in 2010.

70. Concluding the discussions, the President requested that such matters are given priority by the Secretariat to coordinate with the other organizations in order to avoid duplication of efforts and unnecessary burden to the countries.

Med Globallast Strategy

71. Ms Silva introducing this Agenda sub-item, referred to the last Contracting Parties meeting decision on the elaboration of Globallast Strategy, the process of which is supported by a global project, which is implemented by the Global Environmental Facility, UNDP and IMO. The Mediterranean is one of the key regions under this project. REMPEC has undertaken some activities to advance the elaboration of that strategy through the UNEP/MAP system. REMPEC would be interested to have the Bureau's support in encouraging the Contracting Parties in to do their utmost to attend the meetings of the Task Force that has been created to finalize the regional strategy currently under development. As such, it would ensure a great degree of ownership and participation before submission to the 17th Meeting of the Contracting Parties in November 2011.

72. The Bureau agreed with the proposed recommendations and exchanged some views regarding the ratification and implementation of Ballast Water Management Convention since the ballast water problem is an issue of high priority for the environment biodiversity in the Mediterranean.

73. Some Bureau members confirmed that they are close to ratification of the Convention and expressed their support of all the activities that were undertaken in the context of Ballast Water Management Convention, believing that the attendance at the 2nd meeting under REMPEC is of high importance and therefore encouraged all Parties to take an active part, highlighting in particular their strong support to the establishment of the national legal task

forces, cross-cutting committees which substantially facilitate the work towards the ratification and implementation of the Ballast Water Management Convention.

74. There were a number of operational elements, namely the guidelines being implemented by IMO that should be taken into account. As such, Italy would propose to focus the meeting that will be held in June 2010 in Turkey, on the operational part of this Convention namely the customization in the Mediterranean of the guidelines so as to strengthen the common work with IMO. Italy was preparing a project to establish a standard post monitoring system to check the implementation of Ballast Water Management Convention and to control the capacity of ships to discharge water in ports. He confirmed that soon, as this project would be completed, its outcome would be put at the disposal of all Contracting Parties for replication purposes, as appropriate.

Agenda item 5: **Any other business**

75. At the kind invitation of Ms Mance, it was decided that the next meeting of the Bureau would be held in Zagreb, Croatia in December 2010.

Agenda item 6: **Conclusions and decisions**

76. The Bureau reviewed a set of conclusions and decisions prepared by the Secretariat that were adopted as amended by the Bureau. The list of conclusions and decisions are contained in **Annex III** to this report.

Agenda item 7: **Closure of the meeting**

77. Following the usual exchange of courtesies, the President closed the meeting at 1.00 p.m. on Thursday 6 May 2010.

ANNEX I

LIST OF PARTICIPANTS

MOROCCO MAROC (PRESIDENT)	M. Mohamed Benyahia Directeur du Partenariat, de la Communication et de la Coopération Ministère de l'Énergie, des Mines, de l'Eau et de l'Environnement 4 Avenue Al Abtal Agdal, Rabat Tel 212 37576637 fax 212 37576638 e-mail : benyahia@environnement.gov.ma Mme Fatiha El Mahdaoui Chef de Division de la Coopération Internationale Secrétariat d'Etat chargé de l'Eau et de l'Environnement Département de l'Environnement Tel: 212 537 570640 Fax: 212 537 576638 Email: elmahdaoui@environnement.gov.ma M. Rachid Firadi Chef du Service de la Coopération Multilatérale Direction du Partenariat, de la Communication et de la Coopération Département de l'Environnement Tel: 212-537-57 06 48/ GSM 212 661 92 54 73 E-mail: firadi@environnement.gov.ma, firadirachid@yahoo.fr Mme Nassira Rheyati Ingénieur d'État Principal au Service de la Coopération Multilatérale Mob : +212 0666439948 E-mail: r_nassira@yahoo.fr Secrétariat d'Etat auprès du Ministre de l'Énergie, des Mines, de l'Eau et de l'Environnement, Chargé de l'Eau et de l'Environnement No 9, Avenue Al Araar, Secteur 16 Hay Riad, Rabat Maroc
EGYPT ÉGYPTÉ (VICE-PRESIDENT)	Ms Mawaheb Abu-Elazm Chief Executive Officer Cabinet of Ministers Egyptian Environmental Affairs Agency (EEAA) 30 Misr-Helwan El-Zyrae Road P.O. Box 11728 Maadi Cairo Egypt Tel: 20-2-2 5256452 Fax: 20-2-2 5256490 E-mail: mawaheb@eeaa.gov.eg

	Ms Heba Sharawy Director of International organization department International cooperation central department Egyptian Environmental Affairs Agency (EEAA) 30 Misr-Helwan El-Zyrae Road P.O. Box 11728 Maadi Cairo Egypt Tel: 20-2-2 5256452, ext. 8411 Fax: 20-2-2 5256490 E-mail: heba_shrawy@yahoo.com
GREECE GRÈCE (VICE-PRESIDENT)	Mr Ilias Mavroidis Department of International Relations and EU Affairs Hellenic Ministry for the Environment, Energy and Climate Change Department of International Relations and EU Affairs 15, Amaliados Str., 115 23 Athens Greece Tel: +30 210 6426531/ 213 15 15 666 Fax: +30 210 64 34 470 E-mail: i.mavroidis@tmeok.minenv.gr
ITALY ITALIE (VICE-PRESIDENT)	Mr Oliviero Montanaro Head of Unit Land and Coastal Areas Management Department for Nature Protection Italian Ministry for the Environment, Land and Sea Via C. Colombo 44 00147 Rome Tel: +39.06.5722.3441 Fax: +39.06.5722.8424 Mob: +39 3293810308 E-mail: montanaro.oliviero@minambiente.it
ISRAEL ISRAËL (VICE-PRESIDENT)	Ms Ayelet Rosen Director Division of International Relations Ministry of Environmental Protection P.O. Box 34033 5 Kanfei Nesharim Street, 95464 Jerusalem Israel Tel.: +972 2 6553745 Mobile: +972506233299 Fax: +972 2 6553752 E-mail: ayeletr@sviva.gov.il

CROATIA CROATIE (RAPPORTEUR)	Ms. Marijana Mance Kowalsky Director Directorate for International Relations and Sustainable Development Ministry of Environmental Protection, Physical Planning and Construction Republike Austrije 14 10000 Zagreb Croatia Tel: + 385 1 3782 154 Fax: +385 1 3717 135 e-mail: marijana.mance@mzopu.hr
UNEP/COORDINATING UNIT FOR THE MEDITERRANEAN ACTION PLAN (MAP) PNUE/UNITE DE COORDINATION DU PLAN D'ACTION POUR LA MEDITERRANEE (PAM)	Ms Maria Luisa Silva Mejias Officer-in-Charge Deputy Coordinator Tel: +30-210-7273126 Fax: +30-210-7253196/7 E-mail: maria.luisa.silva@unepmap.gr Ms Tatjana Hema MEDU Programme Officer Tel: +30-210-7273115 Fax: +30-210-7253196/7 E-mail: thema@unepmap.gr Coordinating Unit for the Mediterranean Action Plan 48, Vassileos Konstantinou Avenue 116 35 Athens Greece Tel switchboard: 30-210-7273100 Fax: 30-210-7253196-7 http://www.unepmap.gr

ANNEX II

AGENDA

1. Opening of the meeting
2. Adoption of the Provisional Agenda and organization of work
3. Progress Report by the Secretariat on activities carried out during the period November 2009 – March 2010
4. Specific issues
 - 4.1 UNEP/MAP Governance
 - a) *Implementation of Programme of Work 2010-2011 in relation to the Five-Year Strategic Programme of Work*
 - Calendar of major MAP meetings
 - Priorities 2010-2011
 - b) *Draft Country Agreement template for Regional Activity Centers*
 - c) *Information Communication Assessment: sharing first results*
 - 4.2 Implementation of decision IG 17/6 on Ecosystem Approach (ECAP)
 - 4.3 Biodiversity
 - a) *SPAMI beyond national jurisdiction*
 - b) *CBD 2010*
 - 4.4 Implementation of Marrakech Declaration
 - a) *Climate change adaptation planning process*
 - b) *Regional Governance*
 - c) *MCSD/MSSD assessment*
 - 4.5 Legally binding Measures and programmes to combat pollution
 - 4.6 Med Globallast Strategy
5. Any other business
6. Conclusions and decisions
7. Closure of the meeting

ANNEX III

Conclusions and decisions

1. *Entry into force of MAP legal instruments*

The Bureau acknowledging the important progress achieved by the Contracting Parties with regard to ratification of the Convention and its Protocols called upon those Contracting Parties that have not yet done so to accelerate ratification and/or acceptance procedures, in particular the ICZM Protocol, with the view to making the MAP legal basis fully effective.

2. *Reporting 2008-2009*

1. The Bureau called upon the Contracting Parties to submit on time their reports on measures taken during the 2008-2009 biennium for implementing the Barcelona Convention and its Protocols as well as the relevant decisions of the Contracting Parties.
2. The Bureau requested the INFO/RAC and Coordinating Unit to make every effort for having the MAP reporting format on line, in a user-friendly manner and as soon as possible and provide any technical assistance to the Contracting Parties upon request.

3. *Implementation of Programme of Work 2010-2011 in relation to the Five-Year Strategic Programme of Work*

1. The Bureau agreed with measures taken to advance in the coherent implementation of the Programme of Work, in particular the identification for timeline and budgetary purposes of core system-wide priorities (Appendix 1) and requested Blue Plan to follow the same approach; and, on the clarification of which UNEP/MAP components have leadership responsibility for delivering of outputs.
2. The Bureau approved the progress monitoring and reporting template as proposed by the Secretariat, and suggested to strengthen the narrative part so as to have a more in-depth explanation on outputs, results and difficulties encountered during implementation.
3. The Bureau approved the proposed key MAP meetings calendar as presented in Appendix 2, subject to adjustment as appropriate and appreciated the efforts made to enhance efficiency of the system by holding, to the extent possible, back to back meetings.
4. The Bureau agreed that resource mobilization plan and preparation of the new programming cycle be given priority attention in the forthcoming period and included in the agenda of the next bureau meeting in order to speed up resource mobilization efforts for unfunded most urgent priorities.
5. The Bureau requested the Secretariat to propose a strategic approach with regard to the re-allocation of unspent funds for implementing priority outputs for consideration and decision by the Bureau.

4. *Draft Country Agreement template for Regional Activity Centers*

1. The Bureau highlighted the importance of country agreements and endorsed the process followed by the Coordinating Unit and UNEP for completing them.
2. In the process of customizing the country agreement template to national legal requirements, the Bureau clarified that all country agreements should preserve a set of core common features for ensuring a standard RAC performance. This should include inter alia:
 - All RACs should have the necessary functional autonomy to implement the programme of work and carry out all obligations described in the country agreement which are necessary to preserve their regional role and implementation of Contracting Parties and Bureau meetings decisions as well as UN standards;

- All RACs should include in their governance arrangements a Steering Committee with a mandate as specified in the country agreement, the composition of which should include the Coordinating Unit;
- Selection and appointment procedure for RAC Directors, ensuring their highest professionalism and competence is overseen by the Steering committee of each of the RACs in which a representative of the Coordinating Unit will be a member;
- The management of funds is done in accordance with highest criteria and submission of reports by the independent and reputable audit firms.

5. Information and Communication Strategy

The Bureau welcomed the progress made in rising UNEP/MAP visibility by developing an information and communication assessment and endorsed the proposed approach for building a strategy around three pillars of unifying the system, mobilizing other actors and inspiring them while undertaking quick win actions and taking into consideration the needs of different categories of stakeholders.

6. Implementation of Decision IG 17/6 on Ecosystem Approach

1. The Bureau appreciated the re-launching of the ecosystem approach process and engaged in in-depth discussions, making a number of substantive suggestions to the proposed work plan for implementing the ecosystem approach during the biennium.
2. In particular, the Bureau suggested that the assessment report ensures a balance between pollution and biodiversity and includes a chapter on common features of the whole Mediterranean region.
3. The Bureau expressed strong support in ensuring synergies and necessary linkages between the processes for implementing decision IG 17/6 on the ecosystem approach in the framework of MAP and the EU Marine Strategy Directive and requested the Secretariat to address this matter at the July 2010 meeting with the view to identifying the relationships in a concrete manner as possible.
4. The Bureau agreed on the proposal by the Secretariat for preparing the next State of the Environment report linked to the ecosystem approach and peer reviewed through a consultative process.
5. The Bureau approved the use of MTF resources assigned to pilot effectiveness indicators for the purposes of the ecosystem approach implementation.

7. Biodiversity

1. The Bureau approved the holding of the Extraordinary SPA/RAC focal points meeting the agenda of which should include:
 - sharing the outcome of the first phase of the identification of potential areas that may meet the scientific requirements of Annex I to the SPA Biodiversity Protocol on SPAMIs, including the criteria used by RAC/SPA for this purpose as well as views on implementing the second phase of EC funded SPAMI project;
 - developing an appropriate approach based on the relevant international frame on issues related to the necessary institutional legal setups with regard to the management of SPAMIs beyond national jurisdiction, as well as the necessary linkages with the other UN relevant processes and agencies for this purpose.
2. The Bureau mandated its President, with the support of the Secretariat, to deliver a policy statement at CBD COP on behalf of MAP, with the aim of highlighting the relevance of the Mediterranean in the context of the post 2010 biodiversity strategic plan and vision. The Bureau agreed to establish an e-mail consultation process among its members for the purpose of developing the paper.

3. The Bureau approved that the Secretariat organizes a side event at CBD as a joint effort with the other regional partner organizations in the Mediterranean and also prepare a stand for this purpose.
4. The Bureau invites the Contracting Parties to use the CBD COP as an opportunity to show the progress achieved and challenges encountered by them with regard to marine and coastal biodiversity conservation and protection and implementation of the SPA and Biodiversity Protocol of the Barcelona Convention.
5. The Secretariat should use GIS and remote sensing techniques to map the Mediterranean settlement and environmental specification as a baseline to assess the quality of the Mediterranean sea.

8. *Implementation of Marrakesh Declaration*

8.1 Climate Change Adaptation

1. The Bureau agreed on the work plan and the road map for developing the regional framework on adaptation to climate change, highlighting the need to link it to the MSSD and the Mediterranean Water Strategy as well as other regional sectorial strategies such as ICZM and Biodiversity sectors on which UNEP/MAP can provide particular added value.
2. The Bureau agreed to use the balance from existing unspent budget resources for the purposes of strengthening the Secretariat with regard to MSSD and adaptation of climate change tasks.

8.2 Regional Governance

1. The Bureau praised the progress made by the Secretariat in strengthening coordination and establishing synergies with other regional actors and encouraged the Secretariat to continue following up on regional and sub-regional developments with all relevant sectors in the Mediterranean.
2. The Bureau highlighted the importance of ensuring an effective MAP/UfM cooperation for reinforcing the environmental agenda in the Mediterranean and mobilizing additional resources. It mandated the Secretariat to structure its consultations with the Secretariat of the UfM around the five-year and 2-year programmes of work outputs. Cooperation at project level should ensure efficiency and complementarity.
3. The Bureau highlighted the importance of continuing the cooperation with the EU on ecosystem approach/MSFD, H2020, ICZM, Water Framework Directive/LBS Protocol and the EU Integrated maritime policy.
4. The Bureau in particular appreciated the effort in establishing cooperation and synergies with the H2020 initiative and its components, including the cooperation with the EEA for establishing a Mediterranean shared information system in the framework of INFO/MAP.
5. The Bureau encouraged the Secretariat to continue its efforts in ensuring necessary institutional synergies with the World Bank for implementing UNEP/MAP LME strategic partnership and WB sustainable MED projects and requested that Contracting Parties are consulted with regard to the selection of projects. In this respect, the Bureau also welcomed the suggestion of the Secretariat to explore extending the implementation of the replication strategy to other projects including the capacity building and investment components of the H2020 initiative.

9. *MCSD/MSSD*

The Bureau approved the revised ToR for MSSD assessment and the proposed work plan.

10. *Preparation of legally binding plans and programmes as part of the LBS Protocol*

The Bureau took note of the process proposed for developing the legally binding measures for mercury, food industry and POPs, pointing out that, if need be, additional consultations should be undertaken with the view to ensuring a full ownership of the Contracting Parties over the process.

11. *Med Globallast Strategy*

1. The Bureau reiterated the importance of the strategy and encouraged the Contracting Parties to actively contribute to its finalization as well as to establish the necessary multi-stakeholder coordination mechanisms at national level, with a view to mitigating the threats posed to the marine biodiversity by the introduction of invasive species via ships' ballast water and facilitating the ratification, as appropriate, of the Ballast Water Management Convention.
2. The Bureau suggested that the meeting should also focus on the operational part of the Convention and the need for preparing the necessary operational guidelines in cooperation with IMO.

12. *Personnel and administrative matters*

1. The Bureau emphasized the political and strategic importance of having the post of MAP Coordinator filled well in advance of the forthcoming Contracting Parties meeting. The Bureau also requested to be informed in real time on all stages with regard to the recruitment process and its outcome.
2. The Bureau also emphasized the need to accelerate, as per rules and regulations, the recruitment of all other vacant posts at the Coordinating Unit and the RACs and encouraged the Contracting Parties to widely disseminate announcements with a view to promoting selection of best candidates.
3. The Bureau, taking note of the status of contributions to the MTF, called upon the Contracting Parties that have not yet paid their contribution, to do so without any further delay in order to enable smooth and effective implementation of the Programme of Work. In this respect, the Bureau requests the Secretariat to make a particular effort with regard to past arrears.
4. The Bureau appreciating the effort made by the Coordinating Unit and some MAP components with regard to cost-cutting measures, application of audit measures and/or ISO standards as well as improved quality in the preparation of meetings and documents, and requested the Coordinating Unit to coordinate the application of these measures by all MAP components.
5. The Bureau requested the Secretariat to analyze the basis on which MTF funds are allocated per component in close correlation with the results, outputs, activities and actions performed per component, with a view to establishing clear criteria for Bureau and Contracting Parties consideration.

Appendix 1

Key wide-system priorities

Coordinating Unit

- Important progress with regard to the application of ecosystems approach
- Climate change Adaptation framework
- Planning, monitoring and coordinating the Implementation of Programme of Work
- MSSD assessment process and MCSD reform
- Compliance Committee addresses general issues of non-compliance, including an operational reporting system
- Revised country agreement
- Information communication strategy

MED POL

The key priorities within the very large MEDPOL programme, will be on:

- Providing assistance to the implementation of the legally binding measures adopted in Marrakesh
- Developing new legally binding measures together with CP/RAC
- Publication and Assessment: A major outcome will be a status quality report on marine environment for the 17th Contracting Parties meeting that should build on existing reports
- NAP implementation

REMPEC

- Globallast strategy for the next COP 2011
- Strengthening of the ports state control capacities
- Establishment of a regional network for automatic identification of ships

BP/RAC

Programme of Work as scheduled and agreed by the Contracting Parties

PAP/RAC

Countries efforts to ratify and implement the ICZM Protocol are facilitated through:

- Explanatory guide for the ICZM Protocol
- Stocktaking on ICZM in order to establish the baseline, streamlining with other processes
- CAMP projects

- Special spatial planning systems in the Mediterranean
- GEF project: ICZM plan for Algeria and ICZM transboundary for Albania, Montenegro
- Climate change in the framework of ICZM
- Development of a strategic regional approach for implementing the ICZM Protocol

SPA/RAC

2010 as biodiversity year is influencing the RAC SPA priorities in 4 directions:

- Protection of endangered species with particular focus on two or three species
- Establishment of SPAMIs
- Status of biodiversity in the Mediterranean: 2010 targets A report for the Contracting Parties meeting in 2011
- Communication/awareness: joint presentation with other regional organizations at CBD

CP/RAC

Although the business plan is quite broad the focus will be on six major outputs in the framework of greening the economy:

- Streamlining SCP in national policies Target two Contracting Parties
- Capacity building on NAP sectors (BATs and BEPs)
- Enhance green competitiveness
- Promoting green procurement policies
- Legally binding measures Hg and POPs
- All this through the application of low carbon methodology

INFO/RAC

- Make INFO MAP fully operational
- The on line MAP reporting system and training to enable countries to submit their reports on line by autumn 2010
- Contribute to enhance UNEP/MAP visibility through public awareness activities
- Important outputs in the framework of GEF that could be used by INFO RAC in a sustainable manner for the benefit of all MAP components (e learning model, clearing house etc)
- Work together with different components: CP RAC with communities on sustainable life style; REMPEC to develop tool for real time data and GIS to support emergency cases; to establish RAC SPA info system for protected areas; with PAP RAC Establishment of an ICZM info system

Appendix 2
KEY MAP MEETINGS PLANNED 2010-2011

MEETINGS	2010												2011											
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
CONTRACTING PARTIES																							1	
BUREAU																								
MAP FOCAL POINTS																								
MCSD																								
MCSD STEERING COMMITTEE				2																				
RAC FOCAL POINTS																								
EXECUTIVE COORDINATION PANEL (ECP)																								
COMPLIANCE COMMITTEE																								
WORKING GROUP ON LIABILITY & COMPENSATION																								
MSSD: -ASSESSMENT PROCESS, INCLUDING ADAPTATION TO CC																								
CONSULTATION MEETINGS ON EFFECTIVENESS & INDICATORS																								
ECAP MEETINGS																								
GEF STRATEGIC PARTNERSHIP STEERING COMMITTEE INC. CLIMATE VARIABILITY PROJECT																								
GEF STRATEGIC PARTNERSHIP COORDINATION GROUP																								
MEETING ON GLOBALLAST STRATEGY																								
EXTRAORDINARY SPA/RAC MEETING																								
MEETING ON LEGALLY BINDING MEASURES																								

1. Pending negotiations with the Host Country
2. Held through electronic consultations

3. External resources to be mobilized
4. Back-to-back with MED POL Focal Points Meeting

**Decisions and Conclusions of the Meeting of the Bureau of the Contracting
Parties to the Convention for the Protection of the Marine Environment and the
Coastal Region of the Mediterranean and its Protocols**

Zagreb, Croatia, 8-9 November 2010

BUREAU DECISIONS AND CONCLUSIONS

MTF status

1. The Bureau taking note of the MAP financial situation as indicated in document UNEP/BUR/71/Inf.3, the explanation by the Secretariat (UNEP HQ and Coordinating Unit), including the presentation made by UNEP HQ decided to:

- a) *Mandate its President with support from the Secretariat to inform as a matter of urgency the Contracting Parties, through the MAP Focal Points, of the financial situation of the Mediterranean Action Plan and to distribute for this purpose an explanatory note completed with simplified graphs. The Note should also provide an explanation on the decisions taken by the Bureau with regard to the process for addressing this matter in line with the Rules and Procedures for the Conferences and Meetings of the Contracting Parties and Terms of Reference of the Bureau.*
- b) *Request a financial management audit of the MTF and the other extra budgetary funds for the period 2002-2009, to be conducted by the OIOS, according to the Terms of Reference attached to this document. The audit report shall be shared with the Bureau and the Contracting Parties.*
- c) *Urge the Contracting Parties that have unpaid pledges from previous years (Algeria and Libya) to pay their arrears as soon as possible and mandate the Secretariat to undertake urgent action to agree with the respective countries on a timetable for the collection of the arrears. Also urge the Contracting parties who have not done yet so to pay their contributions.*
- d) *Request the Secretariat and UNEP, taking note of the situation of the Trust Fund for Host Government Contribution (CAL Trust Fund), and acknowledging the specific situation related to such contributions, to provide the Greek government with all relevant Contracting Parties meeting decisions since 2001 and detailed information on the unpaid pledges since 2004 to date on an annual basis and to agree on a timetable for the payment of such arrears.*
- e) *Authorize the Secretariat to organize an extraordinary Bureau meeting inviting all other Contracting parties as observers with the view to consulting and exchanging views on ways and means to address the UNEP/MAP financial situation based on the advice received by the MAP Focal Points following the Explanatory Note by the President of the Bureau and progress/results of the audit.*
- f) *Request the Secretariat, given the financial situation, to follow a cautious approach while engaging funds for administrative purposes.*
- g) *Recommend the Secretariat to undertake preparatory work on the budget for the next biennium based on the annual income and subject to the progress/outcome of audit and the payment of the arrears including the host country contribution. Two scenarios will be proposed: with and without 2.5% annual increase.*

2. The Bureau appreciated the announcement of the special contribution of the UNEP Executive Director to reduce the negative balance of the MTF as appeared on 31 December 2009 by 1 million USD.

Governance

3. The Bureau called upon the Contracting Parties to ratify all MAP legal instruments with a particular focus on the ICZM and the Offshore Protocols, taking also into account that these advanced legal instruments are pioneering and unique on the Mediterranean and global levels and provide an excellent platform for improved environmental governance in the region.
4. The Bureau called upon the Contracting Parties to submit without delay their report on measures taken during 2008-2009 biennium for implementing the Convention and its Protocols as a principal obligation under the Barcelona Convention. The Bureau, appreciating the work carried out by the Italian Government and ISPRA, acting as INFO/RAC, to make available the online MAP/Barcelona Convention reporting system and encouraged the Contracting Parties to upload their reports on line.
5. The Bureau reiterated its request on the need to develop an appropriate approach based on the relevant international framework on issues related to the possible institutional legal setups for the establishment of MPAs and SPAMIs beyond national jurisdiction and their management as well as the necessary linkages with the other UN relevant processes and agencies for this purpose.
6. The Bureau recognized the potential great risks from offshore related activities in the Mediterranean, particularly deep-sea drilling, and the necessity for appropriate prevention and response mechanisms at regional level. It recommended making an assessment of the national legal and administrative systems including authorization, inspection and preparedness and response capabilities available in the Mediterranean countries. For this purpose it also encouraged all Contracting Parties to complete in good faith the reporting format related to the Offshore Protocol, irrespective of their signature and/or ratification status.

MCSD/MSSD

7. The Bureau agreed with the Secretariat proposal to the next MCSD steering committee with regard to the main themes of the 14th meeting of the MCSD. With a view to contributing to Rio+20 process as Mediterranean, the following themes may be addressed in an integrated manner:
 - a) *Green economy including the Nagoya biodiversity target, The Economics of Ecosystems and Biodiversity (TEEB), payment for ecosystem services, climate change adaptation and sustainable consumption and production; and,*
 - b) *Institutional framework for sustainable development linked to international environmental governance.*

InfoMAP System

8. The Bureau appreciated the work carried out by INFO/RAC and the Secretariat with regard to Info/MAP and encouraged them to accelerate the release of InfoMAP regional node by the end of 2011, with a view to ensure an integrated UNEP/MAP portal as a powerful and indispensable tool to enhance UNEP/MAP visibility and its impact in the region.

9. The Bureau requests the Secretariat to elaborate a regional policy governing information management and reporting data within MAP for the consideration of the forthcoming Contracting Parties meeting.

10. The Bureau encourages the Secretariat to continue cooperation with EEA for establishing a shared information system in the Mediterranean, according to the decisions of the Contracting Parties and in the framework of Info/MAP.

Five-Year Strategic Programme of Work

11. The Bureau agreed with:

- a) *The conclusion of the ECP that the current five year programme is already set to accommodate emerging issues of MAP relevance such as post CBD Nagoya COP 10 and the expected post Rio+20 development; and,*
- b) *The Secretariat approach to fully develop such elements in the forthcoming biennium programme of work 2012-2013.*

Ecosystem Protection

12. The Bureau agreed to mandate GESAMP to undertake a peer review of the ecosystem approach assessment report of the Mediterranean and marine coastal environment that should consider *inter alia* ways and means to update this assessment on a regular basis, as well as the contribution in the context of other relevant processes at the regional and global levels.

13. Based on the results of this experience, the Bureau requested the Secretariat to prepare a proposal for the consideration of the next Contracting Parties with regard to the establishment of a Mediterranean scientific expert group that would support future peer review processes.

14. The Bureau concurred with the proposal made by the Secretariat as presented in document UNEP/BUR/71/4 on the expected outcome for the 17th Contracting Parties meeting on implementing ecosystem approach roadmap and the proposed related priorities that take into account the necessary synergies to be established with other relevant processes and particularly the EU MSFD processes during the forthcoming biennium (2012-2013).

Implementing ICZM Protocol: A proposed Roadmap

15. The Bureau agreed with the proposed outline of and the roadmap for the ICZM Protocol implementation strategy as presented in document UNEP/BUR/71/4, highlighting in particular the special importance of Governance issues and encouraged the Secretariat, PAP/RAC and its focal points to accelerate the finalization of the implementation strategy for consideration by the next Contracting Parties, as appropriate.

Adaptation to climate change: a proposed outline and roadmap

16. The Bureau agreed on the proposed outline and roadmap for preparing the regional framework as presented in document UNEP/BUR/71/4 and requested the Secretariat to take fully into account the adaptation/mitigation interactions and linkages.

17. The Bureau welcomed the information provided by Greece on the Mediterranean Climate Change Initiative and stressed the need for synergies between the various actors and initiatives in the region.

Marine Offshore Energy

18. The Bureau encouraged the Secretariat to continue working in this field taking into account other efforts and expertise already existing outside MAP. In this context, the Bureau noted that MAP could bring an added value with regard to integrated maritime spatial planning, implementation of precautionary and ecosystem approaches as well as environmental impact assessment and strategic environmental impact assessment tools on projects and programmes dealing with offshore marine energies.

17th Contracting Parties meeting

19. The Bureau congratulated France as the next Contracting Parties meeting host country for the proposed vision for the meeting and the political relevance of the topics suggested.

20. The Bureau took note of the statement made by France that the financial situation of MTF should be clarified before the 17th Contracting Parties.

21. The Bureau agreed that the Contracting Parties would focus on issues related to: 1) a clean, healthy and productive Mediterranean based on the ecosystem approach and 2) improving the regional environmental governance (ICZM and MCSD). The balance proposed between the regional and the global was also recognized as well as the important contribution that it would allow MAP to make to Rio+20 and to establish synergies with other regional initiatives.

22. The Bureau requested the Secretariat in consultation with the host country, to prepare a set of priority topics to be discussed under the two overarching themes above mentioned and a roadmap for the preparation of the next Contracting Parties meeting that should include interim consultations on the background papers for Ministerial discussion and a flexible interaction between the members of the Bureau so as to allow a successful meeting.

23. The Bureau requested the Secretariat to develop, for the consideration of the next Bureau meeting and Contracting Parties, an approach based on clear criteria with regard to the utilization of the MTF in supporting the strategic and cross-cutting priorities of the Five year Strategic Programme of Work, including the biennium programme of work 2012-2013.

ANNEX

TERMS OF REFERENCE FOR A FINANCIAL MANAGEMENT AUDIT UNEP ADMINISTRATED FUNDS FOR THE BARCELONA CONVENTION ATHENS - GREECE

The Bureau of the Contracting Parties to the Barcelona Convention has requested in its 71st meeting which took place in Zagreb Croatia, from November 8 to 9, 2010, that UNEP requests the OIOS to carry out, as a matter of urgency, a Financial Management Audit of the UNEP administrated funds for the purposes of the Barcelona Convention, namely MTF, QML and CAL. The audit should take in consideration the implementations of the recommendations from previous audits, specifically the OIOS report dated 2008.

1. The OIOS should review the budgetary processes and components presented to the approval of the (but not limited to) 12th, 13th, 14th, 15th and 16th COP of the Barcelona Convention.
2. The OIOS should review the reality of the revenues constitutive of the budgets presented to the approval of the (but not limited to) 12th, 13th, 14th, 15th and 16th COP of the Barcelona Convention.
3. The OIOS should review the costing of the budgets components presented to the approval of the (but not limited to) 12th, 13th, 14th, 15th and 16th COP of the Barcelona Convention.
4. The OIOS should review the methodology of allotment of the COP approved budget into the IMIS system (system supporting the UNEP financial information).
5. The OIOS should review the reasons (if applicable) by which the revenue of a biennium were not tallying with the approved COP budget.
6. The OIOS should review the reasons (if applicable) by which the expenditure of a biennium has exceeded the approved COP budget.
7. The OIOS should evaluate the reasons and the amount (if applicable) of expenditure which may have been mis-posted to a wrong source of funding.
8. The OIOS should review and analyze the compatibility with the existing UNEP information system and the UN rules and regulations of a budgetary process and reporting based in EURO and formulate recommendations.
9. The OIOS should review and analyze the impact on the utilization of a budget fixed EURO/USD exchange rate for conversion of EURO expenditure corresponding to the biennium and issue recommendations.
10. The OIOS should review the system of checks and balances, reporting and responsibilities between the Regional Centers, The Secretariat to the Barcelona Convention, UNEP and UNON. Their performance and the impact on budgetary situation should be evaluated and recommendations made to ensure an appropriate attribution of responsibilities.
11. The OIOS should make recommendations to be applied to the budgetary process also considering the prevailing financial situation of the Trust Funds for the Barcelona Convention.

**Report of the Meeting of the Extended Bureau of the Contracting Parties to the
Convention for the Protection of the Marine Environment and the Coastal
Region of the Mediterranean and its Protocols**

Athens, Greece, 3-5 October 2011



United Nations Environment Programme



UNEP/BUR/72/5
18 November 2011
ENGLISH



MEDITERRANEAN ACTION PLAN

Meeting of the Extended Bureau of the Contracting Parties to the
Convention for the Protection of the Marine Environment
and the Coastal Region of the Mediterranean and its Protocols

Athens, Greece, 3-5 October 2011

REPORT

OF THE MEETING OF THE EXTENDED BUREAU OF THE CONTRACTING PARTIES TO THE CONVENTION FOR THE PROTECTION OF THE MARINE ENVIRONMENT AND THE COASTAL REGION OF THE MEDITERRANEAN AND ITS PROTOCOLS

TABLE OF CONTENTS

Report

Annex I: List of Participants

Annex II: Agenda

Annex III: Conclusions and recommendations

Introduction

1. Pursuant to the decision of the 71st Meeting of the Bureau of the Contracting Parties to the Barcelona Convention held in Zagreb in November 2010 and at the invitation of the Government of Greece, the Meeting of the Extended Bureau was held at the Royal Olympic Hotel in Athens, Greece, from 3 to 5 October 2011.

Participation

2. The following members of the Bureau attended the meeting: President: M. Mohamed Benyahia (Morocco), Vice Presidents: Ms. Heba Shaarawy (Egypt), Mr. Ilias Mavroidis (Greece), Mr. Oliviero Montanaro (Italy), Ms. Ayelet Rosen (Israel), Rapporteur: Ms. Marijana Marncce (Croatia). The representatives of the following other Contracting Parties attended the meeting: Algeria, European Union (EU), France, Malta, Monaco, Montenegro, Spain, Syrian Arab Republic and Tunisia.

3. UNEP Headquarters was represented by Mr. Michele Candotti, Chief of the Executive Office, and Mr. Didier Salzmänn, Fund Management Officer, Division of Environmental Policy Implementation. The UNEP/MAP Coordinating Unit was represented by Ms. Maria Luisa Silva Mejias, Executive Secretary and Coordinator, Mr. Habib El-Habr, Deputy Coordinator, Mr. Didier Guiffault, Legal Officer, and Ms. Kumiko Yatagai, Administrative and Fund Management Officer.

Agenda item 1: Opening of the meeting

4. The President of the Bureau, after opening the meeting and welcoming participants, said that the critical financial situation facing UNEP/MAP had prompted the convening of the current meeting, whose main objective was to deliberate on the proposed deficit recovery and financial management measures, while concomitantly addressing related governance issues, also taking into account the wider context of the economic and financial difficulties confronted by Contracting Parties. He observed that the late receipt of the report of the audit requested by the Zagreb Bureau meeting increased the time pressure on the Extended Bureau (hereinafter "the Bureau") to produce operational recommendations for consideration by the forthcoming Meeting of MAP Focal Points.

5. Ms Maria Luisa Silva Mejias, Executive Secretary and Coordinator of MAP, recalling that she was addressing the Bureau for the first time as MAP Coordinator, stressed her commitment to the ideals and objectives of the Barcelona Convention and to enhancing MAP's capacity to ensure further cooperation and effective and efficient delivery of its programme of work. She was likewise committed to regaining the trust of the Contracting Parties: she extended her apologies for the circumstances that had led to the deficit in the Mediterranean Trust Fund (MTF) and assumed personal responsibility for ensuring that there would be no recurrence of such a situation.

6. The meeting would therefore be addressing the two closely related issues of deficit recovery and governance reform. As soon as the facts about MAP's finances had become known, and pending the outcome of the audit, steps had been taken to redress the situation. She outlined the various measures already taken to reduce the deficit, improve fund management and review MAP's functioning, both in response to the immediate crisis and as part of a longer-term undertaking to improve the MAP system's transparency, accountability, effectiveness and efficiency. The Bureau's guidance in restoring the financial health of MAP and charting the way forward was critical. With a new management team in place, the Secretariat stood ready to play its part, as an instrument in the service of Contracting Parties,

in the common endeavour to overcome the current difficulties and work towards further reform, in the overarching interest of the shared values of the Barcelona Convention.

7. Mr Michele Candotti, Chief of the Executive Office, UNEP, speaking on behalf of the Executive Director of UNEP, said that UNEP was aware that the present juncture was a turning-point in the political, strategic and financial management of the Barcelona Convention. He stressed the importance to UNEP of collaboration with the Convention and therefore its attentiveness to the Bureau's recommendations. It was also fully aware of the domestic constraints faced by governments hit by the current global economic and financial crisis. Conscious as it was of the uniqueness of the Barcelona Convention and its potential for providing ecologically sound responses in the current context, UNEP was participating in the Bureau's meeting in order to provide facts and figures that would enable the Bureau to take informed decisions, and to listen to the discussions and stand by the Bureau's guidance.

Agenda item 2: Adoption of the agenda and organization of work

8. The Bureau considered the provisional agenda and the annotated provisional agenda contained in documents UNEP/BUR/72/1 and Corr. and UNEP/BUR/72/2 and agreed to the President's proposal to add an item on governance issues covering both the two "non-papers" submitted by France and Spain and the "functional review" section of agenda item 4. The agenda, as amended, was adopted, and is attached as Annex 1 to this report.

9. Following a request that the item on the roadmap towards the 17th Meeting of the Contracting Parties be restored to the agenda, it was agreed that a tentative timetable of meetings culminating in the Meeting of the Contracting Parties, with an outline of their agenda, would be provided. The draft roadmap was subsequently circulated to representatives.

Agenda item 3: Presentation of the Audit Report

10. Mr Didier Salzmann, Fund Management Officer, UNEP, introducing the Audit Report on the Financial Performance of UNEP/MAP (document UNEP/BUR/72/Inf.3), recalled that, upon being informed by UNEP about MAP's financial situation, the Bureau, at its meeting held in Zagreb in November 2010, had requested UNEP to commission an internal audit and had specified its terms of reference (ToRs). The audit had been conducted by the United Nations Office of Internal Oversight Services (OIOS) between December 2010 and March 2011, although its final results had not been received by UNEP and transmitted to Contracting Parties until early September 2011. The purpose of the audit had been to assess whether UNEP effectively implemented risk management, control and governance processes to provide reasonable assurance regarding the financial management of the trust funds in support of MAP activities, principally the MTF (UN fund code MEL) for Contracting Parties' ordinary contributions, the trust fund for extra budgetary contributions, mainly from the EU (code QML), and the fund for the contribution of the Government of Greece as host country (code CAL). The key controls tested for the audit were those related to (a) risk management and financial forecasting and (b) the regulatory framework. The audit covered the period 2002-2011.

11. The main findings of the audit were that UNEP's risk management, control and governance processes were unsatisfactory. The combined negative balance of the MEL and CAL funds was confirmed at USD 5.1 million, while the QML fund showed a positive balance of USD 3.2 million. There had been no misappropriation of funds. All budgeted funds had been fully accounted for and spent on the programme of work. Income had, however, been

regularly over-estimated in budget proposals. The auditors recommended that the negative fund balance should be replenished by the Contracting Parties. He concluded by listing the nine recommendations made to UNEP by the auditors, as contained in the Audit Report.

12. Mr Candotti specified the six measures that had been taken immediately, even before the audit findings had been released, to address the systemic problem that had come to light and had led to the deficit in the MEL and CAL funds: a fundamental review of budgeting processes, bringing them into line with United Nations policies and procedures; a revision of income projections, with a 14 per cent reduction to correct budgeting inaccuracies; a revision of accounting procedures throughout the system, i.e. between MAP and the Regional Activity Centres (RACs), MAP and UNEP, and UNEP and UNON, noting that UNON was the main service provider of UNEP, its treasurer dealing with fund management; an additional allocation to the MTF from UNEP's Special Account for Programme Support Costs (PSC) of a little over USD 1 million; changes in the management team at MAP to strengthen its delivery capacity and fund management; and a functional review of MAP staff to bring functions into line with expected outcomes. As a result of those measures, the deficit had already been reduced to some USD 2.2 million.

13. The Bureau took note of the Audit Report and of the measures already taken to reduce the deficit and improve fund management. The report prompted a number of comments and questions. It was generally considered unsatisfactory and opaque, lacking as it did precise information on the causes of the accumulated deficit, a proper analysis of accountabilities, the division of responsibility between MAP and UNEP/UNON and why fund management links had broken down, and detailed figures on the amounts involved. The purpose of the exercise, in addition to dealing with the past and the present, was to prevent a recurrence of such a situation in the future, and it was still not clear what MAP itself could or should be doing to that end, notably in terms of risk management.

14. A preliminary comment concerned the form of the report, with many Bureau members and other representatives of Contracting Parties (hereinafter "representatives") questioning the language used, although, following explanations, the Bureau acknowledged that it was addressed not to MAP or to the Contracting Parties but to UNEP as the body commissioning the audit, albeit at the Bureau's behest. The report was an information document and did not require endorsement by the Bureau. It remained that the Contracting Parties' voice should be heard. Representatives considered some of the recommendations to lie outside the audit ToRs as set forth by the Bureau, a notable example being recommendation (4) to the effect that the Contracting Parties should reimburse the amounts spent on activities for which available funds had been over-estimated in the budget proposals.

15. Recommendation (4) was strongly challenged, indeed rejected, by the Bureau, since to follow that recommendation would imply acceptance of responsibility, whereas the Contracting Parties could in no way be held responsible for the generation of the deficit, nor for shortcomings in risk management and financial forecasting. The budget proposals submitted to them and approved by them had been certified by UNEP and UNON, and the funds allocated for project activities had been spent in good faith. Moreover, the reference, in UNEP's response to recommendation (4), to "the implementation of more programme activities than actual funding allowed" prompted a request for more detailed information on which activities were in question. The Contracting Parties had for many years been requesting a clear vision of income and expenditure in the budget proposals, but had always been asked to take the proposals on trust. They had also been vigilant on the question of unpaid arrears. The prevailing view was that the problem was clearly one of inadequate management and oversight and an apparent lack of checks and balances in budgetary and accounting procedures at the UNEP/UNON level, although the point was made that, should collective responsibility be ascertained, at the very minimum collective solutions should be proposed and also that UNEP and UNON were left largely unscathed by the Audit's findings.

It was furthermore noted that the UNEP response to the recommendation to the effect that it remained open pending receipt of a decision by the extraordinary meeting of the Bureau on deficit recovery was inoperable, since the Bureau could only advise the Contracting Parties. A further point made on the recommendation was that any scenarios for deficit recovery must take account of governance issues, a topic to be discussed later in the meeting.

16. The Bureau noted that the question of accountability was inadequately explored. Moreover, the UNEP response to recommendations (3) and (6) on that subject, to the effect that a panel of qualified UN staff would be established by the Executive Director of UNEP to determine accountability and deliver its findings by 30 March 2012, failed to take account of the MAP calendar of meetings, in particular the holding of the Meeting of Contracting Parties earlier in the year. The Contracting Parties could not adopt a decision on the situation or on the budget without all the facts to hand. The possibility of conducting an interim review of the status of the investigations prior to the forthcoming Meeting of the Contracting Parties was mentioned. A question was raised about the appropriateness of UNEP determining accountability, since it was both "judge and judged". Following a discussion, the Bureau considered that the substance of the UNEP response to those recommendations was relevant, but UNEP was urged, after determining responsibilities behind the inaccuracy of budget proposals and the creation of inappropriate allotments, to report to the Contracting Parties at their 17th meeting. A similar comment on submission of information in time for the Meeting of the Contracting Parties concerned UNEP's response to recommendation (7), which set the deadline for the outcome of consultations on the division of authority for financial and other administrative matters between UNON and UNEP at 30 March 2012.

17. The matter of accountability was closely linked to the reasons for the accumulation of the deficit over so many years, which were still not fully and clearly identified or explained and remained a matter of great concern to Contracting Parties. It was noted that earlier audits had been conducted over the period in question, in 2006 and 2009. The reasons for the peaks in over-expenditure in certain years that had now come to light also required clarification. It was suggested that a contact group on the budget might be set up to prepare for the forthcoming Meeting of the Contracting Parties, possibly drawing on input from other conventions, although caution was urged in determining the objectives and ToRs of any such group so as not to undermine the prerogatives of the Contracting Parties.

18. On the subject of the causes of the deficit and possible alternative sources of funding, to recover it and to be prepared for future contingencies, representatives requested more information on the inter-fund borrowing mechanism, the administration of the MTF, QML and CAL funds, the nature of the debts incurred, why no monitoring was in place to ascertain over-borrowing and whether the debt could be renegotiated or deferred, or the mechanism further drawn upon on grounds of solidarity; on possible additional allocations from UNEP's Special Account for PSC, it being noted that the USD 1 million already allocated was a grant contribution; whether, with the new division of responsibility between UNEP and MAP, the 13 per cent commission charged by UNEP to Contracting Parties to the Barcelona Convention could not be reviewed, particularly in the light of charges to other conventions; on the revolving fund decided upon by the Contracting Parties; and in general why no alarm bells had been sounded as the deficit accrued. On the specific question of the revolving fund, Ms Silva confirmed the decision of the previous Meeting of the Contracting Parties to establish such a fund, but that the position now was first to address the deficit so as not to hamper MAP's operations, and to establish the revolving fund from any savings made once the deficit had been recovered. With regard to QML-MTF transactions, she referred participants to item 7 of the ToRs of the OIOS Audit, circulated for information, which related to misposting of transactions, a matter on which concern had been expressed at the Bureau's Zagreb meeting. As stated in paragraph 6 of the Audit Report, the auditors had not addressed that item, considering it to be a low-risk issue.

19. The Bureau stressed the importance of precise figures to enable the Contracting Parties to take fully informed decisions. There should be no confusion between “real” money, such as Contracting Parties’ contributions, and forecasts or budgetary inaccuracies. Among the figures missing from the report, or at best approximate, were, firstly, the exact amount of the deficit, those on unpaid pledges, since representatives noted that only one country - Libya - was now still in arrears with its contribution; those on outstanding advances to the RACs, noting significant discrepancies in the figures contained in Table 9; and amounts given variously in USD and Euros. In general, on the understanding that the matter would be further discussed under subsequent agenda items, they wished to see some sort of implementation table listing the shortcomings found, such as in budgetary procedures, and the measures taken or recommended to overcome them, together with figures and deadlines, in order to give the Contracting Parties a complete overview and prevent further mismanagement in the future. On the question of the approximate figures (USD 2 or 2.2 million) given for the remaining outstanding deficit, Ms Silva pointed out that currency exchange fluctuations between the US dollar and the Euro might affect the final amount, adding that the figures given were the best estimate to date and that a final figure would not be available until the UN closed its accounts in March 2012. The amount received in the current year for unpaid contributions from previous years was EUR 410,353.

20. In a subsequent exchange of views, the point was made that the principle matter of concern to Contracting Parties as a basis for the political decisions they would have to take and over and above MAP/UNEP/UNON working relationships or accounting problems, was the extent to which the budget approved by the Contracting Parties at their 16th Meeting had been affected by the financial situation and what burden from the past they would have to bear in the next biennium. The same would apply in successive bienniums, hence the need for the carry-over to be clearly and systematically specified. They needed to know what the required level of contributions was to maintain the budget level. It was suggested that a possible solution might be to present the budget in two separate parts, one being the normal budget devoted to implementation of the programme of work and the other showing the amounts required to resolve the financial crisis, with the sum of the two not exceeding current ordinary contributions to the MTF. It was added that, since the five-year programme of work did not specify figures, prioritization of activities was essential in order to relate the five-year programme to the two-year programme, and that governance was a key issue in that respect.

21. Replying to comments, Mr Salzmann acknowledged that the timing proposed in the UNEP/UNON response to the recommendations did not take account of the MAP calendar of events, but explained that the action UNEP was taking in response the problems that had arisen and to the audit recommendations were structurally addressed to all the conventions administered by UNEP in order to eliminate “grey areas”, and that they would ultimately all benefit from such concerted action. The peaks in the deficit corresponded to end-of-biennium findings. In reply to a question about the training plan recommended in an earlier audit, he said that the matter would be taken up by the Secretariat.

22. As to the reasons for the deterioration in the MTF fund balance, he recalled and expanded upon the reasons described in the Audit Report, notably shortcomings in budgetary practices, with the inclusion in the budget proposals of items of income that did not in fact constitute available income, such as unpaid arrears and anticipated bank interest, a build-up of inter-fund borrowings to finance the deficit, attribution by UNEP of certain expenditures to the MTF, such as voluntary contributions, that should more appropriately have been charged to the QML fund, the use of a budgetary exchange rate that underestimated the actual value of the expenditures in UNEP’s US dollar books, the impact of currency fluctuations, and discrepancies between advances made to the RACs and the recording in the accounts of RAC expenditure not fully accounted for because of the

periodicity of the reporting procedure. Regarding the three MEL, QML and CAL funds, they were all administered by UNEP. Following up on Ms Silva's comment that the resources in QML were either earmarked or intended for very specific projects, he said that therefore, after the recent adjustments made to transfer funds to the MTF, no further funding was available from that source.

23. Responding to further questions about the inter-fund borrowing mechanism, the interrelationship between UNON and UNEP in that regard and the scope for possible renegotiation or deferral of MAP's debt, he explained that inter-fund borrowing was a mechanism that had been developed by UNEP Headquarters to enable a fund whose expenditures had gone beyond the respective income to borrow the additional amount from other funds. The difference between the MTF deficit as at 31 December 2009 (4.5 million) and the respective inter-fund borrowing (5.4 million) was mainly due to the existence of uncollected pledges, which, in accordance with UN financial rules and regulations, had been credited to income before the actual receipt of the cash, since after the approval of the budget by the Contracting Parties they were considered solid commitments. That was why the collection of pledges in arrears reduced only the inter-fund balance and not the deficit as such. The amounts now transferred to QML were not contributions but expenditures that had been wrongly charged to the MTF. He confirmed that there was no procedure for limiting expenditure and debt, but said that the whole system was currently being reviewed in depth to ensure that the necessary checks were in place. Representatives stressed the need for monitoring and control procedures to be put in place so that there would be no recurrence of such practices. In reply to the query about the USD 1 million allocation from the Special Account for PSC, Mr Salzmann said that it was a one-off allocation representing a significant contribution by the Executive Director of UNEP to deficit recovery and hence an assumption of responsibility for the problem. Regarding the various references to USD and Euro amounts, he outlined the difficulties encountered by UNON in recording and reporting Euro transactions in the UN system's dollar books, as described in paragraphs 41-42 of the Audit Report. The system was currently under review but there were limitations to the information management tools still used to record such transactions.

24. Representatives acknowledged that the situation was due partly, but by no means entirely, to an accounting problem. Certainly budget proposals submitted to the Contracting Parties should have included at the outset carry-overs from the previous biennium, together with a transparent presentation of actual income and expenditure, but the crux of the issue lay with failures in monitoring and certification, fund sufficiency assessments and expenditure controls, and a lack of clear authority and division of responsibility between UNEP, UNON, the Coordinating Unit and the RACs. On the latter subject, representatives observed that all RACs had in good faith spent the cash advances, yet on the books had accumulated a deficit.

25. Ms Katagai, MAP Administrative and Fund Management Officer, informed the meeting that the division of responsibility had now been clarified. Traditionally, all fund management responsibility had lain with UNEP, but the data entry point had now been decentralized to MAP, with UNEP retaining oversight authority. With regard to the RACs, noting that since 2009 UNEP had determined that all advances should be considered expenditure, work was proceeding in MAP to check all the figures concerning the outstanding receivables in detail, and would be completed by February 2012. To date, a significant reduction had been achieved. The discrepancies noted in Table 9 of the Audit Report would be cleared and, once all outstanding receivables had been closed, the RAC/MAP accounts should be balanced and there would be no problem in the future. In reply to questions, Ms Silva pointed out that, since cash advances to RACs were now counted as expenditure when disbursed, the amounts involved had been incorporated into the deficit calculations, and also

that MED POL and the Coordinating Unit did not receive advances, which were restricted to bodies that did not come under UNEP's authority.

26. Mr Candotti, providing further clarifications, explained that one of the problems was that UNEP worked with a cash budget system, not an accrual system, which meant that no distinction could be seen between disbursement and capital expenditure. However, major, radical changes were taking place within UNEP as it moved towards adopting an accrual system. Another crucial issue was the legal framework governing multilateral agreements. UNEP's Governing Council in February 2011 had noted discrimination in the management of accounts between the different conventions, and "grey areas" in respect of some conventions such as the Barcelona Convention which UNEP did not have the mandate to correct. Under the current Spanish presidency, discussions were ongoing on that matter. Another point was that there were dedicated trust funds for each convention, but a common kitty for overhead costs, sometimes used for urgent measures. There, too, changes were under way and there was now a move towards a dedicated fund for certain conventions. Regarding division of authority, he explained that until a year or two previously, accounts management, reporting and banking had been the responsibility of UNON. UNON had reported to UNEP, which in turn had reported to the MAP Secretariat. Following the devolution of accounts management to UNEP, the latter had in turn moved towards decentralization of fund management, which was now in the hands of MAP, with UNEP retaining oversight authority.

27. In response to the question about whether there might be a budgetary return to Contracting Parties on UNEP's 13 per cent charge for administrative costs now that some tasks had been devolved to MAP, he said that the bulk of that amount was already used to cover administrative and financial costs at the Athens office, including eight staff posts. However, the balance could be renegotiated, with due caution exercised not to create routine precedents. Mr Salzmann further explained that the 13 per cent charge was the standard PSC percentage levied on the income of the UN as per the agreement between the UN and Member States, but other percentages were also applied, such as 4.5 per cent in the case of the EU voluntary contribution. Normally, 67 per cent of PSC was given back to the office generating such income and the remaining 33 per cent was withheld by UNEP Headquarters to cover the administrative costs associated with the oversight and support of the office. In the case of MAP, almost 100 per cent of PSC had been returned to the generating office in recent years to finance a number of posts and cover other expenses such as oversight missions.

Agenda item 4: Measures to improve fund management and enhance delivery of the programme of work

28. Ms Katagai introduced document UNEP/BUR/73/3, specifying that her presentation would focus on the financial measures taken or being taken to improve fund management, to enhance effectiveness and efficiency in programme delivery, and to collect contributions and raise funds. She presented each of those three areas in terms of problems identified and action taken. The measures taken to improve fund management were aimed at improving the budgeting process, strengthening monitoring and management of cash advances, and introducing mechanisms to prevent allotments from exceeding available resources. They were in line with OIOS Audit recommendations (1), (2), (8), (9) and (5).

29. In order to improve the budgeting process, a new budget format had been developed which would be used to present the draft 2012-2013 budget to the Contracting Parties for approval. The format was results-based and comprehensive; it followed a logical flow and also served as a fund mobilization tool. UNEP would review and clear the draft budget prior to submission to the Contracting Parties. A clear work flow had been identified and the formal budget clearance process had been institutionalized. A first step had been to remove from

the “income” section of the budget items such as unpaid pledges for previous years, bank interest and provision from the MTF reserve that had caused overspending beyond actual income.

30. Under the old budget format, it had been difficult to see a clear overall picture of MAP activities, since there had been no comprehensive summary of income and commitments, including all sources of funding, nor a presentation of projects and counterpart funding. Budget presentation would now start with a comprehensive overview of “income and commitments”, including all “expected ordinary income” and “other UNEP/MAP income”, with a breakdown under each section heading. She presented the proposed overview table as contained in the new budget format (Annex I to document UNEP/BUR/73/3). Following the overview, there was now also a clear breakdown of the distribution of funds among thematic areas, outputs and components, which had not been the case in the past. A table of contents was included for ready reference to the structure of budget presentation.

31. In the past, negotiation and identification of activities requiring additional funding had been carried out on an ad hoc basis. In the new format, “amounts to be mobilized” were presented by output and component (section 7) and a column indicating “external funding to be mobilized” had been added to show the gap between secured funding and funding to be mobilized for each output (section 5). There was also now a breakdown of activity costs by thematic area, which had been missing in the past, in addition to administrative costs (sections 8 and 9).

32. Regarding the monitoring and management of cash advances, no new advances would be made to the RACs until previous advances had been justified and fully reported and recorded. An initial 15 per cent reduction in advances outstanding over 24 months had been achieved, and further ongoing work had already yielded a further five per cent reduction. Strengthened monitoring and timely closing of advances had now been decentralized to MAP as the single data entry point.

33. In order to prevent allotments from exceeding available resources, and consistent with Audit recommendation (5), allotments were now to be phased in line with actual cash available. Instead of programming 100 per cent of funds approved by the Contracting Parties, the proposal was now to programme only 40 per cent at the beginning of the year, with a review in June and September as contributions came in. That proposal would require the understanding and cooperation of Contracting Parties in terms of early payment of their annual contributions.

34. The Bureau commended the immediate action taken by the Secretariat to stabilize the deficit by adjusting expenditures to income. In particular, it welcomed the new budget format and requested that it be the basis for the submission of the 2012-2013 budget to the Contracting Parties at their 17th Meeting. The new format was an appropriate working tool conducive to better fund management and the readability of budget documents. The Bureau agreed with a proposal from the floor that capacity-building and technical assistance activities should be specifically identified in the document. In response to a question, Ms Silva confirmed that the new format had been developed in consultation with the RACs.

35. Representatives reiterated the importance, in the budget preparatory process, for Contracting Parties to be informed of income and expenditure over the preceding biennium and any carry-over to the next biennium, including unpaid arrears. Following a discussion, and noting that the UN closed its accounts for any given year in March of the following year, the Bureau therefore requested that a detailed, quantified account report of expenditures be submitted to the Contracting Parties at the end of each biennium.

36. A discussion ensued on the proposal to phase the implementation of programme activities in a given year, to allot only 40 per cent of the yearly approved MTF budget and to revisit the allotment percentage at the end of June, in order to ensure strict oversight of expenditure in relation to actual income, and consequently to invite Contracting Parties to pay their annual contributions at the beginning of the year. Representatives acknowledged the need for regular monitoring and for allotments to match income, but urged flexibility in the application of that policy, notably in terms of deadlines for the payment of contributions, pointing out that domestic procedures might preclude such early payment, and also that, for certain types of project, funding guarantees were needed from the outset, whereas the first phases of the project were in many cases taken up with planning and preparation, while the bulk of funds for actual implementation was not disbursed until a later phase. The RAC Directors, in particular, would need guidance in that matter, which again raised the questions of the need for consultation and coordination with the RACs and the periodicity of reporting. The possibility of a revised, real-time reporting system in a standardized format was raised. Another question was whether, in the present circumstances, MAP could take on board projects that were already at an advanced stage of negotiation, such as the major EU ENRTP project. More clarity was needed on when exactly the monitoring exercise would take place, given, for example, the slow pace of UNEP procedures; on certain criteria, such as what level of contributions would trigger an increase or decrease in allotments; and on the "principle" of sharing a reduction in the implementation level equally between the Coordinating Unit and the components. On the latter question, the Bureau considered a proposal that there should be a prioritization of activities to be reduced in the event of a shortfall, agreed in advance, rather than an across-the-board reduction. A further suggestion was that the Coordinating Unit might endeavour to ascertain from past data whether there was a pattern of early or late payment of contributions as a basis for determining allotments.

37. Replying to questions and comments, Ms Katagai said that monitoring was the key issue. The proposed, perhaps ambitious, mechanism on phased allotment had been prepared with UNEP input. It was a contingency plan since, should 100 per cent of contributions be collected in the first quarter, the allotments would not need to be phased. The Secretariat was open to any suggestions for improvement. Ms Silva noted that MAP would be starting the next biennium with a deficit, which explained the need for strict monitoring and the somewhat precise mechanism that had been developed for phasing allotments to match actual income received. The Secretariat was, however, still on a learning curve, and the comments made at the current meeting, and in particular the requests for more flexibility, would be taken into account in the final proposals. Replying to a request for a strengthened mechanism to keep the MAP Focal Points and the Bureau informed of developments arising from the monitoring process, Ms Silva observed that regular updates on the payment of contributions were posted on the MAP website.

38. On the question of consultation with the RACs and existing reporting procedures, Ms Silva said that steps would be taken to ascertain from RACs their priorities for allotments in the first six months of the year. She recalled that RAC activities would be reflected in the new budget format. Regarding major projects in the pipeline, they would inevitably be affected if contributions were not received. Mr Salzmann added that it was QML funding that would be affected if the funds for extra budgetary projects were not actually in the bank. Regarding the MTF, the phased allotment proposal was based on an approach that recognized 40 or 50 per cent of yearly expected contributions as income as at 1 January, rather than 100 per cent of pledges, as in the past. In response to a question about the payment of staff salaries up to 31 December 2011, given the holding of the forthcoming Meeting of the Contracting Parties after the year's end, Mr Salzmann confirmed that such payment was assured.

39. In conclusion, the Bureau endorsed the phasing proposal, requesting the Secretariat to submit a proposal to that end, taking account of the Bureau's comments, for adoption by the Contracting Parties at their 17th Meeting.

40. Following introductory remarks by Ms Silva on arrears, and as reported in document UNEP/BUR/72/3, the Bureau noted with satisfaction the significant efforts made to recover arrears in contributions and invited Contracting Parties to pay their 2012-2013 contributions promptly, if possible at the beginning of the biennium, bearing in mind the budgetary procedures specific to each Contracting Party. Representatives noted that only one country was now still in arrears but, given the prevailing geopolitical circumstances in the country concerned, its contribution was unlikely to be forthcoming in the near future. That shortfall, and indeed any shortfall due to uncollected arrears should be reflected in the budget proposals. More broadly, the Bureau encouraged the Secretariat to develop a policy on bad debts, to be submitted to the Contracting Parties.

41. In reply to questions about whether arrears affected the deficit, Mr Salzmann recalled that, for the reasons given earlier in connection with the inter-fund borrowing mechanism, the collection of pledges in arrears did not reduce the MTF deficit, only the inter-fund balance.

42. Ms Silva said that the deficit in the CAL fund was the result of a misunderstanding over the USD and Euro amounts involved, as described in the document, and that Greece had always paid its assessed and voluntary contributions on time. The ongoing dialogue with the Government of Greece to restore the balance on that account was advancing well. In response to a comment, she said that the CAL deficit had no impact on the MTF because CAL funds supported administrative expenditure, in respect of which savings had already been made. The point was made that the amount involved was substantial and that a decision by the Contracting Parties on the situation would be needed, as follow-up to previous Contracting Party decisions on the subject.

43. The representatives of Greece, recalling the explanations given at the Bureau's Zagreb meeting as to how the misunderstanding and consequently the deficit had arisen, said that their Government had been working closely with the Secretariat towards a bilateral solution, which was expected in time for the Meeting of the Contracting Parties. A supplementary agreement to the 1982 agreement between the Coordinating Unit and UNEP would probably close the issue and would provide safeguards for the future. The Bureau welcomed the progress made in the ongoing discussions between the Secretariat and the Government of Greece concerning the host country agreement and the deficit in the CAL account, and looked forward to an early conclusion of the discussions, preferably before the next Meeting of the Contracting Parties.

44. Regarding resource mobilization, Ms Silva referred to several major projects consistent with programme priorities and described in document UNEP/BUR/72/3, paragraphs 3.3 and 3.4, which had been developed in cooperation with donors, mainly the EU, whom she thanked, and which were at an advanced stage of negotiation.

45. MAP was very interested in expanding its resources, particularly in the current financial context, and would welcome any ideas from the Bureau. As requested by the Contracting Parties, a new resource mobilization strategy was being developed. The strategy would be a corporate, balanced UNEP/MAP resource mobilization effort rather than an individual MAP component-driven approach.

46. In the ensuing discussion, representatives agreed that, in the current context, it was more than ever necessary to mobilize resources, and commended the Secretariat's efforts to that end. They stressed in particular the need for projects to be consistent with identified priorities in the programme of work and hence for information on all currently proposed and potential projects to be available for scrutiny. That could be provided for under the strategy, making it possible not only ensure their consistency with programme priorities but also to

ascertain whether they might more appropriately be funded from the MTF or from external sources. While they welcomed other organizations' interest in MAP, it should be borne in mind that donors might have other interests or a different agenda. With a high percentage of extra budgetary projects, there was a risk of drifting away from the programme of work towards satisfying donors' demands. It was suggested that the Secretariat might take a more proactive approach in negotiations with donors with a view to directing their choices towards more Mediterranean-friendly projects consistent with MAP and Convention objectives. However, resources being scarce, ingenious approaches were needed to secure partnerships that maintained the delicate balance between donor demands and beneficiary requirements. It was commented that, at the MAP level, the complex process of selecting projects would certainly require Contracting Parties' and RACs' involvement, but possibly also outside expertise. Another suggestion was that MAP, particularly in the context of its greater autonomy, should be taking more initiative in suggesting or presenting projects, for example regional projects on climate change adaptation, with UNEP playing a significant role in managing the funds for such projects. Another point made was that most projects currently on the table benefited eligible countries only; the new strategy should make provision for activities benefiting all Contracting Parties. Finally, representatives stressed the importance of RAC involvement in the new resource mobilization strategy, and the submission of the draft strategy to the Focal Points at their next meeting.

47. Replying to comments, Ms Silva confirmed that the draft strategy would be before the Focal Points at their forthcoming meeting, in the expectation that it would be launched immediately, and that the RACs had been associated with its preparation and would be further involved in its implementation. With regard to ensuring that the funds mobilized reflected programme priorities, optimum results could be achieved with some give-and-take between donors and MAP.

48. In conclusion, the Bureau acknowledged the resource mobilization efforts made by the Secretariat and requested that the draft resource mobilization strategy be submitted to the Focal Points at their next meeting in order to complement the Contracting Parties' decision on the budget.

Agenda item 5: Deficit recovery

49. Ms Silva recalled that the MTF deficit and the negative inter-fund borrowing balance stood respectively at USD 4.5 million and 5.4 million as at 31 December 2009, and presented the measures taken and proposed to recover the deficit, as described in document UNEP/BUR/72/4. As a result of the measures taken to correct over-budgeting for 2010-2011, namely a 14 per cent reduction in the level of expenditures, the collection of arrears, the reallocation of approximately USD 0.9 million from QML to the MTF, the allocation by UNEP of USD 1 million from the Special Account for PSC, cost-cutting measures resulting from the Functional Review, and further cuts in administrative costs, the budget deficit as at 31 December 2011 was estimated at USD 2 million, or up to USD 2.2 million depending on exchange rate fluctuations. The proposed principles guiding the recovery process, as described in paragraph 4 of document UNEP/BUR/72/4, were: solidarity, entailing minimum burden-sharing among all Contracting Parties and a 2.5 per cent increase in MTF pledges as approved in principle by the Contracting Parties at their 16th Meeting; minimum disruption of MAP's programme delivery capacity; and a reasonable time-frame, not exceeding four years.

50. She presented the three scenarios that had been developed for recovery of the remaining deficit: scenario 1, which corresponded to OIOS Audit Recommendation (4) and provided for immediate recovery through a one-off extraordinary contribution by Contracting Parties of USD 2 million; scenario 2, providing for a one-off extraordinary contribution by Contracting Parties of USD 1 million and recovery of the remaining deficit through savings

made by implementing the Functional Review of the Coordinating Unit and MED POL, over four years; and scenario 3, proposed by France, providing for recovery of the whole deficit through reductions in expenditure, with no extraordinary contribution by the Contracting Parties. Under scenarios 1 and 2, the basis for apportioning the one-off contributions by Contracting Parties was open to discussion; possible options being voluntary contributions, UN assessed rates, or other options such as a minimum fixed starting basis of, for instance, USD 10,000 or 15,000. Under scenario 3, the estimated reduction as compared with the 2010-2011 approved budget was 24 per cent, to be shared evenly among all MAP components.

51. The Bureau took note of the amount of the deficit in the MTF as at 31 December 2009 and commended the measures taken to recover it. Ms Silva confirmed that the announced 14 per cent reduction in the level of expenditures in the 2010-2011 budget did not need to be sanctioned by UNEP as an official budget revision, given MAP's managerial obligation to effect such adjustments and clear them in its books.

52. The President invited the Bureau to consider first the guiding principles. On the principle of solidarity, representatives noted that the assumption in the document and in Audit recommendation (4) was that solidarity applied only to Contracting Parties, whereas the Bureau had already expressed its reservations on that recommendation and consequently on any scenarios derived from it. The principle should therefore apply, rather, to all MAP components, but also to UNEP, which was requested to report on possibilities within its mandate, including the negotiability of the 13 per cent levy and of longer-term repayment of loans from other funds, and on the scope for further reallocations of expenditure to QML, considering other projects in the pipeline, and for financing from other trust funds administered by UNEP. With regard to the proposed 2.5 percent increase in assessed contributions, representatives acknowledged their approval in principle of such an increase but observed that such approval had been given before the deficit issue had arisen. It was therefore generally agreed that any such increase should be deferred pending recovery of the deficit and the return to a sound financial situation. It was again stressed that matters pertaining to contributions and the budget must be dissociated from the deficit. There could be no discussion or decision about increased contributions until all the options for deficit recovery had been explored and savings clearly identified. Moreover, the 2.5 per cent increase concerned current pledges and should therefore also be dissociated from deficit recovery. Some representatives considered, however, that the possibility of such an increase should be left open until all scenarios had been examined. The suggestion of setting a minimum across-the-board contribution for a one-off payment prompted the comments that countries with a lower level of contribution would then be paying more than major contributors, that a signal might be expected from the major contributors as well, that any additional contributions might discourage voluntary contributions, and that any option taking account of assessed contributions must be based on the latest assessment rates decided by the UN General Assembly.

53. While it was acknowledged that, looking ahead to the forthcoming Meeting of the Contracting Parties, steps should be taken urgently to resolve the financial crisis, and that discussions at the current meeting should focus primarily on that issue, it was pointed out that it was difficult to discuss the principles in isolation and hence to take what amounted to political decisions in the absence of full disaggregated data, explanations and a debate about the specific amounts involved in the deficit, accountabilities and other as yet unresolved issues, including all the implications for programme delivery of the scenarios presented and possibly others to consider, and the burden ultimately to be borne by the Contracting Parties even under scenario 3, or without an in-depth debate on governance. A preliminary point made was that immediate responses were expected to a number of complex issues at the same time, namely recovering the deficit and enhancing MAP efficiency and effectiveness,

against a background of financial crisis affecting all the Contracting Parties. The majority view was that a step-by-step approach to resolving those issues was therefore required.

54. After an exchange of views on the proposed scenarios, a consensus emerged on scenario 3, with recovery of the remaining deficit over a period of four years, as the most realistic working basis. The longer timeframe would ease the financial burden on the MAP components and allow more time for all the conclusions to be drawn from in-depth discussions on management and governance, which would have a significant bearing on the direction taken, for a phased adjustment of the whole MAP system and for potential savings to be identified in consultation with all the parties involved. Given the 14 per cent reduction already made, the amount to be recovered would not be exorbitant and would not preclude voluntary funding. That comment prompted the remark that it was precisely the reason why there needed to be agreement on the exact final deficit figure. Even the projected EUR 180,000 annual savings resulting from spending cuts was only an estimate. The question of other possible scenarios was raised, and the Secretariat was asked to consider that question and to report thereon to the Focal Points at their forthcoming meeting, as well as on all the implications of scenario 3 as agreed, together with proposed accompanying measures.

55. Mr Candotti agreed that not all possible scenarios had been considered. Those before the Bureau assumed a status quo and did not envisage a root-and-branch review of the whole configuration of MAP's structure and operations for service delivery. The financial crisis marked the end of a phase in MAP's history and might be seen as a window of opportunity for returning to fundamentals and exploring other, more radical scenarios for the future. MAP could rely on UNEP's cooperation in such an endeavour. In considering any scenario, he advised against counting on additional income, which, were it to materialize, should be put aside as a strategic reserve, and advocated a drastic reduction in fixed costs, observing, however, that, once decided, there was no going back on such a radical reconfiguration because of the human and structural implications.

56. While some agreement was expressed with the observation that a crisis situation could provide the impetus for making difficult decisions, the President commented that Contracting Parties were well aware of the need for such strategic and governance changes, as could be seen from the Governance Paper approved at their Almeria meeting in 2008, and that steps had already been and were being taken, irrespective of the deficit, to give effect to that decision. Although governance and financial issues were interlinked, the prime concern now at hand was to recover the deficit and balance the budget, with the accompanying management measures.

57. Regarding the principle of minimum disruption of the programme of work, representatives expressed particular concern about any reductions in programme activities, commenting more generally that it was necessary to improve the ratio between administrative and programme costs, which was currently two-thirds to one-third throughout MAP, including the RACs. They expected that, with the prioritization of core activities in line with the programme of work and with further cuts in administrative costs, the impact on the programme of work should be kept to a minimum, although it was pointed out that some cuts in administrative expenses had already been made and that limiting factors were inflation and the need to maintain a critical mass of human resources. Hidden costs, such as outsourcing, should also be taken into account.

58. They agreed on the need for an in-depth review and evaluation of the RACs' functions and operations, to be conducted as soon as possible and certainly during the first year of the next biennium, but in the interim, savings could be identified and should be effected, in cooperation and consultation with the RACs. Coordination was crucial in that respect. Options on the modalities of such a review would be discussed under item 6. The importance of cutting administrative costs was stressed, but, rather than applying the same

percentage reduction to all the components, many spoke in favour of a differentiated, though balanced, approach based on a functional but also an operational review; their respective activities and relative impacts should be taken into account as well as their fixed costs.

59. The Bureau discussed the tables distributed during the meeting, providing data on the current working budget and on scenarios 3A (deficit recovery over four years) and scenario 3B (recovery over two years), together with supplementary information on posts funded by PSC, but considered that, though useful, they did not respond adequately to its requests for a clear distinction to be drawn between the approved budget and the budget after cuts, for detailed comparative figures and percentages for programme and administrative costs and for a breakdown of activities, recalling that a detailed account report was to be submitted on expenditures, covering inter alia the MTF, the PSC and staff costs, including consultants. On the basis of the suggestions made, it therefore requested the Secretariat to provide full information for consideration by the MAP Focal Points at their next meeting in order to enable the Contracting Parties to have all the facts to hand in determining the exact amount of the deficit still to be recovered and which were the core, priority activities to be preserved and which activities might be frozen, deferred or proposed for voluntary funding.

60. Mr Candotti, observing that he would be conveying the Bureau's instructions to the Executive Director of UNEP, summed up his understanding of the outcome of the discussions so far. The Contracting Parties were unable or unwilling to offset the deficit through an extraordinary contribution or a 2.5 per cent increase in contributions and had in principle agreed to proposed scenario 3, with deficit recovery over four years. However, several matters remained outstanding before a final decision could be taken, notably the need for a clear statement of expenditure and income, excluding any potential additional income, carried forward from one biennium to the next and therefore covering the past, the present and projections for the future, and also for the detailed breakdown requested. Drawing the distinction between deficit and debt, he stressed the importance of specifying a clear debt write-off policy or strategy for bad debts, and to ensure that from the next biennium there would be no further deficit that would turn deficit into debt.

61. He noted further that the Bureau had stressed the need for prioritization of activities, i.e. core and non-core elements, which would mean according top priority to vital, legally binding elements. Flexible modules could then be built around that core, funded through mobilization of external resources. On another issue, he advised that accompanying management measures should also be clearly specified for the guidance of the Secretariat, particularly with regard to staff recruitment, retrenchment, redistribution of tasks and the use of consultants. Also to be specified were such efficiency parameters as ratios and ceilings for fixed costs, notably staff and non-staff costs. In short, bearing in mind all the foregoing considerations, a clear statement of income and expenditure assumptions, together with accompanying measures, would form the basis for restoring trust and for re-creating the proper compact between the Secretariat and the Convention.

62. Regarding programme support costs, he pointed out, with further clarifications from Mr Salzmann, that they were charged not when they came in, as income, but as and when expenditure occurred. The 13 per cent levy determined by the UN General Assembly for administrative costs in order to maintain fiduciary standards was charged on expenditure generated by that income. In the case of the Barcelona Convention, UNEP was making a particular effort to cover MAP's administrative costs by funding eight staff posts out of the 13 per cent, thus de facto reinvesting the bulk of that charge in MAP's current expenditure, with only one-third retained by UNEP and UNON for services. The lower rate (4.5 per cent) charged to QML had been accorded in recognition of a negotiated agreement between UNEP and EU.

63. An exchange of views ensued on the possibility of reducing the 13 per cent levy, which representatives considered should be renegotiated. Questions were asked about the rules and mechanisms in place to prevent the accumulation of a deficit over a number of years. If the Contracting Parties took a decision to apply those rules and to ensure that the necessary resources were available to implement them, that would surely send a clear signal to UNEP, help build up the necessary trust for the future and possibly elicit further cooperation in reducing the debt. In response to those comments, Mr Candotti explained that there were rules, but until now no adequate system in place to apply them. Updating and clarifying the system-wide rules was a matter of ongoing concern to UNEP, seeking as it did to improve fiduciary standards. Should the Contracting Parties to the Barcelona Convention wish a review to be made of the administrative arrangements governing its action as administrator of the Convention, UNEP was willing to embark on negotiations to that end, as it had done successfully for other conventions. It was very well prepared and had models to propose. Such discussions might trigger a reduction in programme support costs. That proposal was welcomed by the Bureau, which requested that information in that regard should be provided to the Bureau at its next meeting.

Agenda item 6: Measures to enhance efficiency and effectiveness in implementing the programme of work and other governance matters

64. Mr El-Habr, Deputy Coordinator of MAP, drew attention to further measures taken to enhance efficiency and effectiveness in delivering the programme of work, as contained in document UNEP/BUR/72/3, beginning with the independent Functional Review of UNEP-administered MAP components (Coordinating Unit and MED POL). The Bureau also had before it the Functional Review findings and recommendations (document UNEP/BUR/72/Inf.4) and the ToRs of the Functional Review. It was added that implementation of the recommendations of the review complemented measures already undertaken in response to earlier mandates received from the Contracting Parties, notably in the Governance Paper, and to previous audit reports, before the deficit had come to light. The staffing changes made and proposed, which he outlined, would result in net savings of EUR 180,000 per year.

65. Measures to strengthen programmatic coherence included improvements in the planning process for the two-year programme of work, pursuant to Governance Paper and Executive Coordinating Committee (ECP) recommendations, following the five-year indicative programme of work and the six identified priority themes. The draft programme had been consulted twice by the components and included all RAC activities. A common template for host country agreements had been developed and sent out; some had yet to be returned. With regard to auditing, he referred to the OIOS Audit and its recommendations, adding that it was proposed that a cross-audit of the whole system should be undertaken in 2014. A new communication strategy built around the three pillars of unifying the system, mobilizing other actors and inspiring partners and stakeholders and based on an assessment submitted to the Rabat Bureau meeting would be presented to the Contracting Parties. A resource mobilization strategy was also been developed. Finally, other measures to optimize the use of available resources and cut costs in the Coordinating Unit and MED POL were being considered, notably in respect of procurement, travel, consultancy and the planning of meetings.

66. The Bureau commended the concrete measures taken to enhance efficiency and effectiveness in implementing the programme of work and the savings identified as a result. It considered that the Functional Review was an important and useful step in that direction. Several representatives observed, however, that some of the measures, particularly those concerning staff, had been taken in response to a situation of financial crisis and could be

revisited once MAP's financial health had been restored. Any staffing changes should moreover be handled with due regard for the human factor and with caution to avoid regrouping incompatible tasks. Another point made was that the changes under way should not affect the activities of the Mediterranean Commission for Sustainable Development (MCSD).

67. There was unanimous agreement on the need to conduct a similar review of the whole MAP system, as indeed recommended by the Functional Review report, in order to ensure that it has undergone a thorough evaluation and would be streamlined for greater cohesion and synergy, under the coordination of the Secretariat, although the modalities of such a review remained to be determined. By way of preliminary comment, the point was made that, irrespective of the deficit, governance decisions called for a review of RACs' operations, functions and structure. It was a question not of holding the RACs responsible for the deficit or of stigmatizing individuals, but of determining shortcomings in the mechanism and laying sound foundations for the future.

68. The specificity of the RACs, collectively in terms of their status within MAP and vis-à-vis their administering authorities, and individually in terms of their operations, including their structure and the priority programme areas they dealt with, must be taken into account. It was therefore considered necessary to develop the ToRs for such a review in consultation with the RACs, taking also into account elements relevant to the RACs that had been missing from the ToRs of the Functional Review carried out on the Coordinating Unit and MED POL. Care should be taken to ensure that savings from the exercise should benefit the MAP system as a whole, and that any gains arising from the functional review were not lost on outsourcing, consultancies and the like. The specific question of the upgrading of posts could be deferred until MAP's financial health had been restored.

69. The nature of the review and who would conduct it were discussed, with arguments for and against a formal review along the lines of the Functional Review already undertaken or a more informal and more decentralized review conducted by the RACs themselves and/or by the Coordinating Unit on the basis of information already available and further consultations. At the outcome of the discussion and following clarifications by Ms Silva, who pointed out that the Coordinating Unit did not have the expertise to carry out such an exercise, it was agreed that it should be an external review of a more formal nature, but adopting a differentiated approach to take account of each RAC's specificity. That raised the question of funds, which it was hoped could be raised through an appeal for voluntary funding. A further point made concerned the unique position of REMPEC, which, as an IMO-administered centre, would need the agreement of the administering authority for any institutional reform.

70. The question of the timing of the review prompted a number of comments. Ideally, such a review should not be conducted in haste but, given the urgency of the situation and the need for the Contracting Parties to have the facts to hand when discussing the budgetary implications, some representatives spoke in favour of an early start. In any event, a full review could not be conducted and produce its results before the forthcoming Meeting of the MAP Focal Points. After an exchange of views, the Bureau requested that provision be made for implementing the review during the first year of the next biennium.

71. On the subject of Host Country Agreements, representatives of countries hosting RACs took the floor to explain delays in the finalization of the agreements concerning their countries, assuring the Bureau that procedures were under way and, in most cases, near completion. The Bureau welcomed the progress made and encouraged the Contracting Parties concerned to finalize the agreements as soon as possible. Regarding the common template for the agreements, a suggestion that consideration could be given in the functional

review to new or more adaptive elements elicited the explanation that the Host Country Agreements were general framework agreements on RAC operations, with no details on management, and that they should not, therefore, be affected by the functional review.

72. Bureau also welcomed the progress and proposals made in the areas of planning and communication. The proposed new planning process should be a good basis for a project-oriented budget and programme of work. Advance planning was crucial to effecting savings, for example in respect of consultancies and other external contracts.

73. The President summarized the discussions held so far and stated that it is important to extend the Functional Review to the RACs, having in mind that they have different statutes and are not financed exclusively by MTF. For this reason, the Terms of Reference of the Functional Review should be different and they should be prepared in consultation with the RACs and presented and discussed at the coming Focal Point meeting. He stated that the results should be made available and be implemented by the end of 2012. Several delegates agreed on the importance of the timely implementation of the functional review for the RACs.

74. The Spanish representative presented the Spanish non-paper on MAP's governance, explaining that it is only for reflection purposes and does not constitute a formal position. He stressed the importance of reinforcing the Coordinating Unit's role on certain issues, since none of the centres can act on those alone. There may be implications in the internal structure of the Coordinating Unit, since currently it lacks the necessary resources to carry out the enhanced coordinating role. He referred to the areas of Ecosystems Approach, Sustainable Development, Resources Mobilization, as examples of where the role of the Coordinating Unit could be enhanced, so as to ensure better cooperation among the components and better coherence with the Programme of Work. He also stated that MEDPOL must have an enhanced role in the overall monitoring of the Ecosystems Approach from a technical point view.

75. The French delegate proceeded in presenting the French non-paper, stating that it is also for reflection purposes and that some reaction is to be expected as the proposal made is different from the current status quo. He acknowledged that MAP is a valuable tool that must function well and perform according to expectations, but in the context of the budget crisis, the need to look for maximum efficiency is imperative, as well as the need to maintain MAP's competitive advantage, especially in the context of competition that previously did not exist. He emphasized the need to improve in terms of the Parties' involvement in MAP's governance system. He explained that the underlying idea of Part 2 of the non-paper is to have a system of "management by objectives" based on the six areas of the Programme of Work. He suggested rethinking the Focal Points system and moving from RAC basis to a thematic area basis, with the aim to achieve cross-functional steering of the Coordinating Unit, by avoiding excessive centralization and reducing fragmentation. He explained that part 3 of the non-paper is about opening up more to the global context, it is linked with resource mobilization and MAP's capacity to attract funding from various sources and it includes relations with the EU, NGOs, the Union for the Mediterranean etc.

76. The President of the Bureau stated that the two proposals are not completely opposed, but the Spanish one is more based on the current structure while the French one involves more extensive institutional changes and welcomed the discussion on the two non-papers presented.

77. Several delegates took the floor and recognized the expression of good ideas in both non-papers and that best use of the two documents should be made. Some parties supported the key idea of the Spanish proposal to enhance the role of the Coordinating Unit. Concerns were expressed by some parties with regards to the restructuring of the MAP Focal Points, although it has been noted that the current structure does no longer correspond

with the revised and integrated Programme of Work. The need to involve the MAP Focal Points in the planning process from an early stage was acknowledged to be of utmost importance. The Greek representative was of the opinion that there is currently no need to make significant structural changes, but what is mostly required is to enhance the adherence to procedures and to improve the coordination with the RACs based on the Governance paper adopted in 2008.

78. The President of the Bureau summarized the discussions on the two non-papers, concluding that the conclusions will be very preliminary and that no consensus on an operational exit is obvious. He reminded that we have a recent Contracting Parties decision on governance that maintains the system as it is, saying that if improvements are necessary, it should be examined if these should be made under the current framework or by moving forward. In the latter, the French proposal would not be the only option but other options should be considered as well.

79. The roadmap on the follow-up on the two non-papers was discussed, and most parties agreed that the purpose of the Extended Bureau meeting was to discuss financial issues, and that more reflection and time will be needed. It has been suggested that the two non-papers are further discussed either at the next Bureau or the coming Focal Points meeting.

80. Ms. Silva, MAP's Coordinator acknowledged the usefulness of the discussion and the need to come up with a more efficient planning system. She referred to the progress achieved with regards to Ecosystems Approach, helped to a great extent by the European Union financial contribution. She agreed to the need of having greater involvement by the Parties in the governance process, and that a careful examination on the way that this could be done was required. She also emphasized the importance of opening up to external actors. She stated that the Secretariat will first aim to ensure implementation of the actions taken in the context of the Governance Paper adopted in Almeria, and then follow-up actions can be discussed with the Parties and agreed upon.

Agenda item 7: Conclusions and recommendations

81. The Bureau had before it draft conclusions and recommendations prepared by the Secretariat. In a concluding debate on the financial situation of MAP, representatives summed up earlier discussions and made further proposals. They recalled that the Bureau agreed in principle with scenario 3 as a working basis for deficit recovery, over four years, but that the full implications of such a scenario remained to be ascertained. There was agreement on a programme of work, but still insufficient transparency about how it would be funded in the current critical financial situation. Representatives had made it clear that Contracting Parties, being in no way responsible for the deficit, would not accept any extraordinary contribution to that effect, nor, in their vast majority, would they agree in the current context to any increase in their assessed contributions. Determining accountability for the deficit would be a key factor in that connection. Regret was expressed that the Audit findings had been delivered so late, and so close to the scheduled dates of statutory meetings, precluding a full debate and consultations on all the implications, particularly in terms of responsibilities. The Bureau agreed that a clear message should be sent out that the Contracting Parties considered UNEP to be responsible for having allowed the financial situation of MAP to degenerate, and that acceptance of scenario 3 did not imply acceptance of responsibility.

82. In order to be in a position to take a decision on the budget for the proposed programme of work, Contracting Parties needed to know the exact deficit figures, which were

still unclear. It was recalled that scenario 3 provided for a 24 per cent reduction in expenditures, but that that percentage was based on an estimated, not a final, deficit figure, and that one of the main objects of the discussion had been to reduce the percentage to the extent possible, including through additional resource mobilization, in order to alleviate the impact on programme activities and ultimately the burden on Contracting Parties since, if no other solution were found, they would inevitably be paying for the deficit, rather than for the programme of work, out of their contributions. Assessed contributions must be distinguished from contributions to deficit recovery. Acceptance of the solidarity principle of equal burden-sharing for deficit recovery among Contracting Parties depended very much on the financial position of individual countries vis-à-vis the Convention, and would translate into a very substantial share being paid for by the major contributors, specifically an 84 per cent burden shared by three Contracting Parties. Given the current state of the deficit as estimated, the Bureau member representing one of those Contracting Parties expressed strong reservations as to his Government's willingness to forfeit the corresponding amount to reimburse a deficit for which it was not responsible.

83. The Bureau appreciated the action already taken by UNEP to alleviate the deficit, but considered that it should be approached to explore the possibilities for an additional financial effort. It therefore welcomed UNEP's proposal to cooperate with the Contracting Parties in clarifying and updating the administrative arrangements governing its action as administrator of the Barcelona Convention and the offer made by the Executive Director of UNEP in his letter of 29 August 2011 to the President of the Bureau to pursue further dialogue towards a mutually satisfactory solution to the financial situation. It was additionally pointed out that Audit recommendation (4), rejected by the Bureau, had been addressed to UNEP, and that, in the absence of a formal request from UNEP to the Contracting Parties to comply with that recommendation, discussions remained open, as evidenced by UNEP's offer of further dialogue.

84. Following a further exchange of views, it was therefore agreed that (a) work should continue, for the purpose of preparing the budget and the programme of work, on developing the agreed scenario for deficit recovery and other possible options, taking account of all the additional information and accompanying measures requested, for submission to the MAP Focal Points at their forthcoming meeting; and that (b) in the meantime, in parallel, the proposals by the Executive Director of UNEP for further dialogue should be followed up and negotiations undertaken with a view to revising and updating MAP's compact with UNEP and seeking a mutually agreed solution to deficit recovery.

85. The working basis for such negotiations would be acknowledgement of UNEP's proposals for further dialogue, the Contracting Parties' refusal to increase ordinary contributions, the need for final deficit figures and mutual agreement on how to apportion the financial consequences of the present situation. Progress could be expected on both (a) and (b) before the next Meeting of the MAP Focal Points, and it was therefore hoped that, following further consultations and with more information to hand, the Contracting Parties would be in a position to show more flexibility in acceding to the demands made of them and to give the Secretariat more specific guidance on the way forward. The understanding was therefore that the draft programme of work and budget to be developed and submitted to the MAP Focal Points at their next meeting would be based on current assessed contributions and deficit recovery over a four-year period. Programme activities would be divided into two categories, priority and lesser priority, the difference between the two being the extent of the recovery plan for each year. Should the negotiations close before the next Meeting of the Contracting Parties, and according to their outcome, the Contracting Parties would be in a position to take a decision on the extent to which the programme of work would be implemented.

86. Some Parties suggested that the President of the Bureau would draft a letter to the Executive Director of UNEP along those lines, and circulate the draft to representatives.

87. Following amendments to the draft text, the Bureau adopted the conclusions and recommendations attached as Annex 2.

Agenda item 8: **Closure of the meeting**

88. After the customary exchange of courtesies, the President declared the meeting closed at 9.30 p.m. on Wednesday, 5 October 2011.

ANNEX I

LIST OF PARTICIPANTS

ALGERIA ALGÉRIE	Ms Samira Natèche Sous Directrice de la préservation des zones marines, littorales et zones humides Ministère de l'Aménagement du Territoire et de l'Environnement rue des Quatre Canons 16000 Alger Algérie Tel: 213-21-432884 – Mob. 213 – 7716 77579 Fax: 213-21-432884 E-mail: natechesamira@yahoo.fr
CROATIA CROATIE	Ms. Marijana Mance Kowalsky Director Directorate for International Relations and Sustainable Development Ministry of Environmental Protection, Physical Planning and Construction Republike Austrije 14 10000 Zagreb Croatia Phone: + 385 1 3782 154 Fax: +385 1 3717 135 e-mail: marijana.mance@mzopu.hr
EGYPT EGYPTE	Ms Heba Sharawy Director of International organization department International cooperation central department Egyptian Environmental Affairs Agency (EEAA) 30 Misr-Helwan El-Zyrae Road P.O. Box 11728 Maadi Cairo Egypt Tel: 20-2-2 5256452, ext. 8411 Fax: 20-2-2 5256490 E-mail: heba_shrawy@yahoo.com
EUROPEAN COMMISSION COMMISSION EUROPÉENNE	Mr Claude Rouam Head of Unit Marine Unit DG Environment European Commission BU-9 03/177 B-1049 Brussels Belgium Tel: +32 2 2957994 E-mail: clauderouam@ec.europa.eu

FRANCE FRANCE	Mr François Gave Sous-directeur de la gestion des ressources naturelles DGM/BPM/NAT - Protection du milieu marin Direction générale de la Mondialisation, du Développement et des Partenariats Direction des biens publics mondiaux Ministère des Affaires étrangères et européennes 27, rue de la Convention CS91533 75732 PARIS CEDEX 15 FRANCE Tel. : +33 (0)1 43 17 44 32 Fax :+ 33 (0)1 43 17 73 94 Mobile: +336 14661786 E-mail: francois.gave@diplomatie.gouv.fr Mme Laurence Petitguillaume Chargée de mission Milieux Marins Ministère de l'écologie, de l'énergie, du développement durable, et de la mer Tour-Pascal – A 6 Place des degrés 92055 La défense cedex Paris, France Tel: +33 1 4081 7677 E-mail: laurence.petitguillaume@developpement-durable.gouv.fr
GREECE GRECE	Ms Maria Peppa Head of Dept.of International Relations and EU Affairs, Tel: 30 213 6411717 Fax: 30 210 6410641 E-mail: m.peppa@prv.ypeka.gr, Mr Ilias Mavroidis Department of International Relations and EU Affairs 15, Amaliados Str., 115 23 Athens Greece Tel: +30 210 64 26 531 Fax: +30 210 64 34 470 E-mail: i.mavroidis@prv.ypeka.gr Mr Nicholas Mantzaris Dept.of International Relations and EU Affairs, Tel.: + 30 213 15 15 680 Fax: +30 210 64 34 370 Mob.: + 30 6942046 706 E-mail: n.mantzaris@prv.ypeka.gr Hellenic Ministry for the Environment, Energy and Climate Change 17 Amaliados Street 11523 Athens Greece

ISRAEL ISRAEL	Ms Ayelet Rosen Director Division of International Relations Ministry of Environmental Protection P.O. Box 34033 5 Kanfei Nesharim Street, 95464 Jerusalem Israel Tel.: +972 2 6553745 Fax: +972 2 6553752 E-mail: ayeletr@sviva.gov.il
ITALY	Mr Oliviero Montanaro Head of Unit Land and Coastal Areas Management Department for Nature Protection Italian Ministry for the Environment, Land and Sea Via C. Colombo 44 00147 Rome Tel: +39.06.5722.8487 Fax: +39.06.5722.8424 Mob: +39 3293810308 E-mail: montanaro.oliviero@minambiente.it
MALTA MALTE	H.E. Mr Walter Balzan Ambassador of Malta Athens, Greece Ms Elaine Cutajar First Secretary Ministry of Foreign Affairs Global Issues Directorate-General (Political) Palazzo Parisio Merchants Street Valletta, Malta Tel: +356 2204 2325 E-mail: elaine.cutajar@gov.mt Mr Franck Lauwers Senior Environment Protection Officer Multilateral Affairs Team EU and Multilateral Affairs Unit Director's Office Environment Protection Directorate Malta Environment and Planning Authority St. Francis Ravelin, Floriana P.O. Box 200 Marsa MRS 1000 Malta Tel: +356 2290 7201 Fax: +356 2290 2295 E-mail: mcsd.malta@mepa.org.mt

MONACO	S.E. M. Patrick Van Klaveren Ambassadeur Délégué Permanent auprès des Organismes Internationaux à caractère scientifique, environnemental et humanitaire MINISTERE D'ETAT BP n° 522 Place de la Visitation MC 98015 - MONACO Cedex Tel: 377-98 988148 Fax: 377-93 509591 E-mail: pvanklaveren@gouv.mc
MONTENEGRO	Ms Jelena Knezevic Adviser to the Minister for the Environment Ministry of Sustainable Development and Tourism IV Proleterske brigade br. 19, 81000 Podgorica Montenegro Tel: 382 20 446231 Mobile: 382 67 255604 Fax: 382-20-446215 e-mail: jelena.knezevic@mrt.gov.me, jelenaknezevic@cg.yu
MOROCCO MAROC	M. Mohamed Benyahia Directeur du Partenariat, de la Communication et de la Coopération Ministère de l'Énergie, des Mines, de l'Eau et de l'Environnement 4 Avenue Al Abtal Agdal, Rabat Tel 212 537576637 fax 212 537576638 e-mail : benyahia@environnement.gov.ma Mme Nassira Rheyati Ingénieur d'État Principal au Service de la Coopération Multilatérale Secrétariat d'Etat auprès du Ministre de l'Énergie, des Mines, de l'Eau et de l'Environnement, Chargé de l'Eau et de l'Environnement No 9, Avenue Al Araar, Secteur 16 Hay Riad, Rabat Maroc Mob : +212 0666439948 E-mail: r_nassira@yahoo.fr

SPAIN ESPAGNE	Mr Victor Escobar Technical Advisor Directorate General for the Sustainability of the Coast and the Sea Ministry of the Environment and Rural and Marine Affairs Plaza de San Juan de la Cruz s/n 28047 Madrid, Spain Tel: +34 91 5976038 Fax: + 34 91 5976902 E-mail: vaescobar@mma.es
SYRIAN ARAB REPUBLIC	H.E. Mr. Issam Haddad Minister Plenipotentiary Embassy of the Syrian Arab Republic Diamantidou 62, Paleo Psychiko , Greece Tel.: [30] 210 6715713 Fax: [30] 210 68220571 E-mail: syrembas@otenet.gr
TUNISIA TUNISIE	M. Habib Ben Moussa Directeur Général de l'Environnement et de la Qualité de Vie Ministère de l'Agriculture et de l'Environnement Centre Urbain Nord – Boulevard de la Terre 1080 Tunis Tunisie Tel.: + 216 70 728 679 Tel. : Portable : + 216 98 642 495 Fax: + 216 70 728 595 E-mail: dgeqv@mineat.gov.tn

UNITED NATIONS BODIES AND SECRETARIAT UNITS
SECRETARIAT DES NATIONS UNIES

UNITED NATIONS ENVIRONMENT PROGRAMME/COORDINATING UNIT FOR THE MEDITERRANEAN ACTION PLAN (UNEP/MAP)	Mr Michele Candotti Chief of the Executive Office UNEP, Nairobi michele.candotti@unep.org, Mr Didier Salzmann Fund Management Officer UNEP, Nairobi didier.salzmann@unep.org Ms Maria Luisa Silva Mejias Executive Secretary and MAP Coordinator Tel: 30 210 7273126 Email: maria.luisa.silva@unepmap.gr Mr Habib Elhabr Deputy Coordinator Tel: 30 210 7273126 Email: habib.elhabr@unepmap.gr Ms Kumiko Yatagai Fund/Administrative Officer Tel: 30 210 7273104 Email: kumiko.yatagai@unepmap.gr Mr Didier Guiffault Legal Officer Tel: 30 210 7273142 Email: didier.guiffault@unepmap.gr Coordinating Unit for the Mediterranean Action Plan 48, Vassileos Konstantinou Avenue 116 35 Athens Greece Tel switchboard: 30-210-7273100 Fax: 30 210 7253196-7 http://www.unepmap.gr
--	--

ANNEX II

AGENDA

1. Opening of the meeting
2. Adoption of the Provisional Agenda and organization of work
3. Presentation of Audit report
4. Measures to improve fund management and enhance delivery of the Programme of Work
5. Mediterranean Trust – Fund (MTF) – Deficit Recovery
6. Conclusions and recommendations
7. Closure of the meeting

ANNEX III

Conclusions and Recommendations

1. General objectives

- 1.1 The Bureau stresses that the prime purpose of the current Meeting of the Extended Bureau is to conduct a collective analysis of the causes of the deterioration in the financial situation of UNEP/MAP and to identify the measures to be taken to recover the deficit while minimizing negative effects on the implementation of the Programme of Work, and emphasizes the need also to enhance MAP governance as part of this exercise.

2. Presentation of the Audit Report by UNEP

- 2.1 The Bureau takes note of the presentation of the Audit Report and acknowledges that it was not intended as the recipient of the Audit report; nor were the recommendations addressed to the Contracting Parties. The Bureau expresses concerns, since the Report does not adequately explain the reasons for the deterioration in the financial situation and the corresponding responsibilities.
- 2.2 The Bureau concludes that the Contracting Parties bear no responsibility in the generation of this deficit and rejects Recommendation 4, which was unduly included in the report. Nevertheless, the Bureau welcomes the offer made by the Executive Director of UNEP to pursue further dialogue in order to find a mutually satisfactory solution for deficit recovery.
- 2.3 The Bureau acknowledges the relevance of the recommendations 3 and 6 of the Audit report and urges UNEP to determine individual responsibilities behind the inaccuracy of budget proposals and the creation of inappropriate allotments, and to report to the Contracting Parties at their 17th Meeting.

3. Measures to improve fund management and enhance the Programme of Work

- 3.1 The Bureau, following the recommendations of the 71st Meeting of the Bureau held in Zagreb, welcomes the immediate action taken by the Secretariat to stabilize the deficit by adjusting expenditures to income. It welcomes the new budget format presented by the Secretariat, requesting that this format be the basis for the submission of the 2012-2013 budget to the 17th Meeting of the Contracting Parties. The Bureau considers this new format to be an appropriate working tool conducive to reducing shortcomings in budgeting and improving the readability of budget documents. The Bureau agrees that capacity-building and technical assistance activities should be specifically identified in this document and asks the Secretariat to act accordingly.
- 3.2 The Bureau requests that a detailed account report of expenditures, with actual figures, be submitted to the Contracting Parties at the end of each biennium.

- 3.3 The Bureau endorses the Secretariats' proposal to sequence the implementation of activities under the Programme of Work in order to introduce strict oversight of expenditure in relation to actual income, and to make a proposal for adoption by the Meeting of the Contracting Parties.
- 3.4 The Bureau notes with satisfaction, and thanks the Secretariat for the significant efforts made to recover arrears, amounting to 410,355 euros, and invites the Contracting Parties to pay their 2012-2013 contributions promptly, if possible at the beginning of a biennium. The Bureau notes, however, with regard to the payment of contributions by Contracting Parties, that account should be taken of the budgetary procedures specific to each Contracting Party. It also encourages the Secretariat to develop a policy on bad debts, to be submitted to the Contracting Parties at their next Meeting.
- 3.5 The Bureau acknowledges the resource mobilization efforts made by the Secretariat and requests that the draft resource mobilization strategy be submitted to the Focal Points at their next meeting in order to complement the Contracting Parties' decision on the budget.
- 3.6 The Bureau acknowledges UNEP's proposal to cooperate with the Contracting Parties in clarifying and updating the administrative arrangements governing its action as administrator of the Barcelona Convention and requests that information be provided in this regard at the next Bureau meeting.
- 3.7 The Bureau welcomes the progress made in the ongoing discussions between the Secretariat and the Government of Greece concerning the host country contribution and the deficit in the CAL account and urges that this discussion be concluded, preferably before the next Meeting of the MAP Focal Points.

4. MAP Deficit Recovery

- 4.1 The Bureau takes note of the amount of the deficit in the Mediterranean Trust Fund (MTF) which at 31 December 2009 stood at USD 4.5 million. It thanks the Secretariat for having taken appropriate measures to recover this deficit, including collection of arrears and the proposal to reallocate approximately USD 0,9 million in expenditure incurred in the MTF to the extra-budgetary fund (QML) receiving European Union contributions. This proposed transfer of expenditure will improve the position of the MTF by slightly over USD 1 million, taking account of Programme Support Costs. The Bureau further notes the UNEP grant contribution of USD 1 million and the savings from additional cost reductions during this biennium, and that, following the implementation of these measures, the amount of the deficit is estimated at between USD 2 and 2.2 million by the end of 2011.
- 4.2 The Bureau requests the Secretariat to develop the draft Programme of Work and budget for the next biennium to be submitted at the next Meeting of MAP Focal Points on the basis of current assessed contributions and deficit recovery over a four-year period.

5. Measures to enhance efficiency and effectiveness in implementing the Programme of Work

- 5.1 The Bureau thanks the Secretariat for the measures taken to enhance effectiveness and efficiency in the implementation of the Programme of Work, and, notes with satisfaction progress and suggestions in the areas of communication and planning.
- 5.2 The Bureau considers that the Functional Review is important and useful, that, once approved by the meeting of Focal Points and by the COP, it should be implemented in a timely manner and that it should be extended to the whole system. However, it acknowledges that the Regional Activity Centres (RACs) are different and should therefore be consulted in the preparation of the Terms of Reference (TORs) for a functional review to be discussed at the next Meeting of the MAP Focal Points, taking also into account elements missing from the Functional Review already undertaken. The Bureau requests in this connection that provision should be made to ensure that the review is implemented during the first year of the next biennium.
- 5.3 The Bureau welcomes the progress made by the Contracting Parties in putting in place Host Country Agreements for the RACs in accordance with the Governance Paper (decision adopted by the 15th Meeting of the Contracting Parties in Almeria) and the Rabat Bureau decision and encourages them to finalize these agreements as soon as possible.
- 5.4 The Bureau took note with appreciation of the two non-papers presented by Spain and France and found both made interesting contributions to the discussions on MAP's governance system within the overall context of the governance decision adopted by the Contracting Parties in Almeria (2008). The Bureau welcomed the offer of Spain to prepare a summary of its presentation for the next MAP Focal Points meeting. The next meeting of the bureau will consider the priorities for the next biennium and in particular how to ensure that the activities related to the ecosystem approach will be implemented.

**Conclusions and Recommendations of the Meeting of the Bureau of the
Contracting Parties to the Convention for the Protection of the Marine
Environment and the Coastal Region of the Mediterranean and its Protocols**

Rome, Italy, 3-4 November 2011

**Meeting of the Bureau of the Contracting Parties to the
Convention for the Protection of the Marine Environment
and the Coastal Region of the Mediterranean and its Protocols**

Rome, Italy, 3-4 November 2011

Conclusions and Recommendations

Progress Report by the Secretariat on activities carried out during the period January 2010-September 2011, including expenditures report

1. The bureau members took note of the progress made in implementing the activities of the Programme of Work and commended the efforts made by the Secretariat to build partnership with relevant partner organisations. However, considering that the next meeting of the MAP focal points (28 November - 1 December 2011) will examine in detail the Progress report, only general comments were made by the Bureau members on the document presented by the Secretariat.
2. The Bureau requested that in engaging consultants, due consideration should be given to establishing the need for the consultant, the qualifications and to reinforcing the involvement of Parties through the national focal points and the use of the expertise available in the Mediterranean countries, by developing specific guidelines. The Bureau requested MAP to develop in the next biennium a policy for the use of consultants by all MAP components.
3. The bureau recommended that the Directors of the MAP components establish regular contacts with their relevant focal points to ensure their full involvement in the implementation of the MAP activities.
4. The Bureau confirmed its deep concern on the impact of over budgeting and the deficit on MAP activities, priority activities and programmes of MAP components. In this context, it recalls the relevant conclusions of the Extended Bureau meeting in Athens last October.

Main Directions of the proposed Programme of Work for 2012-2013

5. Following a substantive discussion on the main directions of the Programme of Work the bureau agreed that the elaboration of the programme of work, while being based on the priorities of the 5-Year Programme of Work adopted by the Parties in Marrakech, it should take into account the recent developments in the region as for the economic and political contexts. It should also take into account the emerging issues of relevance for MAP. In this context, the Bureau recommended the following orientations for the Programme of Work:
 - A. The implications of the progress achieved and the forthcoming steps in the Implementation of the Ecosystems Approach (ECAP) road-map adopted by the Conference of the Parties in 2008 and considered an over-arching principle in the Five-year Programme of Work (2010-2015). This includes developing targets and defining Good Environmental Status for the proposed Ecological Objectives; developing an integrated monitoring system for the selected indicators; ensuring an integrated assessment policy; developing common data-sharing policies and building a supporting information system based on Shared

Environmental Information Systems (SEIS) principles; adopting priority sectoral measures; deepening the understanding of key services delivered by our marine and coastal ecosystems; assessing in-depth the socio-economic drivers affecting the status of our ecosystem; and, ensuring a coordinated and articulated implementation of ECAP activities throughout all MAP components.

- B. The strategic and operational requirements necessary to set up effective Integrated Coastal Zone Management (ICZM) and Off-Shore systems now that the ICZM and Off-Shore Protocols have entered into force on 24 March 2011. For this purposes, the Programme of Work should reflect the requirements to further strengthen development and implementation of ICZM policies.
 - C. With all seven Protocols in force, attention shifts from standard setting to challenges affecting implementation. Renewed attention should therefore be devoted to further progress on MAP's core business such as pollution prevention and control strategies and plans, in particular by focusing on all types of pollution reduction from land and sea and on strengthening the regional preparedness and response in case of accidental oil spills.
 - D. The need to continue improving MAP's governance by further enhancing the coherence, efficiency, accountability and transparency of its operations as required by a context of severe financial and economic constraints. To this end, during the next biennium implementation of the Governance reforms launched by the Contracting Parties in 2008 should be completed while seeking greater engagement of Contracting Parties in all MAP activities and strengthening the services provided to them by MAP's institutional network. For this purposes, the functional review to align the functions of MAP started this biennium should be expanded to the whole of the MAP system in 2012, in appropriate manner accompanied by management by performance assessment; proposals to better focus MCSA in light of Rio+20 results; the agreements with the countries hosting the Regional Activity Centres (RACs) should be signed; a new results-based methodology building on lessons learned from the current planning process should be employed in preparing the next Strategic and biennial Programmes of Work; the services provided by UNEP as Secretariat of the Convention should be clarified through an MOU; and, special attention should be given to the implementation of the resource mobilization strategy to ensure the financial sustainability of the MAP's activities.
6. Furthermore, with the view of making MAP more coherent with the relevant global frameworks, the Bureau recommended the following general orientations for the Programme of Work:
- E. The need to continue strengthening synergies and cooperation with other global processes for increased protection of the marine and coastal environment as well as pollution prevention and control, such as the UN Regular Process for Global Reporting, and the demands for completing the first integrated assessment by 2014; the IPCC assessment regarding climate change adaptation challenges for marine and coastal areas which will feed the finalisation of the Regional Framework for Climate Change Adaptation; and, UNEP Regional Seas initiatives for ex. the Inter-Governmental Review of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities (GPA-3) and the Global Framework for the Prevention and Management of Marine Debris. Synergy and cooperation should also be sought with regard to UN-DOALOS activities related to marine biological diversity beyond areas of national jurisdiction.

- F. The demands associated with the achievement in the Mediterranean of the strategic objectives (2011-2020) adopted by the Conference of the parties (COP 10) of the Convention on Biological Diversity (CBD) in Nagoya (Japan) regarding marine and coastal biodiversity;
- G. Evolving global and regional reflections such as those in preparation to the Rio+20 Summit (2012) with the aim to accelerate the path to the sustainable development in the Mediterranean.

Organization of MAP Focal Points Meeting (Athens, 28 November – 01 December 2011)

- 7. The Bureau meeting reviewed a list of Decisions to be submitted for consideration by the MAP Focal points. After discussion the Bureau invited the secretariat to prepare these Decisions with the recommendations agreed by the Bureau and provide the MAP Focal Points by the next week.
- 8. Considering the particular importance of the Decisions on Governance and on Programme of Work and Budget, the bureau invited the secretariat to adapt the agenda and timetable in order to ensure enough time to these decisions in the timetable of the Meeting.
- 9. The Decision on Governance should include among others: adopt the MAP Communication Strategy; mandate to reform MCSD considering as appropriate its 14th meeting conclusions and recommendations and taking into account Rio+20 results; adopt the resource mobilization strategy; mandate the Bureau to negotiate agreement with UNEP regarding the administrative support services it provides to the Barcelona Convention; find useful and endorse the functional review of UNEP/MAP system and request that it be extended to the rest of the MAP system; encourage RAC host countries to ratify agreements as soon as possible, as appropriate.
- 10. The Decision on Programme of Work and Budget should make reference to the budget constraints regionally and the deficit recovery in the MTF. Its drafting should rely on the conclusions and recommendations agreed at the Extended Bureau Meeting, including welcoming and adopting the new budget format, collection of arrears, CAL account, etc.

Amendments proposed by the Compliance Committee

- 11. The Bureau took note of the proposals from the Compliance Committee regarding the amendments to its Rules of procedures and Membership and recommended that these proposals be submitted for consideration by the Contracting Parties as part of the relevant Decision proposed by the Secretariat.

MCSD

- 12. The Bureau stressed the need of reforming the MCSD and better defining its role in the chain of decision making and the mechanisms of the Barcelona Convention.

MAP Contribution to Rio+20

- 13. The Bureau considers that the Rio+20 Conference is an opportunity for the Contracting Parties to the Barcelona Convention to share the Mediterranean experience through Ministers, the President of the Bureau of the Barcelona Convention and the UNEP

Regional Seas Programme. In this context, it recommended that the MAP Focal Points discuss about the messages to be delivered in Rio+20 and related modalities of delivery.

14. The bureau considers entry into force of the ICZM Protocol as an important contribution of the Mediterranean to delivery of the Agenda 21 and the Johannesburg Plan of Implementation objectives. In addition, the key role of Regional Seas Programme of UNEP and Barcelona Convention in particular needs to be highlighted in the context of integrated ecosystem based marine and coastal governance at global, regional, national and local levels.

Cooperation with other Organizations

15. The bureau welcomed steps taken and stressed the importance of establishing formal collaboration with GFCM, CBD, the Union for The Mediterranean and other relevant organizations. The Bureau also encouraged the Secretariat to pursue its contacts to link the MAP reporting system to the InforMEA initiative. In this context, the Bureau members recommended to ensure coherence, consistency and complementarity between ongoing relevant initiatives and programmes and supported cooperation in the region in this regard.

Status of implementation of Decision IG19/6 on "MAP/Civil society cooperation and partnership"

16. Following the explanation provided by the Secretariat, the Bureau agreed to finalise, through Email exchange, its decision concerning the applications received from three NGOs to become MAP observers and requested the Secretariat to provide information on these candidate NGOs.
17. The bureau recalled that one of the main objectives of the review decided in Marrakech (Decision IG19/6) was to provide assistance to NGOs from southern countries to become partners to MAP and looks forward to complete the review of MAP civil society partners during next biennium.

Administrative arrangements governing UNEP's action as Administrator of the Secretariat of the Barcelona Convention

18. The Bureau members welcomed the suggestion by the Secretariat to use as model the MOU signed between UNEP and CITES Parties and recommended that the Secretariat, in consultation with the Bureau, work during the next biennium on the finalisation of a similar MOU that would outline the Administrative arrangements between UNEP and MAP.

Preparation of the 17th Meeting of the Conference of the Parties

19. The Bureau members were informed by the Secretariat and the French delegation on the preparation of the COP including the main messages to be delivered. The Bureau was informed that the French authorities, concerned with continuing lack of clarity on how to address the MAP financial deficit issue properly, were not planning to have a Ministerial segment in the COP. The Bureau stressed the importance of the ministerial segment in the COP and expressed its concern as for the negative message that might emanate from having the COP without a ministerial segment. It was agreed to re-discuss the issue among the Bureau members in the Bureau meeting to be held on the margin of the next MAP Focal Points Meeting.

20. Concerning the COP Declaration, Bureau members suggested to group the topics for the Ministerial discussion under the following two topics: (i) Biodiversity and the ecosystems approach for a healthy and productive Mediterranean and (ii) Measures to accelerate the integrated management of the Mediterranean coastal zones.