



**Basel Convention on the Control of  
Transboundary Movements of  
Hazardous Wastes and their Disposal**

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**Rotterdam Convention on the Prior  
Informed Consent Procedure for  
Certain Hazardous Chemicals and  
Pesticides in International Trade**



**Stockholm Convention on  
Persistent Organic Pollutants**

**Ad hoc joint working group on enhancing cooperation and  
coordination among the Basel, Rotterdam and Stockholm conventions**

Third meeting

Rome, 25–28 March 2008

Item 3 of the provisional agenda\*

**Consideration of the intersessional work undertaken by the  
members of the ad hoc joint working group and by the  
Secretariats of the Basel, Rotterdam and Stockholm conventions**

## **Financial management and audit functions**

### **Note by the secretariats**

1. By section IV. C on financial management and audit functions, set out in annex I of the report of the second meeting of the ad hoc joint working group (document UNEP/FAO/CHW/RC/POPS/JWG.2/18) the secretariats were requested to provide the following information for consideration by the third meeting of the ad hoc joint working group:

- “Noting that the Basel Convention had more ‘financial’ staff than the Rotterdam and Stockholm Conventions, clarification as to whether this was required because of additional work resulting from the interaction with the Basel Convention regional and coordinating centres;
- Information from UNEP as to the possibilities for further provision of audit services to the conventions, in particular with a view to providing Parties with more financial information.”

2. In light of the above, the response from the secretariat of the Basel Convention is set out in annex I to the present note and the information requested from UNEP, as provided by UNEP’s Corporate Services Section, is set out in annex II to the present note. The information set out in the annexes to the present note has been reproduced as received and has not been edited formally.

\* UNEP/FAO/CHW/RC/POPS/JWG.3/1.

## Annex I

### Clarification by the Basel Convention Secretariat on its “financial” staff needs

1. The “financial” staff of the Secretariat of the Basel Convention comprises a P-4 Administrative Officer, a GS-6 Finance Assistant, a GS-6 Administrative Assistant, and a GS-5 Human Resource Assistant. The posts of Administrative Officer, Finance Assistant and Administrative Assistant are provided by UNEP and are financed from the 13% Programme Support Costs levied on expenditures from both the Convention’s Trust Funds, whereas the latter post is funded from the core budget of the Secretariat.
2. In the case of the Rotterdam and Stockholm Conventions, administrative arrangements are shared and consist of an Administrative Officer (P-3), a GS-6 Finance Assistant and a GS-5 Administrative Assistance (Human Resources). All three “financial” posts are funded from the 13% Programme Support costs.
3. As noted in document UNEP/FAO/CHW/RC/POPS/JWG.2/INF/4, paragraph 5: “In the area of financial management the following tasks are being discharged by the administrative staff in each Secretariat, many of which are common to all three Conventions:
  - (a) Preparation of budget proposals based on priorities established by the Parties to the different Conventions;
  - (b) Preparation of financial documents for submission to the Conference of the Parties and their subsidiary bodies;
  - (c) Facilitation of the implementation of the programme of work approved by the Conference of Parties by supporting the development of projects and costed work plans;
  - (d) Management of the Secretariat’s budget and the Convention Trust Funds resources;
  - (e) Assistance in the organization and servicing of meetings of the Conference of the Parties and their subsidiary bodies;
  - (f) Assistance in the management and administration of the Secretariat”.
4. All of the above-mentioned services are provided by the “financial” staff of the Secretariat of the Basel Convention.
5. While, at this time, it is impossible to specifically quantify the amount of time spent by the “financial” staff of the Secretariat of the Basel Convention in relation to the Basel Convention regional and coordinating centres, it is considered that this is not particularly significant. Rather, the Administrative Officer, the Finance Assistant, and the Administrative Assistant spend a particularly significant amount of time in connection with projects which the Conference of the Parties requested the Secretariat to undertake in the programme of work adopted by it. The Secretariat of the Basel Convention devotes a large amount of time to the administrative procedures necessary to manage and monitor projects, to recruit external expertise for such projects, and to process travel in connection with such projects. It is understood that the Secretariats of the Rotterdam and Stockholm Conventions may not be so heavily engaged in facilitating delivery of. In some cases, the projects are implemented through or with the assistance of the Basel Convention regional and coordinating centres; nevertheless the involvement or otherwise of the centres does not really affect the use of time by the financial staff as, regardless of the delivery mechanism, the Secretariat would still have to undertake such administrative and financial tasks.
6. It is also worth noting that, with respect to the support in the organization and servicing of meetings of the Conference of Parties and subsidiary bodies, in the case of the Rotterdam and Stockholm Conventions, the relevant tasks are not solely discharged by the “financial” staff; they are allocated to other units within these Secretariats projects. In the Basel Convention Secretariat, however, the administrative and financial staff members bear a particularly heavy responsibility in this regard. They are involved in negotiating administrative aspects of host country agreements, the coordination of the logistical arrangements for meetings (the provision of short-term conference staff and necessary equipment), liaison with meeting participants with regard to their registration, visa requirements, and making travel arrangements for those who are supported financially by or through the Secretariat. Thus,

the tasks undertaken by these staff members extend beyond the traditional “financial” functions usually vested in such a unit with respect to meeting organization.

7. To conclude:

- while job titles indicate that certain posts are “financial”, the duties discharged by the incumbents extend beyond those normally discharged under traditional financial posts;
- the Basel Convention’s work programme, in particular, the facilitation of capacity building and technical assistance activities, places a significant burden upon the “financial” and administrative staff of the Secretariat; and
- The Basel Convention regional and coordinating centres do not particularly increase the workload of the financial staff of the Secretariat.

## Annex II

### **Information provided by UNEP's Corporate Services Section regarding the possibilities for further provision of audit services to the conventions, in particular with a view to providing Parties with more financial information**

1. UNEP does not have its own UNEP Board of Auditors but the Office of Internal Oversight Services (OIOS) at the UN Secretariat in New York provides internal audit services to UNEP through its office located in Nairobi to cover the whole of Africa. Additionally to that the UN External Board of Auditors undertakes audit work for the whole of the UN Secretariat and including all the Departments -- UNEP being one of them. As the UN financial period is a biennium, during the first year of the biennium the work of the Board of Auditors is never complete as it is only interim audit covering the first year of the biennium, and for that reason what is issued at that point is a management letter on their findings and recommendations. At the end of the second year of the biennium a final audit is carried out and that is when the report of audited accounts is issued and it normally comes out in the fourth quarter of the following year. 2006-2007's will come out around October 2008 and as it is today, the Board of Auditors will be visiting UNEP in April 2008. Because of this timing of the Board of Auditor's work, it is advisable for the Secretariats to have their programming and budget period synchronized with the UN biennial periods for ease of getting readily such reports in line with not only their own financial years but also those of the audit reports. The OIOS team in Nairobi undertakes any assignments requested by UNEP, however the costs associated with such work are charged to UNEP. The External Board of Auditors looks at all the accounts of UNEP which includes all those of the MEAs and they are free to decide to make any visitations to any of the offices away from the UNEP headquarters as they see the necessity for such as they go through the accounts here at the headquarters. The costs of the External Board of Auditors also need to be met by UNEP and the entities asking for any specific reports.
2. On the issue of financial reports, monthly financial reports are available throughout the year as they are working tools of the Administrative, Fund and Financial staff members responsible and who in turn have an obligation of passing them to the management staff in the course of periodic progress reporting and resolving issues arising out of them in the course of the programmes implementation. These reports have to also be presented to the various appropriate policy bodies as part of progress reports, information and as a basis for decisions for courses of action as might be proposed by management.
3. In other words, to answer the specific questions posed by the AHJWG, both the OIOS and the External Board of Auditors are the relevant bodies with the mandates to conduct audits relevant to MEAs and they normally do the audits of the MEAs when they are auditing UNEP and the cost for this is centrally paid for by UNEP. Requests for specific audits can be made and arranged through the UNEP management and both the OIOS Office in Nairobi and the External Board of Auditors charge the entities the costs they incur in carrying out the work asked by the entities.