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**VOLUNTARY MULTI-DONOR TRUST FUND TO FACILITATE THE PARTICIPATION OF  
DEVELOPING COUNTRIES, ESPECIALLY SMALL ISLAND DEVELOPING STATES  
(SIDS) AND LEAST DEVELOPED COUNTRIES (LDCs), IN IMO MEETINGS**

**Update on the Voluntary Multi-Donor Trust Fund after its first year of operation**

**Note by the Secretariat**

**SUMMARY**

*Executive summary:* This document provides an update on the first year of operations of the IMO Voluntary Multi-Donor Trust Fund (VMDTF) for the purpose of assisting developing countries, especially least developed countries (LDCs) and small island developing States (SIDS), in attending IMO meetings, specifically the Marine Environment Protection Committee (MEPC) and the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG).

*Strategic direction,  
if applicable:* 3

*Output:* 3.2

*Action to be taken:* Paragraph 16

*Related documents:* MEPC 74/7/12; C 122/9/1, C 122/D; C 125/22/3; C/ES.34/D; C 127/7, C 127/D; C 128/8, C 128/D, annex 4; Circular Letters No.4703, 4704 and 4800

**Background**

1 The Council will recall that, at its 128th session, it endorsed the establishment of the Voluntary Multi-Donor Trust Fund (VMDTF) for the purpose of assisting developing countries, especially least developed countries (LDCs) and small island developing States (SIDS), in attending IMO meetings, specifically the Marine Environment Protection Committee (MEPC) and the Intersessional Working Group on Reduction of Greenhouse Gas Emissions from Ships (ISWG-GHG), with terms of reference as annexed to that session's Summary of Decisions (C 128/D, annex 4), and later transmitted under cover of Circular Letter No.4703 of 16 March 2023.

2 The Council will further recall that discussions prior to the establishment of such a trust fund were first initiated at MEPC 74, where the poor representation of developing countries, particularly SIDS and LDCs, in IMO meetings was brought up, with the Committee noting that this led to their unequitable participation in GHG discussions, which many Member States deemed to be their top priority issue.<sup>1</sup> It was also noted that the United Nations, alongside other United Nations agencies and international organizations, had developed the practice of providing financial support to ensure the equitable participation of SIDS and LDCs in their meetings through the establishment of trust funds. After hearing preliminary analysis carried out by the Secretariat, followed by an in-depth report provided by the Correspondence Group on the Establishment of a VMDF to facilitate the participation of developing countries, especially SIDS and LDCs in IMO Meetings, established by the Council at its thirty-fourth extraordinary session,<sup>2</sup> and re-established by the Council at its 127th session, it was agreed that IMO would establish its own voluntary trust fund to provide financial support to representatives of Member States which are developing countries, especially SIDS and LDCs, to attend IMO meetings. For its pilot phase, the VMDF would support meetings relating to GHG emissions reduction, with results to be reported back to Council the following year, to ensure full transparency of fund usage, and to receive guidance from the Council as to the best way forward.

3 As a result, the VMDF was established by the Secretary-General under Financial Regulation 6.7a and 6.7b on 22 February 2023, with the objective to provide financial assistance to representatives of Member States that are developing countries, especially SIDS and LDCs, in attending sessions of MEPC and ISWG-GHG.

#### **Donor contributions**

4 The VMDF was made open to voluntary contributions from all States, non-governmental organizations, intergovernmental organizations, other interested entities, and individuals, with the objective to provide financial assistance to representatives of developing countries, noting that contributions would remain anonymous, unless otherwise requested, without the option for donors to target specific beneficiary States or regions with their contributions, beyond supporting the Fund's overall mandate, in order to prevent undue influence. Since its establishment, voluntary financial contributions (including pledges made up to the end of December 2023) had been made by nine Member States with a total of £667,505.62.<sup>3</sup> Following funded participation to MEPC 80 and ISWG-GHG 15 in 2023; and MEPC 81 and ISWG-GHG 16 in 2024, the balance of the VMDF was approximately £370,000. As at 22 April 2024, no further contributions had been received since the end of December 2023.

#### **Meetings funded and high-level analysis**

5 Ahead of the aforementioned meetings, Circular Letters No.4704 of 17 March 2023 and No.4800 of 1 November 2023 were issued calling for applications from eligible participants to receive VMDF funding to attend ISWG-GHG 15 and MEPC 80, held in 2023, and ISWG-GHG 16 and MEPC 81, held in 2024, respectively. As per the terms of reference, these circular letters stipulated that this funding would cover the costs of the economy round-trip air fares and respective daily subsistence allowance (DSA), limited to one delegate per Member State.

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<sup>1</sup> See documents C 122/9/1 and MEPC 74/81.

<sup>2</sup> See document C 127/7.

<sup>3</sup> Amount of recognized funds in GBP at the time of invoice.

6 As can be seen from the figures in the tables below, the number of applications rose from 13 to 27 (an increase of over 100%) from ISWG-GHG 15 and MEPC 80 in 2023 to ISWG-GHG 16 and MEPC 81 in 2024. It can also be seen that in 2024 there was a wider distribution of regional representation, with six regions accounted for (as compared to only three in 2023). Of note are the following changes: in 2024, 30% of applications (8) came from the African region (compared to 15% of applications (2) in 2023); 18% of applications (5) came from the Caribbean region (compared to 8% of applications (1) in 2023); however, applications from the Pacific region decreased from 62% of applications (8) in 2023 to 26% of applications (7) in 2024. There was also a decrease in the percentage of female representation from 38% in 2023 to 26% in 2024.

### ***ISWG-GHG 15 and MEPC 80***

7 For ISWG-GHG 15 and MEPC 80, there were nominations from 13 countries (table 1 below refers). The total expenditure for funding these two back-to-back meetings was £98,909.74. The Secretariat was in a position to cover participation of one member from all nominating countries through the VMDTF.

|    | <b>Country</b>  | <b>Region</b> | <b>SIDS</b> | <b>LDC</b> | <b>Developing</b> | <b>Gender</b> | <b>Attendance</b> |
|----|-----------------|---------------|-------------|------------|-------------------|---------------|-------------------|
| 1  | Bangladesh      | Asia          |             | X          |                   | Male          | Yes               |
| 2  | Belize          | Caribbean     | X           |            |                   | Male          | Yes               |
| 3  | Cook Islands    | Pacific       | X           |            |                   | Female        | Yes               |
| 4  | Fiji            | Pacific       | X           |            |                   | Female        | Yes               |
| 5  | Kiribati        | Pacific       | X           | X          |                   | Male          | Yes               |
| 6  | Madagascar      | Africa        |             | X          |                   | Male          | Yes               |
| 7  | Mongolia        | Asia          |             |            | X                 | Male          | Yes               |
| 8  | Nauru           | Pacific       | X           |            |                   | Female        | Yes               |
| 9  | Seychelles      | Africa        | X           |            |                   | Male          | Yes               |
| 10 | Solomon Islands | Pacific       | X           | X          |                   | Female        | Yes               |
| 11 | Tonga           | Pacific       | X           |            |                   | Male          | No                |
| 12 | Tuvalu          | Pacific       | X           | X          |                   | Male          | Yes               |
| 13 | Vanuatu         | Pacific       | X           |            |                   | Female        | Yes               |

**Table 1: Nominations accepted and funded attendance by country (ISWG-GHG 15 and MEPC 80)**

### ***ISWG-GHG 16 and MEPC 81***

8 For ISWG-GHG 16 and MEPC 81, nominations were received from 27 countries (table 2 below refers). The Secretariat was in a position to cover participation from all nominating countries through the VMDTF. However, at the time of preparation of this document, not all the trips had been closed, and therefore the total expenditure for these two meetings could not yet be confirmed, although it is estimated to be approximately £195,000.

|    | Country                          | Region                      | SIDS | LDC | Developing | Gender | Attendance |
|----|----------------------------------|-----------------------------|------|-----|------------|--------|------------|
| 1  | Bangladesh                       | Asia                        |      | X   |            | Male   | Yes        |
| 2  | Burkina Faso                     | Africa                      |      | X   |            | Female | No         |
| 3  | Cook Islands                     | Pacific                     | X    |     |            | Female | Yes        |
| 4  | Cuba                             | Latin America               | X    |     |            | Male   | Yes        |
| 5  | Dominica                         | Caribbean                   | X    |     |            | Male   | No         |
| 6  | Ethiopia                         | Africa                      |      | X   |            | Male   | Yes        |
| 7  | Fiji                             | Pacific                     | X    |     |            | Female | Yes        |
| 8  | Kenya                            | Africa                      |      |     | X          | Female | Yes        |
| 9  | Madagascar                       | Africa                      |      | X   |            | Male   | Yes        |
| 10 | Malawi                           | Africa                      |      | X   |            | Male   | Yes        |
| 11 | Maldives                         | Asia                        | X    |     |            | Male   | Yes        |
| 12 | Marshall Islands                 | Pacific                     | X    |     |            | Female | Yes        |
| 13 | Mauritius                        | Africa                      | X    |     |            | Male   | Yes        |
| 14 | Mongolia                         | Asia                        |      |     | X          | Female | Yes        |
| 15 | Nauru                            | Pacific                     | X    |     |            | Female | Yes        |
| 16 | Nepal                            | Asia                        |      | X   |            | Male   | Yes        |
| 17 | Saint Vincent and the Grenadines | Caribbean                   | X    |     |            | Male   | Yes        |
| 18 | Samoa                            | Pacific                     | X    |     |            | Male   | Yes        |
| 19 | Solomon Islands                  | Pacific                     | X    | X   |            | Male   | Yes        |
| 20 | St. Kitts and Nevis              | Caribbean                   | X    |     |            | Male   | Yes        |
| 21 | Suriname                         | Caribbean                   | X    |     |            | Male   | Yes        |
| 22 | Trinidad and Tobago              | Caribbean                   | X    |     |            | Male   | Yes        |
| 23 | Tuvalu                           | Pacific                     | X    | X   |            | Male   | Yes        |
| 24 | Uganda                           | Africa                      |      | X   |            | Male   | No         |
| 25 | Viet Nam                         | Asia                        |      |     | X          | Male   | Yes        |
| 26 | Yemen                            | Arab States / Mediterranean |      | X   |            | Male   | No         |
| 27 | Zambia                           | Africa                      |      | X   |            | Male   | No         |

**Table 2: Nominations accepted and funded attendance by country (ISWG-GHG 16 and MEPC 81)**

***Steering Committee on the comprehensive impact assessment on the development of the basket of candidate mid-term measures***

9 During MEPC 81, a request was made by the delegation of the Cook Islands for the Secretariat to explore, taking into account availability of funds and the necessary administrative and logistical arrangements, whether the VMDF could also accommodate the participation of eligible members of the Steering Committee on the comprehensive impact assessment on the development of the basket of candidate mid-term measures (the Steering Committee) in their upcoming meetings (MEPC 81/WP.1/Rev.1, paragraph 7.38). Despite the short time frame, the Secretariat was able to accommodate this, inviting Steering Committee members from developing countries, in particular SIDS and LDCs to apply for funding for the meeting of the Steering Committee, held from 13 to 14 May 2024, at IMO Headquarters, London.

## Outcomes of the meeting attendance

10 In line with the objectives of the Trust Fund, the financial assistance provided allowed for an increased in-person attendance of representatives from these developing countries, especially from SIDS and LDCs, in the work of the Organization on GHG related matters compared to earlier ISWG-GHG and MEPC meetings. Their in-person participation enabled a more diverse and representative physical presence by delegates from the different UN regions in the discussions during these meetings, in particular on the revision of the *Initial IMO Strategy on Reduction of GHG Emissions from Ships*. MEPC 80 eventually adopted the 2023 IMO GHG Strategy, which specifically acknowledges the challenges that developing countries, in particular SIDS and LDCs, may face in the implementation of the Strategy, while also promoting, in the context of the Strategy, a just and equitable transition. The support of the VMDTF further enabled the funded participants to actively participate in the ongoing discussions on the development of the basket of mid-term GHG reduction measures, recognizing, in this regard, and in accordance with the 2023 IMO GHG Strategy, that particular attention should be paid to the needs of developing countries, in particular SIDS and LDCs.

## Observations and challenges in administrating the VMDTF

11 As the preliminary analysis (C 125/22/3) and the Report of the Correspondence Group on the establishment of the VMDTF (C 127/7) both highlighted might be the case, administering the VMDTF has required a considerable amount of additional work within the Secretariat. Facilitating the funded participation of one set of MEPC/ISWG-GHG meetings takes approximately four months prior to the meetings, as well as one to two months after the meetings. The financial aspect involves liaising with donors and processing contributions; setting and managing the budget; and carrying out financial reporting. The communications aspect involves sending out circular letters calling for nominations, to be reviewed in line with the VMDTF's terms of reference; responding to official communications received from Permanent Representatives or Administrations; liaising with the participants themselves to arrange their travel and acting as their first point of contact for queries regarding flights, meeting attendance and registration, visas and payment of DSA; then following up after they have returned home to close their trips.

12 This workload was made more acute due to various issues that arose over the course of administering both sets of meetings, namely:

- .1 multiple applications received from different authorities from the same Member State rather than the Member State coordinating centrally before nominating;
- .2 managing specific flight requests and changes after tickets had been issued, often incurring fees and additional time to process these;
- .3 participants encountering issues obtaining visas and sometimes only notifying Secretariat at the last minute, which meant changing flights at a cost or losing flights at full cost; this has also left the Secretariat with the issue of recovering advance DSA from participants who were unable to travel; and
- .4 challenges with making international bank transfers of advance DSA payments, either due to incorrect details being provided or banks requiring additional information, often resulting in lengthy delays before participants received their payments. Some participants were unable to receive international bank transfers and required the full DSA amount to be given cash-in-hand upon arrival at IMO Headquarters, which presented other logistical challenges.

13 Encountering these issues and the work of rectifying them provided the Secretariat with a valuable lessons-learned exercise and deepened the understanding of some of the specific issues faced by representatives of the countries who most require these funds. Finding ways to resolve these issues, and streamlining the administrative process, will be key to the sustainability and success in achieving the purpose of the VMDF.

14 In summary, the workload involved to administer the Fund and address the issues outlined above is significantly more than originally envisaged when the Fund was established. Proper implementation of the Fund by the Secretariat, including administration processes, funds management, reporting and other aspects, necessitates additional human resource support. The Secretariat estimates that procuring the service of an administrative assistant will provide the necessary support for the implementation of the Fund. Paragraph 19 of the terms of reference provides for expenditure incurred by the Organization for services provided by the Secretariat to be recovered from the Fund. In this regard, to ensure the efficient implementation of the Fund, moving forward the Secretariat will recover the cost of the services of an administrative assistant at the level of a G.5 within the General Services category, which is approximately £35,000 per annum from the Fund.

#### **Appreciation to VMDF contributors**

15 The Secretariat expresses its deep appreciation to all contributors to the VMDF. To date, the VMDF has facilitated the participation of a total of 34 participants from 25 countries to attend the four meetings funded (MEPC 80, MEPC 81, ISWG-GHG 15 and ISWG-GHG 16). States, non-governmental organizations, intergovernmental organizations, other interested entities, and individuals are, therefore, strongly encouraged to contribute to the VMDF to ensure its sustainability.

#### **Action requested of the Council**

16 The Council is invited to consider the information provided in this document and to comment as it may deem appropriate, and in particular:

- .1 note the planned utilization of the Fund to cover additional human resource support required for the full and proper administration of the Fund (paragraph 14); and
- .2 express appreciation to the donors that have generously contributed to the Fund to date and consider further contributions to ensure future sustainability of the Fund, and continued facilitation of additional meeting participants (paragraph 15).