

ANNEX VI

Temporary Difficulties Encountered in Meeting Contributions by Parties Not Operating under Paragraph 1 of Article 5

The Sub-Committee on Contributions in Arrears has proposed a number of recommendations. In so doing, it identified five Parties namely, Belarus, Hungary, the Russian Federation, Ukraine, and Czechoslovakia (now known as the Czech Republic and the Slovak Republic) for which in-kind contributions might be used to meet outstanding contributions. In addition, Bulgaria was also identified as a country for which in-kind contributions might be used to meet outstanding contributions.

The Fund Secretariat contacted these countries to draw their attention to Decision IV/21 of the Fourth Meeting of the Parties, and provided them with all the information available in the Secretariat in the respect of in-kind contribution. The Secretariat requested these Parties to provide information on actions and/or decisions regarding in-kind contributions to the Multilateral Fund in order to prepare a report for consideration by the Executive Committee.

The Fund Secretariat received responses from the Czech Republic, the Russian Federation and Ukraine. The Russian Federation also discussed this issue with the Sub-Committee on Financial Matters.

The Czech Republic stated that a contribution in the amount of US \$100,000 would be paid in 1993 and that the rest of the Czech Republic's share of contributions of the former Czechoslovakia can be provided as in-kind contribution (experts; technology transfer; technical documentation, and training).

Ukraine mentioned the possibility of making in-kind contributions "in the form of certain participation" without any elaboration.

The Russian Federation indicated that it had contacted potential suppliers of in-kind activities and is attempting to find a mechanism for providing partial payment of contributions.

The aforementioned information indicates that some Parties encountering temporary difficulties are determined to cooperate with the Multilateral Fund in order to meet outstanding contributions.

The Executive Committee decided that the statement made by the Czech Republic regarding payment of a contribution should be followed up by the Treasurer.

The Executive Committee requested the Fund Secretariat to follow up its approaches to Belarus and the Slovak Republic and to explore further the potential of in-kind contributions by the five Parties identified by the Sub-Committee on Contributions in Arrears. The results of these interactions should be reported to the next Executive Committee.

The Executive Committee urged these countries to cooperate with UNEP IE/PAC, to provide information on available technologies and expertise in these countries for dissemination to Article 5, paragraph 1, countries.

It also encouraged these countries to contact Article 5, paragraph 1, countries to identify opportunities for cooperation through in-kind contributions.