

Financial mechanism intervention- 28 June, 2012
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Thank you Mr. Chair and thank you to the contact group co-chairs for their intersessional work.

I am speaking on behalf of IPEN and its 700 participating public interest organizations in 116 countries working for a toxics free future.

Like many others, IPEN believes that an adequately funded and predictable financial mechanism is critical for treaty implementation.

We fully support efficient use of precious resources but at the same time we are concerned about finalizing a treaty that has a nice low price but fails to protect human health and the environment. The true cost of mercury pollution should be considered when countries think that certain measures are “too expensive.”

Many delegations have reminded the Committee that the treaty will likely have a combination of obligatory and voluntary measures. However we note that important convention provisions must be obligatory since voluntary provisions will probably not be eligible to receive financial support under an arrangement which links access to funds with compliance.

Most of the discussion so far has focused on funding for implementation. However, we think that funding will also be needed for enabling activities before countries ratify the treaty. This proved to be extremely helpful for enabling Stockholm Convention ratification and its rapid entry into force. We believe this is a good investment because enabling activities help sensitize government ministries to mercury issues and enhance the priority of sound chemicals management.

The source of money for the financial mechanism has been a topic of active discussion in a variety of processes over the last year. There is strong interest in the role of private sector in financing sound chemicals management. One reason for this is that donor countries will never have enough money to meet all the financial needs of implementation of chemicals conventions. We believe that specific reference to internalization of costs and use of the polluter pays principle needs to be part of the treaty.

Two tangible examples of potential private sector financing are

1. Financing the cleanup of contaminated sites and compensation to victims
2. Financing costs involved in extended producer responsibility measures for handling products containing mercury

Finally, we believe that the convention financial mechanism should provide privileged access to Least Developed Countries (LDCs) and Small Island Developing States (SIDs). This might include, among others: relaxation of co-finance requirements, assistance in developing funding proposals, and broader latitude in project eligibility.

Thank you for your consideration.