

Global Environment Facility

GEF/C.32/4 October 16, 2007

GEF Council November 14-16, 2007

Agenda Item 6

RELATIONS WITH THE CONVENTIONS AND OTHER INTERNATIONAL INSTITUTIONS

Recommended Council Decision

The Council considered document GEF/C.32/4, *Relations with the Conventions and Other International Institutions*, and welcomes the proposed guidance and decisions that have been approved by the Conferences of the Parties to the global environmental conventions. The Council requests the Secretariat and the GEF Agencies to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.

EXECUTIVE SUMMARY

1. This document reports on GEF related decisions at the multilateral environmental agreements, including the UN Convention on Biological Diversity, the UN Framework Convention on Climate Change, the UN Convention to Combat Desertification, the Stockholm Convention on Persistent Organic Pollutants, and the Montreal Protocol on Substances that Deplete the Ozone Layer and its Multilateral Fund.

2. Highlights reported include:

- (a) Meetings and activities associated with the UN Convention on Biological Diversity.
- (b) Issues addressed at the Twenty-sixth session of the Subsidiary Bodies of the UN Framework Convention on Climate Change, held in Bonn, Germany from May 7-18, 2007.
- (c) A report on the third Conference of the Parties to the Stockholm Convention on Persistent Organic Pollutants held in Dakar, Senegal from April 30 to May 4, 2007.
- (d) A report on the eighth session of the Conference of the Parties to the United Nations Convention to Combat Desertification held in Madrid, Spain, from September 1 to 14, 2007.
- (e) A report on the nineteenth Meeting of the Parties to the Montreal Protocol and the 20th Anniversary celebrations that took place in Montreal, Canada, September 17 to 21, 2007. The GEF was awarded a "Partner's Award". The meeting was preceded by an anniversary seminar organized by the Government of Canada to celebrate 20 years of progress.
- (f) A brief mention on the meeting of the Commission for Sustainable Development held in New York from May 1-12, 2007. Excerpts of the meeting can be downloaded from the CSD website: http://www.un.org/esa/sustdev/index.html

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1. This document reports on developments of interest to the GEF occurring since the GEF Council meeting in June 2007 within the context of the UN Convention on Biodiversity, UN Framework Convention on Climate Change (UNFCCC), the Stockholm Convention on Persistent Organic Pollutants (the Stockholm Convention), the UN Convention to Combat Desertification in those countries experiencing serious drought and/or desertification, particularly in Africa (UNCCD), and the Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal Protocol).

CONVENTION ON BIOLOGICAL DIVERSITY

Meetings and events

- 2. The twelfth meeting of the Convention's Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) was held from July 2 to 6, 2007 in Paris. The Second meeting of the Ad-Hoc Open-Ended Working Group on Review of Implementation of the CBD (WGRI-2) was held in the following week from July 9 to 13 in Paris, in which event the GEF CEO participated.
- 3. Prior to the WGRI-2 meeting, the CEO had a working lunch with the Bureau of the Eighth Meeting of the Conference of the Parties to discuss the reforms that the GEF has been undertaking and other issues of common interest. The CEO gave a keynote address at the opening of the WGRI-2 meeting -- the first of its kind in the history of the GEF and the Convention on Biological Diversity (CBD) -- to outline the reforms that have been instituted within the GEF and to introduce the new biodiversity strategy that Council has subsequently approved. A High-level Dialogue was also convened at WGRI-2 attended by more than 200 delegates. The CEO also launched two GEF projects that are critical to achieving the objectives of the CBD and monitoring progress towards the 2010 target: "Supporting Country Action on the CBD Programme of Work on Protected Areas" and the "2010 Biodiversity Indicators Partnership".
- 4. This engagement by the CEO at the WGRI-2 meeting is emblematic of the more proactive and constructive communication that the CBD and GEF Secretariats have enjoyed over the course of the last year. Two recommendations from the meeting demonstrate this cooperation, including a request to the GEF to provide technical inputs for developing a strategy for resource mobilization. In addition, the WGRI-2 also recommended that the COP, at its ninth meeting, recognize the need to provide coherent and prioritized guidance to the GEF and adopt a four-year framework for program priorities related to utilization of GEF resources for biodiversity, coinciding with the fifth replenishment of the GEF.
- 5. On issues related to the financial mechanism, the SBSTTA-12 requested the Executive Secretary, by the next Conference of the Parties, to consider ways in which the financial mechanism of the Convention could assist in strengthening capacities and supporting implementation of national and sub-global biodiversity assessments.
- 6. There are three additional working group meetings being organized by the Convention Secretariat in the month of October 2007, including the fifth meeting of the Ad Hoc Open-ended Working Group on Access and Benefit-sharing (ABSWG-5), the fifth meeting of the Ad Hoc

Open-ended Working Group on Article 8(j) and Related Provisions (WG8J-5), and lastly the fourth meeting of the Ad Hoc Open-ended Working Group of Legal and Technical Experts on Liability and Redress in the context of the Cartagena Protocol on Biosafety.

Ratification

7. Nine countries (Philippines, Congo, Chad, Malta, Costa Rica, Qatar, Gabon, Saudi Arabia and Republic of Korea) became Parties to the Cartagena Protocol on Biosafety from October 2006 to October 2007. This brings the total number of parties to 143 for the Cartagena Protocol and to 190 for the UN CBD.

National reporting

- 8. The CBD secretariat has now received third national reports from 132 Parties.
- 9. The GEF approved a Project Identification Form for a Medium Sized Project to provide Support to eligible Parties for carrying out 2010 Biodiversity Targets National Assessments (Phase I).

UN FRAMEWORK CONVENTION ON CLIMATE CHANGE

10. The Subsidiary Bodies of the United Nations Framework Convention on Climate Change (UNFCCC) met from May 7-18, 2007, in Bonn, Germany. The Subsidiary Bodies reached several conclusions, which are relevant to the GEF as the financial mechanism of the convention.

Least Developed Country Fund (LDCF)

- 11. The Subsidiary Body for Implementation (SBI) took note of the document "Programming Paper for Funding the Implementation of NAPAs under the LDC Trust Fund" developed by the GEF in response to guidance from the COP¹ and in consultation with Least Developed Country Parties. The SBI further noted with appreciation that US\$ 120 million has been pledged for the LDCF and recognized the need for the GEF to continue its efforts to mobilize additional resources to support the implementation of NAPA project activities under the LDCF.
- 12. The SBI invited the LDC Expert Group (LEG) to consider views on the experiences gained from the implementation of NAPAs, including those in accessing funds from the LDCF. A stocktaking meeting on the progress achieved under the LDCF was planned. The meeting was subsequently held in Bangkok in September 2007. The GEF actively participated in the stocktaking meeting and presented a progress report noting among other things:
 - (a) The GEF has so far mobilized \$160 million for the LDCF
 - (b) Ten projects have been submitted, approved and are under preparation for implementation

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¹ COP 3/CP.11

- (c) Five more projects are expected to be submitted under the LDCF before the end of the year, with a total of 15 projects aimed at implementing concrete adaptation measures in LDCs, consistent with national priorities as identified by their NAPAs.
- 13. The stocktaking meeting reflected significant progress by a number of LDCs in meeting their urgent and immediate adaptation needs in the context of the LDCF. The GEF will continue to report on the status of the LDCF, including mobilization of resources and project submissions, approval and implementation.

National communications from Parties not included in Annex I to the Convention

- 14. The SBI considered the information provided by the GEF on its operational procedures for the expedited financing of national communications from non-Annex I Parties² and invited the GEF to provide, in its report to the COP at its thirteenth session, detailed and current information on the modalities and source of funding for the preparation of second and subsequent national communications, and information on, and an explanation of, any changes to GEF procedures relating to the financing of national communications, for consideration by the SBI at its twenty-seventh session.
- 15. The SBI reiterated that non-Annex I Parties may request assistance from the GEF in formulating and developing project proposals identified in their national communications (decision 5/CP.11, para. 2), in accordance with Article 12, paragraph 4, of the Convention. The SBI invited the GEF to include in its report to the COP at its thirteenth session detailed information on the specific steps it has taken to respond to the request mentioned in paragraph above, for consideration by the SBI at its twenty-seventh session.
- 16. The SBI also invited Parties to submit to the Secretariat, by September 21, 2007, their views on their current experiences with the GEF and its implementing agencies in relation to the provision of financial support for the preparation of national communications.
- 17. An up-dated list of the status of national communications as provided by GEF agencies (UNDP and UNEP) is attached as *Annex I* to the report. Currently, 138 developing countries are receiving funds from the GEF using the expedited process under the enabling activity as well as full sized project modality to prepare their second national communications (in some cases initial national communications). The table provides expected dates of completion of the projects.

Adaptation Fund (Kyoto Protocol)

18. With respect to the Adaptation Fund (AF) of the Kyoto Protocol, the GEF is currently the only organization that has submitted a formal submission to the UNFCCC Secretariat offering its availability to manage the fund. Building on the agreed points of COP decisions the SBI prepared the *Negotiating Text for a Draft Decision* to be discussed and approved in Bali at COP13 (attached as *Annex II*). While not a Decision, this document includes relevant information on the governance of the Adaptation Fund. The text focuses on the structure and

² (FCCC/SBI/2007/INF.2)

governance of the AF, including three options for the composition of the governing body and a decision-making process. The organization that will manage the fund and host the Secretariat, however, is undecided. The draft is open for suggested edits and revisions.

Capacity Building

- 19. The SBI decided that a two-day workshop, organized pursuant to Decision 4/CP.12, should focus on approaches to monitoring and evaluating capacity-building activities, including efforts by the GEF and its implementing agencies in this context, and developing and applying performance indicators relevant to monitoring and evaluation;
- 20. The SBI reiterated its request to the UNFCCC Secretariat to report on the outcome of this workshop for consideration by the SBI at its twenty-seventh session.

Thirteenth session of the Conference of the Parties

21. The thirteenth session of the Conference of the Parties to the Climate Change Convention (COP 13) will be held in conjunction with the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) in Bali, Indonesia, from December 3-14, 2007.

STOCKHOLM CONVENTION ON PERSISTENT ORGANIC POLLUTANTS

- 22. The Conference of the Parties to the Stockholm Convention (COP) met for its third session, 30 April 4 May 2007, in Dakar, Senegal. The GEF Secretariat and Agencies held a well attended side-event on "Partnerships in implementing the Stockholm Convention" that show-cased progress in implementing GEF POPs projects in partnership with civil society, the private sector, governments and other organizations. The COP took a number of decisions, including on DDT, Best Available Techniques/Best Environmental Practices (BAT/BEP), Effectiveness Evaluation, and Technical Assistance.
- 23. The following reports on decisions of particular relevance to the GEF. In Annex III will be found the full text of the decisions: "Implementation of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility", "Resource mobilization", "Needs assessment", "Additional guidance to the financial mechanism", "Second review of the financial mechanism", and "Terms of reference for the second review of the financial mechanism".
- 24. The next meeting of the Conference of the Parties is scheduled to take place 4-8 May 2009, in Geneva, Switzerland. The third meeting of the POPs Review Committee is scheduled November 19-23 2007, in Geneva, Switzerland. The meeting will continue its assessment of eleven chemicals with a view to agreeing whether to recommend to the Conference of the Parties that they be considered for addition to the list of controlled substances under the Stockholm Convention.

Additional guidance to the financial mechanism

- 25. The COP welcomed the "successful fourth replenishment of the Global Environment Facility... [and] the ongoing policy reforms ... in particular the streamlining of its project cycle, its review of focal area strategies and priority setting and its increased emphasis on the sound management of chemicals".
- 26. The COP also welcomed the GEF's "shift in emphasis from support for the preparation of national implementation plans to the implementation of those plans" and requested the GEF to "give special consideration to support for those activities identified as priorities in national implementation plans which promote capacity building in sound chemicals management, so as to enhance synergies in the implementation of different multilateral environment agreements and further strengthen the links between environment and development objectives". The GEF-4 strategies for POPs and for Sound Chemicals Management are an appropriate response to this request.
- 27. The following table shows how COP requests are being responded to through the GEF-4 strategy for POPs.

COP-3 Guidance to the GEF	Suggested and on-going GEF response
Provide support for implementation of business plan for development and deployment of alternative products, methods and strategies to DDT.	Addressing DDT alternatives is on-going priority, as reaffirmed in Para 45 of GEF-4 POPs strategy and associated impact indicator for POPs Strategic Objective (POPs strategy Table 1).
Incorporate best available techniques and best environmental practices and demonstration as a priority.	Demonstration of BAT/BEP incorporated in GEF-4 POPs strategy (Para 21, 22, and 47).
Support activities and capacity-building related to the global monitoring plan.	Addressed within Strategic Program 1 on strengthening capacities for NIP implementation (Para 25), and Para 17 on indicator of long-term impact.
Take into full consideration the different characteristics of projects when establishing co-financing requirements.	This is current practice – large investment projects typically attract more co-financing than capacity development activities.
When considering support for the delivery of technical assistance on a regional basis, to give consideration to the proposals that may be developed by Stockholm Convention regional centers.	This is fully compatible with the GEF-4 POPs strategy and GEF approach to regional projects in general.
To give special consideration to those activities relevant to the sound management of chemicals identified as priorities in national implementation plans.	GEF-4 POPs and sound chemicals management strategies are in line with this request.
To support, within project activities, capacity development to estimate the costs and funding needs of activities in a country's NIP.	This is covered in the NIP development process supported by the GEF, and is fully compatible with Strategic Program 1 on strengthening capacities for NIP implementation.

Second review of the financial mechanism.

28. The COP will review the financial mechanism at its fourth meeting in May 2009. An independent evaluator will review the relevant activities of the GEF from July 2005 to October 2008.

Needs assessment

29. A team of experts will work, on the basis of information collected by the Stockholm Convention Secretariat, to prepare a report on "the funding necessary and available for the implementation of the Convention for the period 2010-2014". The report, which will be considered at the fourth meeting of the COP, will also inform the replenishment process of the GEF. The GEF is invited to provide information "relevant to assistance needs in eligible parties".

UN CONVENTION TO COMBAT DESERTIFICATION

- 30. The eighth session of the Conference of the Parties (COP) to the United Nations Convention to Combat Desertification (COP 8) was held in Madrid, Spain, from 1 to 14 September 2007. The sixth session of the Committee for the Review of the Implementation of the Convention (CRIC 6) from September 4-7 and the eighth session of the Committee on Science and Technology (CST 9) from September 4-6 were also held in conjunction with COP 8.
- 31. Additional events included a dialogue session with Members of Parliament from September 8-9, 2007 and a special high level segment on Desertification and Adaptation to Climate Change from September 12-13, 2007.
- 32. During the COP, the GEF presented its first report to the Convention since becoming a financial mechanism for the convention and addressed its higher level segment. The GEF also made presentations to the Parliamentarians' dialogue session, and addressed regional group meetings for African and Asian countries. In addition, the GEF participated in the meeting of the Facilitation Committee of the Global Mechanism and The Executive Committee meeting of the TerrAfrica Program.
- 33. COP 8 welcomed the decision of the GEF Council in December 2006 to invite the fourth GEF Assembly to amend the Instrument for the Establishment of the Restructured Global Environment Facility to list the UNCCD among the conventions, for which the GEF is the financial mechanism.
- 34. The COP further welcomed the GEF reforms approved by Council in June 2007, resulting in a streamlined project cycle, adoption of a revised focal area strategy on land degradation for the fourth replenishment of the GEF (GEF 4), adoption of a cross-cutting focal area strategy on sustainable forest management, as well as development of a results-based management framework.
- 35. In this regard, the COP invited the GEF to implement this new strategy expeditiously, and urged developed country Parties and the GEF Council to provide "adequate, timely and

predictable financial resources, for the land degradation focal area in the fifth replenishment of the GEF".

- 36. The COP recognized that the effective implementation of the 10-year strategic plan and the framework to enhance the implementation of the Convention requires mobilization of adequate, predictable and timely financial resources at both the national and international levels and, in this regard, invited the GEF to consider simplifying its funding procedures in order to ease developing country access to GEF financial resources.
- 37. The COP further requested the Executive Secretary to bring the 10-year strategic plan and framework to enhance the implementation of the Convention, adopted at the COP, to the attention of GEF Council. The text of the plan can be downloaded from the UNCCD website at: www.unccd.int. The document number is: ICCD/COP(8)/10/Add.2.
- 38. COP 8 also requested the GEF Secretariat, in light of the MOU, between the UNCCD and the GEF on enhanced collaboration, to continue to inform the COP on how projects in GEF focal areas other than land degradation have contributed specifically to sustainable land management and requested the CEO to report on the implementation of this decision at the ninth session of the COP. The text of the decision on *Collaboration with the Global Environment Facility* is attached as Annex IV.
- 39. During the conference, the GEF Secretariat, convened a side event on New Directions at the GEF and, in collaboration with the World Bank, convened a side event on the TerrAfrica/SIP program. The GEF also participated on a panel of the TerrAfrica Journalists Seminar.
- 40. Many countries expressed appreciation for the GEF's significant contribution to Africa through the SIP program, but others expressed the need to be included in the SIP program. Delegations from Latin America expressed a strong wish to have a similar program for South America.
- 41. Delegates called for stronger linkages between adaptation and land degradation, but there was no discussion on the issue of the adaptation fund.
- 42. Arrangements will be made for the GEF CEO to meet with the new Executive Secretary of the UNCCD, Mr. Luc Gnacadja, to discuss strengthening the relationship between the GEF and UNCCD under the new leadership in both institutions.

MONTREAL PROTOCOL ON SUBSTANCES THAT DEPLETE THE OZONE LAYER

- 43. The nineteenth Meeting of the Parties to the Montreal Protocol (MOP) and the 20th Anniversary celebrations— took place in Montreal, Canada, 17-21 September, 2007. The GEF was awarded a "partner's award". The meeting was preceded by an anniversary seminar organized by the Government of Canada to celebrate 20 years of progress. Dr Mohamed El-Ashry, first CEO and Chairman of the GEF, described the GEF's achievements in supporting Ozone Depleting Substances (ODS) phase-out in countries with economies in transition.
- 44. The meeting took a number of decisions, including on the accelerated phase out of HCFCs, and on launching the process of replenishment of the Multilateral Fund.

- 45. On HCFCs, the MOP's decision brings forward the date for freeze of production and consumption in developing countries to 2013, as well as the date for (quasi) final phase out to 2030, and establishes reduction steps. In industrialized countries, including GEF eligible countries with economies in transition, the adjustment strengthens the reduction to be expected in 2010 from 65% of the base level to 75% of the base level. The GEF Secretariat will be assessing with the Agencies and the Ozone Secretariat whether this might have direct implications for the GEF. A first very preliminary estimate based on consumption and production data as reported to the Ozone Secretariat indicates that there should be no major implication during the current replenishment period or for the GEF-4 strategy for ozone depletion.
- 46. The MOP launched the process of replenishment of the Multilateral Fund by adopting TORs for a study on the level of funding required by developing countries to meet their obligations under the Protocol. The study is to be conducted by the Technology and Economic Assessment Panel (TEAP) and readied for submission to the forthcoming meeting of the openended working group for discussion. The next MOP in November 2008 is expected to take a decision on replenishment level. The TEAP is requested to provide information on resources required for 2009-2011, but also to provide funding requirements for future years and study whether a longer replenishment period would "provide for more stable levels of contributions".
- 47. The next Meeting of the Parties is scheduled for November 17-21 2008, Doha, Qatar.

INFORMATION ON OTHER INTERNATIONAL ENVIRONMENTAL CONVENTIONS

Basel Convention

48. The sixth session of the Open-ended Working Group (OEWG6) was held at the International Conference Centre of Geneva (CICG) from 3 to 7 September 2007. Decisions related to the GEF, if any, will be reported at the next meeting of the Council.

Rotterdam Convention

49. The Fourth meeting of the Conference of the Parties to the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade will be held from 27 to 31 October 2008 in Rome.

MEETING OF THE COMMISSION FOR SUSTAINABLE DEVELOPMENT

50. The CSD-15 session concluded on 11 May 2007. As the Policy session of the second implementation cycle, CSD-15 continued its focus in the following areas: Energy for Sustainable Development; Industrial Development; Air pollution/ Atmosphere; and Climate Change. The GEF participated at the CSD meetings along with its implementing agencies. Excerpts of the meeting can be downloaded from the CSD website: http://www.un.org/esa/sustdev/index.html

ANNEX I: STATUS OF NATIONAL COMMUNICATIONS FROM PARTIES NOT INCLUDED IN ANNEX I TO THE UNFCCC

	Party	Submission date of the last report to COP	Date of approval by IA	Total Amount Approved US\$	Date of initial disbursement of funds by the IA	Expected Date of Project Completion	Comment on the current status of project activities
	Afghanista n	1 1	Under preparation				✓ Stocktaking exercise completed. Project document ready for internalization
2.	Albania	13-Sep-02	4-Feb-05	420,000	14-Apr-05	October 2007	 ☑ GHG Inventories: more than 50% completed ☑ V&A analysis: more than 50% completed ☑ Mitigation Analysis: more than 25% completed
3.	Algeria	30-Apr-01	12-Dec-05	420,000	6-Feb-06	2009	 ☑ GHG Inventories: more than 20% completed ☑ V&A analysis: Less than 20% completed ☑ Mitigation Analysis: not initiated yet
4.	Angola	INC to be prepared	Under preparation				 Stocktaking exercise completed and project document preparation on-going
	Antigua and ouda	10-Sep-01	18-Apr-06	420,000	6-Jun-06	August 2008	 ☑ GHG Inventories: Less than 20% completed ☑ V&A analysis Less than 20% completed ☑ Mitigation Analysis: not initiated yet
6.	Armenia	4-Nov-98	29-Jul-05	420,000	24-Sep-05	2009	 ☑ GHG Inventories: Less than 25% completed. ☑ V&A analysis: Less than 25% completed ☑ Mitigation Analysis: not yet initiated.
7.	Azerbaijan	23-May-00	21-Jul-05	420,000	28-Jul-05	June 2009	 ☑ GHG Inventories: between 20%-50% completed ☑ V&A analysis: less than 50% completed ☑ Mitigation Analysis: Less than 20% completed
8.	Bahamas	5-Nov-01	22-May-06	420,000			 ☑ GHG Inventories: Less than 20% completed ☑ V&A analysis: less than 20% completed ☑ Mitigation Analysis: Not initiated

9. Bangladesh	12-Nov-02	2-Aug-07	420,000			sign	locument under preparation. Awaiting for Govt. to
10. Bahrain	20-April-05	31-Jan. 07	420,000	04-Apr-07	March 2010	1 3	nception report planned for November 2007
11. Barbados	30-Oct-01	22-Nov-06	420,000	1-Dec-06	2009		
12. Belize	16-Sep-02	24-Mar-06	470,000 Includes TNA	2-May-06	February 2008	✓ '	GHG Inventories: Less than 50% completed V&A analysis: Less than 25% completed. Mitigation Analysis: not initiated yet
13. Benin	21-Oct-02	26 Oct 06	420,000	July-07		✓ '	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: not initiated yet.
14. Bhutan	13-Nov-00	30-May-07	420,000	Aug-07		Preparato process.	ory work and recruitment of technical team in
15. Bolivia	16-Nov-00	10-Jun-05	420,000	9-Aug-05	August 2009	☑ ' ☑ 1	GHG Inventories: less than 50% completed V&A analysis: Less than 25% completed Mitigation Analysis: Less than 25% completed. Expected SNC first draft: August, 09
16. Bosnia & Herzegovin a	INC under preparation	8 Dec 2005	420,000	27 April 2006			
17. Botswana	22-Oct-01	23-Dec-05	420,000	3-Feb-06	December 2008	✓ '	GHG Inventories: less than 50% completed V&A analysis: less than 50% completed Mitigation Analysis: Less than 25% completed
18. Brazil	10-Dec-04	8-Nov-05	3,400,000 Did not request PDF funds	13-Dec-06	December 2008	✓ '	GHG Inventories: less than 25% completed V&A analysis: less than 25% completed Mitigation Analysis: not initiated yet.
19. Burkina Faso	16-May-02	5-Jun-06	420,000	27-Jul-06			
20. Burundi	23-Nov-01	22-May-06	420,000	29-Jun-06	June 2009		GHG Inventories: Draft report completed V&A analysis: Less than 25% completed.

							Mitigation Analysis: Less than 25% completed
21. Cambodia	8-Oct-02	9-May-06	420,000	24-Jun-06		\checkmark	GHG Inventories: less than 25% completed
							V&A analysis: less than 25% completed
							Mitigation Analysis: not initiated yet.
22. Cameroon	31 Jan 2005	Project				Stockir	ng exercise on going.
		document					
		under					
		preparation					
23. Cape Verde	13-Nov-00	30-Jan-07	420,000	July-07	2010	SNC p	project recently approved
24. Central African Republic	10-Jun-03	30-Aug-06	420,000	13-Nov-06		V	Inception workshop scheduled for December 2007
25. Chad	29-Oct-01	30-Jan-07	420,000	Jun-07		Prepar	atory work and recruitment of technical team in
						process	3.
26. Chile	8-Feb-00	8-Sep-06	420,000	Aug-07	2010		GHG Inventories: less than 25% completed
							V&A analysis: less than 25% completed
						V	Mitigation Analysis: not initiated yet.
27. China	10-Dec-04	18-Jan-07	PDF-B	(Full size) PDF		Projec	ct submitted to the GEF for the Nov 2007 work
			350,000	phase		prograr	n
28. Colombia	18-Dec-01	8-Sep-06	420,000		July	$\overline{\checkmark}$	GHG Inventories: More than 25% completed
					2009		V&A analysis: More than 25% completed
						V	Mitigation Analysis: less than 25% completed
29. Comoros	5 Apr 2003	30 March -07	420,000	14 May -07	May 2010	V	GHG Inventories: less than 20% completed
30. Congo	30-Oct-01	24-Apr-06	420,000	24-Jun-06	March	$\overline{\checkmark}$	GHG Inventories: less than 25% completed
					2008		V&A analysis: less than 25% completed
						V	Mitigation Analysis: not initiated yet
31. Congo	21-Nov-00	11-Oct-o5	420,000	08-Nov-05	December 2008	V	GHG Inventories: more than 75% completed
Democratic							V&A analysis: 25% completed
Republic						V	Mitigation Analysis: not initiated yet.

32. Cook Islands	30-Oct-99	22-Dec-05	420,000	21-Apr-06	November 2009	V V	GHG Inventories: More than 25% completed V&A analysis: Less than 50% completed Mitigation Analysis: not initiated yet
33. Costa Rica	18-Nov-00	12-Apr-06	105,000 Includes TNA	12-May-06		\ \ \ \	GHG Inventories: Less than 50% completed V&A analysis: Less than 50% completed Mitigation Analysis: Less than 25% completed
34. Cuba	28-Sep-01	Under preparation				Project the Govt.	document completed. Awaiting project approval by
35. Cote d' Ivoire	2 -Feb-01	8 Jun. 2005	420,000	10 Jun. 2005	November 2008	\ \ \ \	GHG Inventories: more than 75% completed V&A analysis: More than 25% completed Mitigation Analysis: less than 25% completed
36. Democratic People's Republic of Korea		25 Apr. 2005	420,000	04 May 2005	April 2008	V	GHG Inventories: 50% completed V&A analysis: 25% completed
37. Djibouti	06-Jun-02	08-Jun-06	420,000	13-Jun-06	October 2008	▼	GHG Inventories: More than 25% completed Mitigation Analysis: less than 25% completed
38. Dominica	4-Dec-01	16-Feb-06	420,000	4-Apr-06			
39. Dominican Republic	4-Jun-03	11-Nov-05	420,000	21-Nov-06	December 2008	\(\times \)	GHG Inventories: Completed V&A analysis: More than 50% Mitigation Analysis: Less than 25% completed
40. East Timor	INC	Under preparation				IN	C under preparation.
41. Ecuador	15-Nov-00	8-Feb-06	420,000	23-Mar-06	November 2008	\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 50% completed Mitigation Analysis: not yet initiated

42. Egypt	19-Jul-99	7-Nov-05	420,000	16-Mar-06	July 2009	 ☑ GHG Inventories: Less than 25% completed ☑ V&A analysis: Less than 25% completed ☑ Mitigation Analysis: Less than 25% completed
43. El Salvado	r 10-Apr-00	30-May-07	420,000	Sept-07		Recruitment of SNC project coordinator and technical team underway
44. Eritrea	16-Sep-02	30-Jan-07	420,000	June-07		Preparatory work and recruitment of technical team in process.
45. Ethiopia	16-Oct-01	Has not yet requested self-assessment funds				
46. Gabon	22-Dec-04	31-Jan-07	420,000	May-07		Preparatory work and recruitment of technical team in process.
47. Gambia	6 Oct 2003	05-Sep2006	420,000		August 2009	✓ GHG Inventories: Less 50% completed✓ V&A analysis: Less 25% completed
48. Georgia	10-Aug-99	5-May-05	420,000	24-Jun-05	November 2008	
49. Ghana	2-May-01	10-May-06	420,000	29-Jun-06		 ☑ GHG Inventories: less than 50% completed ☑ V&A analysis: Less than 50% completed ☑ Mitigation Analysis: Less than 25% completed
50. Grenada	21-Nov-00	8-Sep-06	420,000	May-07		Preparatory work and recruitment of technical team in process.
51. Guatemala	1-Feb-02	7-Nov-06	420,000	Dec-06	July 2009	 ☑ GHG Inventories: Less than 25% completed ☑ V&A analysis: Less than 25% completed ☑ Mitigation Analysis: not yet initiated.
52. Guinea	28-Oct-02	24-Sept 07	420,000	01-Oct07	Oct- 2010	☑ Inception and GHG Inventory workshops scheduled for November 2007
53. Guinea Bissau	1-Dec-01	1-Nov-06	470,000 Includes TNA	April-07	June 2009	 ☑ GHG Inventories: Less than 25% completed ☑ V&A analysis: not yet initiated ☑ Mitigation Analysis: Less than 25% completed

54. Guyana	16-May-02	Approved. DOA pending	470,000 Includes TNA	Aug-07			
55. Haiti	3 Jan 2002	29 Sep. 2005	420,000	06 Oct. 2005	November 2009	\(\sqrt{1} \)	GHG Inventories: 50% completed V&A analysis: Less than 50% completed Mitigation Analysis: less than 25% completed
56. Honduras	15-Nov-00	2-Dec-05	420,000	March-07	February 2009	\(\sqrt{1} \)	GHG Inventories: Less than 50% completed V&A analysis: Less than 25% completed Mitigation Analysis: Less than 25% completed
57. India	22-June-04	GEF council approved	3,849,000 Includes PDFB	July-07		Proje	ect under implementation
58. Indonesia	27-Oct-99	16-Jan-07	420,000	July-07		Project	under implementation
59. Iran Islamic Republic of	31-Mar-03	22-Dec-05	420,000	23-Jan-06	December 2008		GHG Inventories: Less than 50% completed V&A analysis: Less than 25% completed Mitigation Analysis: less than 50% completed
60. Jamaica	21-Nov-00	21-Apr-06	420,000	7-Jul-06	May 2008	\overline{\sigma}	GHG Inventories: More than 50% completed V&A analysis: Less than 25% completed. Mitigation Analysis: not yet initiated
61. Jordan	6-Mar-97	29-Dec-05	420,000	25-Jan-06	May 2008	\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: Less than 25% completed
62. Kazakhstan	5-Nov-98	3-Mar-05	420,000	15-May-05	July 2009	\ \ \ \	GHG Inventories: between 20%-50% completed V&A analysis: between 20%-50% completed Mitigation Analysis: between 20%-50% completed

63. Kenya	22 Oct 2002	26 Oct. 2005	420,000	18 Nov. 2005	September 2008	✓	GHG Inventories: more than 50% completed V&A Less than 25% completed
64. Kiribati	30-Oct-99	31-Jan-07	420,000	May-07		\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: Not initiated yet
65. Kyrgyzstan	31-Mar-03	2-Jun-05	420,000	5-Jul-05	February 2008	\(\sqrt{1} \)	GHG Inventories: More than 75% completed. V&A analysis: More than 50% completed Mitigation Analysis: Less than 25% completed
66. Lao People's Democratic Republic	2-Nov-00	17-May-07	420,000			Project	Document awaiting signature by Govt.
67. Lebanon	2-Nov-99	8-Jul-05	420,000	14-Mar-06	December 2009	\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: not yet initiated
68. Lesotho	17 -April 2000	4 -Sept06	420,000	25 Oct. 2006	November 2009	V	GHG Inventories: 25 % completed V&A analysis: less than 25% completed
69. Liberia	INC under preparation	31-Aug05	420,000	31 Aug. 2005	June 2009	✓	GHG Inventories: More than 50% completed V&A analysis: less than 25% completed
70. Libyan Arab Jamahiriya *	INC under preparation	31 Jan. 2002	275,000	20 Feb. 2002	December 2008	Pro	GHG Inventories: Less than 25% completed oject Approved before commencement of umbrella oject
71. Madagascar	22 Feb 2004	7 Nov. 2005	420,000	25 Nov. 2005	September 2008	\(\sqrt{1} \)	GHG Inventories: more than 75% completed V&A analysis: 25% completed GHG Mitigation Analysis: Less than 25% completed
72. Malawi	2-Dec-03	8-Feb-06	420,000	Dec-06	March 2009	\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: not yet initiated

73. Malaysia	22-Aug-00	2 1-Dec-05	420,000	Jan-07			
74. Maldives	5-Nov-01	Has not yet requested self-assessment funds					
75. Mali	13-Nov-00	8-Sep-06	420,000	11-Sept-06		✓✓	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed
76. Malta	16-Jun-04	9-April-07	420,000	May-07		Incept	ion workshops organized
77. Marshall Islands	24-Nov-00	30-Jan-07	420,000			V V	GHG Inventories: Not yet initiated V&A analysis: Not yet initiated GHG Mitigation Analysis: not yet initiated
78. Mauritania	30-Jul-02	14 Jul 2005	420,000	15 Aug. 2005	November 2009	✓	GHG Inventories: More than 75% completed V&A analysis: More than 50% completed
79. Mauritius	28-May-99	Project document sent to Governmen t for signature	420,000	22-Feb07	Jan 2010	V	Inception Workshop scheduled for November 2007
80. Mexico	23-July-01	20-Jun-05	405,000 Did not request self- assessment funds	11-Jul-05	Completed November 06	V	TNC submitted
81. Micronesia Federated States of	4-Dec-97	20-Aug-06	420,000	Aug-06	January 2008	\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: : Less than 25% completed GHG Mitigation Analysis: not yet initiated
82. Moldova	13 Nov 2000	12 -Oct-05	ŕ	27 Oct. 2005	November 2008	\(\sqrt{1} \)	GHG Inventories: 50% completed V&A analysis: less than 25% completed GHG Mitigation Analysis: 50% completed
83. Mongolia	1 Nov 2001	28-Aug06	420,000	15-Sept06	July 2009	\checkmark	GHG Inventories: more than 75% completed

						V	V&A analysis: 25% completed GHG Mitigation Analysis: 25% completed
84. Mozambique	6-Jun06	11-Oct06	420,000	25-Oct06	Oct. 2009	\checkmark	Less than 50% completed
85. Morocco	1-Nov-01	2-Mar-05	455,000 Includes TNA Did not request self- assessment funds	13-May-05	May 2008	<u> </u>	GHG Inventories: 50% completed V&A analysis: More than 25% completed GHG Mitigation Analysis: less than 25% completed
86. Myanmar	INC under preparation	26-Dec06	420,000	12- Mar07	Mar. 2010	Inception	on workshop planned for November 2007
87. Namibia	7-Oct-02	14-Dec-05	420,000	24-Jan-06			
88. Nauru	30-Oct-99	25-May-07	420,000	July-07		Prepar progres	ratory work initiated, technical team recruitment in ss.
89. Nicaragua	25-Jul-01	4-Feb-05	420,000	7-Mar-05	March 2008		GHG Inventories: more than 75% completed V&A analysis: more than 75% completed GHG Mitigation Analysis: Less than 50% completed
90. Niger	13-Nov-00	12-Dec-05	420,000	4-Jan-06	Nov 2008	\(\sqrt{1} \)	GHG Inventories: more than 50% completed V&A analysis: more than 50% completed GHG Mitigation Analysis: Less than 25% completed
91. Nigeria	17-Nov-03	30-Mar-06	420,000 Includes TNA	1-Aug-06		\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Not yet initiated
92. Niue	2-Oct -01	11-Nov-04	420,000	20-Dec-04	August 2008	\(\sqrt{1} \)	GHG Inventories: more than 50% completed V&A analysis: 25% completed Mitigation Analysis: less than 25% completed
93. Oman		15-May-07	300,000			Pro	oject Document awaiting Govt signature
94. Pakistan		Governmen					

	15-Nov-03	t to provide banking information					
95. Panama	20-Jul-01	7-Jun-06	420,000	Sept-06	February 2009	✓✓	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: Less than 25% completed
96. Palau	18-Jun-03	9-Dec-05	420,000	13-Dec-05	March 2008	✓ ✓ ✓	GHG Inventories: more than 100% completed V&A analysis: More than 75% completed Mitigation Analysis: 25% completed
97. Papua New Guinea	27-Feb-02	17-Jul-06	420,000	Feb-07	December 2009	✓✓	GHG Inventories Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: More than 25% completed
98. Paraguay	10-Apr-02	8-Dec-05	420,000	10-Mar-06	February 2008	✓ ✓	GHG Inventories: More than 50% completed V&A analysis: less than 50% completed GHG Mitigation Analysis: less than 50% completed
99. Peru	21-Aug-01		1,849,350 Includes PDFA	July-06		✓ ✓ ✓	GHG Inventories: Less than 25% completed V&A analysis: less than 25% completed GHG Mitigation Analysis: less than 25% completed
100. Philippines	19-May-00	18-Apr-06	420,000	2-Aug-06	June 2009	✓✓	GHG Inventories Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: Less than 25% completed
101. Rwanda	6-Sep-05	22-Sep-06	420,000	16-Oct06	November 2009	\checkmark	GHG Inventory: Less than 50% completed
102. Saint Kitts and Nevis	30-Nov-01	25-Oct-06	420,000	May-07		Prepara	atory work initiated.
103. Saint Lucia	30-Nov-01	9-Jun-06		14-Jun-06	August	V	GHG Inventories: less than 50% completed V&A analysis: Less than 25% completed

				420,000		2009	V	GHG Mitigation Analysis: not yet initiated.
	Saint cent and the nadines		7-Jun-06	420,000	27-Jun-06		\(\sqrt{1} \)	GHG Inventories Less than 25% completed V&A analysis: Less than 25% completed GHG Mitigation Analysis: Less than 25% completed
105.	Samoa	30-Oct-99	2 1-Jul-05	420,000	27-Oct-05	May 2008	\ \ \ \ \	GHG Inventories: draft completed V&A analysis: More than 75% completed Mitigation Analysis: less than 50% completed
106. Ara	Saudi bia	29-Nov-05	30-May-07	420,000		2010	Project	document with Govt. for signature
107. ipe	São Tomé	19-May-05	24-Sept-07	420,000			Pendir	ng Govt. signature of project document.
108.	Senegal	1-Dec-97	8-Jun06	420,000	20 Jun. 2006	July 2009	V	GHG Inventories: More than 50% completed V&A analysis: 25% completed
109. Mo	Serbia and ntenegro	Initial Communication under preparation	2/2/07	420,000	1-June-07			
110.	Seychelles		9-Jun-06	420,000	16-Jun-06	June 2009	\(\sqrt{1} \)	GHG Inventories: More than 50% completed V&A analysis: More than 50% completed Mitigation Analysis: More than 25% completed
111. Leo	Sierra one	8-Jan-07	Self- assessment				Pro	oject document under preparation.
112. Islands	Solomon	29-Sep-04	30-Jan-07	420,000			Project	document pending Govt. signature.
113. Afr	South ica	11-Dec-03	Project document sent to Governmen t for signature	420,000				

114.	Sri Lanka	6-Nov-00	30-May-07	420,000	July-07		Prepara progres	ation work initiated. Recruitment of national team in
115.	Sudan	7-Jun-03	10-May-07	420.000				Document pending Govt's signature.
116.	Syrian rab Republic	INC under preparation	20-July- 2006	420,000	Jan-07		- 10,000	2 ocument penang cort s asgimuno.
117.	Swaziland	21-May-02	Approved. DOA pending	470,000 Includes TNA	May-07		Prepara progres	ation work initiated. Recruitment of national team in ss.
118.	Suriname	14-Oct -96	Under preparation				Project approv	document under preparation. Project pending Govt. al.
119.	Tajikistan	8-Oct-02	26-May-05	420,000	7-Jul-05	December 2007	\ <u>\</u> \ <u>\</u>	GHG Inventories: more than 50% completed V&A analysis: More than 50% completed Mitigation Analysis: Less than 50% completed
120.	Thailand	13-Nov-00	31-May-06	420,000	Dec-06	June 2010		
121.	Macedonia	25-Mar-03	4-Feb-05	420,000	16-Feb-05	March 2008	\(\sqrt{1} \)	GHG Inventories: more than 75% completed V&A analysis: more than 75% completed Mitigation Analysis: More than 25% completed
	Tanzania nited epublic of	4-Jul-03	21-Jul-06	420,000	15 Aug. 2006	September 2009	✓	GHG Inventories: More than 50% completed V&A analysis: 25% completed
123.	Togo	20-Dec-01	8-Sep-06	420,000	April-07		Prepara	atory work initiated. Team coordinator recruited.
124.	Tonga	2 1-Jul-05	17-Jan-07	405,000 Did not request self- assessment funds	Jan-07		•	
125. and To	Trinidad obago	30-Nov-01	6-Jun-06	420,000	May-07	March 2009	V V	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: not yet initiated.

126.	Tunisia	27-Oct-01	8-Jun-05	405,000 Did not request self- assessment funds	25-Aug-05			
127.	Turkey	INC under preparation	21-June-05	420,000	16-Aug-05		IN	C submitted
128. an	Turkmenist	11-Nov-00	8-Jun-06	420,000	9-Jun-06	May 2009	✓✓	GHG Inventories: More than 75 % completed V&A analysis: More than 25% completed
129.	Tuvalu	30-Oct-99	17-Jan-07	420,000	May-07		\forall \text{\sqrt{1}}	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: not yet initiated.
130.	Uganda	26-Oct-02	Under preparation				Stockta going	aking exercise and project document preparation on-
131.	Uruguay	15-Oct-97	5-May-05	405,000 Did not request self- assessment funds	30-Aug-05		\ \ \ \	GHG Inventories: Less than 50% completed V&A analysis: Less than 50% completed Mitigation Analysis: Less than 50% completed
132.	Uzbekistan	22-Oct-99	10-Feb-05	420,000	21-Feb-05	September 2008	\(\sqrt{1} \)	GHG Inventories: more than 100 % completed V&A analysis: More than 25% completed GHG Mitigation Analysis: More 50% completed
133.	Vanuatu	30-Oct-99	22-Dec-05	420,000	24-Jul-06		\(\sqrt{1} \)	GHG Inventories: Less than 25% completed V&A analysis: Less than 25% completed Mitigation Analysis: not yet initiated.
134.	Venezuela	13-Oct-05	Under preparation					, ,
135.	Vietnam	2-Dec-03	7-Jun-06	420,000	19-Jun-06	June 2009	\ \ \ \ \	GHG Inventories: Less than 50% completed V&A analysis: Less than 25 % completed GHG Mitigation Yet to commence

136.	Yemen	29-Oct-01	8-Nov-06	470,000			\checkmark	GHG Inventories: Less than 25% completed
				Includes TNA			\checkmark	V&A analysis: Less than 25% completed
							\checkmark	Mitigation Analysis: Less than 25% completed
137.	Zambia	18-Aug-04	2/2/07	470,000	17-Aug-07		Prepar	atory work initiated.
				Includes TNA				
138.	Zimbabwe	25-May-98	24-Apr-06	420,000	13-Jun-06	July2009	\checkmark	GHG Inventories: 50 % completed

ANNEX II

ADAPTATION FUND (KYOTO PROTOCOL) Negotiating text for draft decision -/CMP.3: Adaptation Fund

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, Recalling Article 12, paragraph 8, of the Kyoto Protocol, Recalling its decisions 3/CMP.1, 28/CMP.1 and 5/CMP.2,

- 1. *Decides* that developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change are eligible for funding from the Adaptation Fund to assist in meeting the costs of adaptation;
- 2. *Decides* that the Adaptation Fund shall finance concrete adaptation projects and programs that are country driven and are based on needs, views and priorities of eligible Parties;
- 3. *Decides* that the entity1 operating the Adaptation Fund shall be responsible for the monetization of certified emission reductions issued by the Executive Board of the clean development mechanism and forwarded to the Adaptation Fund to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation;
- 4. *Decides* that the monetization of certified emission reductions referred to in paragraph 3 above shall be undertaken so as to:
- (a) Ensure predictable revenue flow for the Adaptation Fund;
- (b) Optimize revenue for the Adaptation Fund while limiting financial risks;
- (c) Be transparent and monetize the share of the proceeds in the most cost-effective manner, utilizing appropriate expertise for this task.
- 5. *Requests* the entity1 operating the Adaptation Fund to report annually to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on the monetization of certified emission reductions:
- 6. *Decides* to review all matters relating to the Adaptation Fund at its XX session. (Note: Text on institutional arrangements to be added). The final reference will depend on the agreed text on institutional arrangements.

Points for discussion on institutional arrangements of the Adaptation Fund

This paper is a proposal by the co-chairs of the contact group (CG) on the Adaptation Fund based on the views expressed at an informal closed meeting that took place on 14 May 2007. It reflects only discussions related to institutional arrangements.

(1) Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol:

Decision 5/CMP.2, paragraph 1 (e): The Adaptation Fund shall operate under the authority and guidance of, and be accountable to, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) which shall decide on its overall policies.

(2) Governing body:

Structure:

A governing body shall be established to supervise the operations and management of the Adaptation Fund.

Composition:

Decision 5/CMP.2, paragraph 3:

- Parties to the Kyoto Protocol;
- Majority of Parties not included in Annex I to the Convention.

Proposal 1:

- Fair and balanced regional representation based on the United Nations regional groups;
- A seat for the Alliance of Small Island States (AOSIS);
- A seat for least developed countries;
- Representatives to be nominated by the relevant groups and appointed by the CMP.

Proposal 2:

- A seat for each of the United Nations regional groups;
- A seat for AOSIS:
- Two seats for Parties included in Annex I to the Convention;
- Two seats for Parties not included in Annex I to the Convention;
- Each member of the governing body shall have an alternate member, selected from the same constituency, who shall represent the member in their absence.

Proposal 3:

Constituency representation based on the Kyoto Protocol Parties (comment: this proposal needs to be further elaborated).

(Note: Proposals need to clarify how the composition will apply the 'one country one vote' rule.) (Note: Need to define the number of members/size of the governing body.)

Decision-making process:

Decision 5/CMP.2, paragraph 3: one country, one vote rule.

Decisions shall be taken by consensus, whenever possible.

If all efforts at reaching a consensus have been exhausted and no agreement has been reached, there is need for voting.

(Note: A proposal on majority voting is needed.)

Functions:

- To supervise and guide the operations and management of the Adaptation Fund;
- To develop, decide and monitor the implementation of specific operational policies and guidelines, including programming guidance and administrative arrangements subject to guidance provided by the CMP;

- To approve projects, including the allocation of funds in line with the operational policies and programs adopted by the CMP;
- To review regularly the performance reports on the implementation of activities supported by the Adaptation Fund;
- To report on its activities to each session of the CMP;
- To perform such other functions as may be assigned to it by the CMP.

Operations:

Number of meetings:

Proposal 1: X meetings a year while retaining the flexibility to convene additional meetings where special circumstances make this desirable.

Proposal 2: Have flexibility to convene meetings depending on the workload. Rules of procedure:

Proposal 1: The governing body is to develop and adopt any rules of procedure additional to those included in this decision.

Proposal 2: The governing body shall, at its first meeting, develop any rules of procedure additional to those included in this decision for approval by the CMP at its subsequent session. (Note: If proposal 2 is selected there might be need to refer to provisional application of rules of procedures until the CMP approves it.)

Expertise:

The governing body may draw on expertise required to perform its functions.

A secretariat to support the governing body:

The governing body shall be supported by a secretariat.

(Note: The institution hosting the secretariat needs to be defined.)

(3) Trustee:

The trustee shall comply with principles and modalities for operations stipulated in decision 5/CMP.2 as well as guidance by the CMP on arrangements for monetization of certified emission reductions. The governing body shall be responsible for selecting the trustee.

(4) Implementing agencies:

Proposal 1:

Eligible Parties shall be able to select from a wide range of implementing agencies depending on the needs of these Parties. Implementing agencies could be added as needs are identified by eligible Parties. Implementing agencies shall be able to comply with modalities stipulated in decision 5/CMP.2.

(Note: Reference was made to the need to develop additional standards to implementing agencies but they were not specified.)

Proposal 2:

Eligible Parties shall be able to access funds directly from the Adaptation Fund, without having to implement projects through an implementing agency.

(5) Review:

The CMP shall undertake regular reviews within set time-lines.

Time-lines for review shall provide for enough time for implementation (i.e. 3 or 4 years). Independent evaluations and audits of projects and programs shall also be conducted (decision 5/CMP.2, para. 2 (i)). Consideration of a trial period on all arrangements. (Note: Paragraph 6 of negotiating text agreed at CG already refers to a review of all matters relating to the Adaptation Fund at its XX session.)

ANNEX III

STOCKHOLM CONVENTION ON PERSISTENT ORGANIC POLLUTANTS Decision SC-3/13: Implementation of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility

The Conference of the Parties

- 1. Welcomes the report of the Global Environment Facility to the Conference of the Parties of the Stockholm Convention at its third meeting³ and takes note of the information contained therein:
- 2. *Requests* the Secretariat, in consultation with the Global Environment Facility, to prepare a report on the effectiveness of the implementation of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility, for consideration by the Conference of the Parties at its fourth meeting.

Decision SC-3/14: Resource mobilization

The Conference of the Parties

- 1. *Takes note* of the information set out in the report on other possible sources of funding or entities to facilitate the adequacy and sustainability of funding for activities relevant to the implementation of the Convention;⁴
- 2. *Invites*, in accordance with paragraphs 2 and 3 of Article 13 of the Convention, developed country Parties, other Parties and other possible sources, including relevant funding institutions and the private sector, to provide information to the Secretariat on ways in which they can support the Convention;
- 3. *Requests* the Secretariat, based on the information provided pursuant to the invitation in paragraph 2 above, to develop further the report on other possible sources of funding and to submit it for consideration by the Conference of the Parties at its fourth meeting.

Decision SC-3/15: Needs assessment

The Conference of the Parties

- 1. Welcomes the preliminary assessment of funding needs for Parties that are developing countries or countries with economies in transition to implement the Convention over the period 2006-2010;
- 2. *Adopts* the revised terms of reference for work on the assessment of funding needs for Parties that are developing countries or countries with economies in transition to implement the Convention over the period 2010–2014 set forth in the annex to the present decision;
- 3. *Invites* Parties and others to provide the relevant information required to undertake the assessment of funding needs mentioned in the preceding paragraph.

³ UNEP/POPS/COP.3/INF/3.

⁴ UNEP/POPS/COP.3/INF/12, annex.

Annex to decision SC-3/15: Revised terms of reference for work on the assessment of funding needs for Parties that are developing countries or countries with economies in transition to implement the Convention over the period 2010–2014

Objectives

- 1. The objectives of the work to be carried out under the present terms of reference are:
- (a) To enable the Conference of the Parties to provide at regular intervals, to the principal entity entrusted with the operations of the financial mechanism referred to in Article 13 of the Convention, and to other entities should they be so entrusted, assessments of the total funding needed by Parties eligible for assistance from the financial mechanism to facilitate their effective implementation of the Convention;
- (b) To provide the principal entity with a framework and modalities for the determination in a predictable and identifiable manner of the funding necessary and available for the implementation of the Convention by Parties eligible for assistance from the financial mechanism.

Methodology

- 2. Pursuant to the objectives in paragraph 1 above, the work will be facilitated and coordinated by the Secretariat with a view to enabling a team of up to three independent experts for up to three months to undertake a full assessment of the funding necessary and available for the implementation of the Convention for the period 2010–2014, based on, among other things, the methodology, experience and available data gained from the preliminary assessment of funding needs for the period 2006–2010,⁵ for consideration by the Conference of the Parties at its fourth meeting.
- 3. The assessment will include an estimation of costs and funding needs that are identified for activities in national implementation plans, which:
- (a) Are direct obligations under the Convention;
- (b) Are necessary for the implementation of the Convention;
- (c) Involve other, indirect costs related to the implementation of the Convention but not covered by (a) or (b).
- 4. The methodology for assessing the funding necessary and available for the implementation of the Convention will be transparent, reliable and replicable.

Execution

- 5. The assessment of funding needs will include:
- (a) The compilation and analysis of the needs identified in the national implementation plans submitted by Parties pursuant to Article 7 of the Convention;
- (b) The review of reports submitted by Parties pursuant to Article 15 of the Convention to identify information on funding needs in fulfillment of their obligations under the Convention;
- (c) The compilation and analysis of such funding needs identified in any supplementary information provided by the principal entity of the financial mechanism, other international

⁵ See the terms of reference set forth in the annex to decision SC-2/12.

financial institutions, intergovernmental and nongovernmental organizations, including the private sector, and secretariats of other multilateral environmental agreements;

(d) The compilation and analysis of any supplementary information provided by Parties which are developing countries or countries with economies in transition on their funding needs for the implementation of their obligations under the Convention.

Sources of information

- 6. In developing the assessment of funding needs, the work will draw primarily upon information provided in the national implementation plans submitted pursuant to Article 7 of the Convention.
- 7. Relevant supplementary information will be drawn from the Secretariat, Parties, entities of the financial mechanism, other international financial institutions, intergovernmental and non-governmental organizations including the private sector and secretariats of other multilateral environmental agreements, where available, such as:
- (a) The Global Environment Facility, which, as the principal entity entrusted with the operation of the financial mechanism on an interim basis, is invited to provide information gathered through its operations relevant to assistance needs in eligible Parties;
- (b) Other international financial institutions that provide bilateral or multilateral financial or technical assistance pursuant to paragraph 6 of Article 13 of the Convention, which are invited to provide information on such assistance, including the levels of such assistance;
- (c) Intergovernmental organizations, nongovernmental organizations and other stakeholders, which are invited to provide information relating to the needs assessment;
- (d) Secretariats of other multilateral environmental agreements, which are invited to provide information relevant to modalities for conducting similar needs assessments in connection with their agreements;
- (e) Parties, which are invited to provide any other information on their experiences in implementing the Convention.

Scope

8. The assessment of the funding necessary and available for the implementation of the Convention should be comprehensive and primarily directed towards assessing total funding needs with a view to identifying, in full needs assessments, baseline and incremental funding needs in order for all Parties to fulfill their obligations under the Convention.

Process

- 9. The information identified above should be provided to the Secretariat by 31 October 2008. Any future updating of this information will be decided by the Conference of the Parties.
- 10. Based on the information it receives from the Secretariat the team of experts will prepare a report on the assessment of the funding necessary and available for the implementation of the Convention for the period 2010–2014 by Parties which are developing countries or countries with economies in transition and transmit it to the Secretariat.

11. The Secretariat will present the report to the Conference of the Parties at its fourth meeting for its consideration and subsequent action, including informing the replenishment process of the Global Environment Facility.

Decision SC-3/16: Additional guidance to the financial mechanism

The Conference of the Parties

- 1. *Reaffirms* its decisions SC-1/9 and SC-2/11;
- 2. Welcomes the successful fourth replenishment of the Global Environment Facility along with the increased level of the funding for persistent organic pollutants within that replenishment;
- 3. Welcomes the ongoing policy reforms within the Global Environment Facility and also welcomes in particular the streamlining of its project cycle, its review of focal area strategies and priority setting and its increased emphasis on the sound management of chemicals;
- 4. *Invites* Governments, non-governmental organizations, industry and intergovernmental organizations to participate in the development of the business plan for promoting a global partnership on the development and deployment of alternative products, methods and strategies to DDT for disease vector control and encourages the Global Environment Facility, donors and other funding agencies to provide financial and other resources to support the creation and implementation of the business plan;
- 5. *Urges* the Global Environment Facility to incorporate best available techniques and best environmental practices and demonstration as one of its priorities for providing financial support;
- 6. *Invites* the Global Environment Facility to incorporate activities related to the global monitoring plan and capacity-building in developing countries, small island developing States and countries with economies in transition as priorities for providing financial support;
- 7. *Decides* that the outcomes of the periodic assessments of the funding necessary and available for the implementation of the convention shall be an input of the Conference of the Parties to the negotiations on the replenishment of the Trust Fund of the Global Environment Facility;
- 8. Welcomes the Global Environment Facility's shift in emphasis from support for the preparation of national implementation plans to the implementation of those plans and requests the Global Environment Facility to continue to streamline its project cycle so that persistent organic pollutant projects can be developed and implemented on a priority basis;
- 9. Welcomes the co-financing analysis of the Global Environment Facility in its report to the Conference of the Parties at its third meeting and urges the Global Environment Facility to take into full consideration the different characteristics of projects when establishing its co-financing requirements;
- 10. Requests the Global Environment Facility, in its support for the delivery of technical assistance on a regional basis, to give consideration to the proposals that may be developed by nominated Stockholm Convention centers and to prioritize such support to those centers situated in developing countries and countries with economies in transition in accordance with paragraph 31 of the terms of reference for regional and sub regional centers contained in the annex to decision SC-2/9 and paragraph 5 (e) of the annex to decision SC-3/12;
- 11. *Requests* the Global Environment Facility as the principal entity entrusted with the operation of the financial mechanism on an interim basis to give special consideration to those

activities relevant to the sound management of chemicals identified as priorities in national implementation plans when deciding on the funding of activities under the Convention;

- 12. *Requests* the Global Environment Facility to give special consideration to support for those activities identified as priorities in national implementation plans which promote capacity-building in sound chemicals management, so as to enhance synergies in the implementation of different multilateral environment agreements and further strengthen the links between environment and development objectives;
- 13. *Also requests* the Global Environment Facility to support, within its project activities, the capacity of developing countries and countries with economies in transition to estimate the costs and funding needs of activities in their national implementation plans.

Decision SC-3/17: Second review of the financial mechanism

The Conference of the Parties

- 1. *Adopts* the terms of reference for the second review of the financial mechanism set out in the annex to the present decision;
- 2. Requests the Secretariat to compile information relevant to the second review of the financial mechanism and submit it to the Conference of the Parties for consideration at its fourth meeting.

Annex to decision SC-3/17: Terms of reference for the second review of the financial mechanism

Objective

- 1. Pursuant to paragraph 8 of Article 13 of the Convention, the Conference of the Parties will review the effectiveness of the financial mechanism established under Article 13 of the Stockholm Convention in supporting implementation of the Convention, with a view to taking appropriate action, if necessary, to improve the effectiveness of the financial mechanism, including by means of recommendations and guidance to ensure adequate and sustainable funding. For that purpose, the review will include an analysis of:
- (a) The mechanism's ability to address the changing needs of developing country Parties and Parties with economies in transition;
- (b) The criteria and the guidance referred to in paragraph 7 of Article 13 of the Convention, including the mechanism's ability to incorporate policy guidance from the Conference of the Parties;
- (c) The level and timeliness of funding;
- (d) The effectiveness of the performance of the Global Environment Facility in its capacity as the principal entity entrusted on an interim basis with the operations of the financial mechanism.

Methodology

- 2. The review will cover all activities of the financial mechanism for the period from July 2005 to October 2008. The review may also consider relevant activities that have been undertaken before that time period.
- 3. The review shall analyze how the Global Environment Facility has performed according to the objective in paragraph 1 above, using the performance criteria set out in paragraph 11 of the present terms of reference.
- 4. The review shall draw on, among others, the following sources of information:
- (a) Information provided by the Parties on their experiences gained in undertaking activities funded by the financial mechanism, which may include their assessment of the mechanism using the performance criteria set out in paragraph 11 below;
- (b) Reports submitted to the Conference of the Parties by the Global Environment Facility;
- (c) Other reports provided by the Global Environmental Facility including, among others, the reports of its Evaluation Office and its overall performance studies;
- (d) Reports and information provided by other relevant entities providing multilateral, regional and bilateral financial and technical assistance pursuant to paragraph 6 of Article 13 of the Convention;
- (e) Reports submitted by Parties pursuant to Article 15 of the Convention;
- (f) Relevant information provided by intergovernmental organizations, non-governmental organizations and other relevant stakeholders.
- 5. The Global Environment Facility is requested to provide relevant information for this review to the Secretariat in a timely manner.
- 6. Parties are encouraged to submit to the Secretariat the relevant information pursuant to paragraph 4 (a) above as soon as possible but not later than 30 September 2008.
- 7. Intergovernmental organizations, non-governmental organizations and other relevant stakeholders are requested to provide to the Secretariat information relevant to achieving the objectives of the present review, as soon as possible but no later than 30 September 2008.
- 8. In keeping with these terms of reference, the Secretariat shall:
- (a) Make adequate arrangements to ensure that the effectiveness review is undertaken in an independent and transparent manner;
- (b) Hire an independent evaluator to prepare a draft report on the review of the financial mechanism;
- (c) Submit the draft report on the review of the financial mechanism to the Conference of the Parties for consideration at its fourth meeting.

Report

- 9. The report of the review shall include, among other things, the following elements:
- (a) An overview of elements (a) to (d) of paragraph 1 above;
- (b) An analysis of lessons learned from the activities funded by the financial mechanism during the period covered by the review;
- (c) An assessment of the Global Environment Facility principles of incremental cost and global environmental benefits as they pertain to activities relating to persistent organic pollutants in order to facilitate fulfillment of obligations under the Convention, along with lessons learned from the evaluation reports on the activities of the Global Environment Facility;

- (d) An assessment of the timeliness, accessibility, adequacy, sustainability and predictability of the funding;
- (e) Recommendations and guidance to improve the effectiveness of the financial mechanism in meeting the objectives of the Convention;
- (f) An assessment against the performance criteria listed in paragraph 11 below.
- 10. The Secretariat shall submit the report to the Conference of the Parties for consideration at its fourth meeting. The report shall be deemed an official document of the Conference of the Parties.

Performance criteria

- 11. The effectiveness of the financial mechanism shall be assessed taking into account, among other things:
- (a) The responsiveness of the Global Environment Facility to guidance from the Conference of the Parties:
- (b) The responsiveness of the Global Environment Facility, in its capacity on an interim basis as the principal entity entrusted with the operation of the financial mechanism, to the resolutions adopted on 22 May 2001 by the Conference of Plenipotentiaries on the Stockholm Convention relating to interim financial arrangements;⁶
- (c) The transparency and timeliness of the project approval process;
- (d) The simplicity, flexibility and expeditiousness of the procedures for accessing funds;
- (e) The adequacy and sustainability of the resources;
- (f) Country ownership of activities funded by the financial mechanism;
- (g) The level of stakeholder involvement.

⁶ Final Act of the Conference of Plenipotentiaries on the Stockholm Convention on Persistent Organic Pollutants (UNEP/POPS/CONF/4), appendix I.

ANNEX IV

UN CONVENTION TO COMBAT DESERTIFICATION Decision 6/COP.8: Collaboration with the Global Environment Facility

The Conference of the Parties,

Recalling its decisions 6/COP.6 and 6/COP.7 on collaboration with the Global Environment Facility (GEF), by which it adopted the memorandum of understanding (MOU) between the United Nations Convention to Combat Desertification (UNCCD) and the GEF on enhanced collaboration,

Recognizing that addressing land and water issues of relevance to the objectives of this Convention contributes to the achievement of the Millennium Development Goals and maintaining essential ecosystem services,

Noting that the potential for UNCCD Parties to access funds through other multilateral agreements to which they are also party, such as climate change adaptation funding, should not replace the need to mobilize specific funds for the implementation of UNCCD national action programs,

Welcoming the December 2006 decision of the GEF Council to invite the Fourth GEF Assembly to amend the Instrument for the Establishment of the Restructured Global Environment Facility to list the UNCCD among the Conventions for which the GEF plays the role of financial mechanism;

Also welcoming the June 2007 decisions of the GEF Council including, inter alia, the streamlining of the project cycle to accelerate availability of resources to countries, adoption of a revised Focal Area Strategy on Land Degradation for the fourth replenishment of the GEF (GEF 4) and of a cross-cutting Focal Area Strategy on Sustainable Forest Management, as well as development of a results-based management framework,

Further welcoming the fact that land use, land use change and forestry (LULUCF) projects have been made eligible for GEF financing under the Climate Change Focal Area Strategy,

Mindful of concerns expressed over the allocation of funds to combat land degradation under GEF-4,

1. Invites the GEF to effectively and expeditiously implement the Focal Area Strategy on Land Degradation for GEF 4;

- 2. Urges developed country Parties and invites the GEF Council to provide adequate, timely and predictable financial resources, including new and additional financial resources, for the Focal Area on Land Degradation in the fifth replenishment of the GEF;
- 3. Also invites the GEF to facilitate access by affected country Parties, particularly those in Africa, to the full range of GEF funds available for the implementation of projects and programs relating to land degradation and desertification;
- 4. Recognizes that the implementation of the 10-year strategic plan and the framework to enhance the implementation of the Convention requires mobilization of adequate, predictable and timely financial resources at both the national and the international levels for its effective implementation and, in this context, invites the GEF to consider simplifying its funding procedures in order to ease developing countries' access to GEF financial resources;
- 5. Requests the GEF secretariat, in the light of the MOU, to continue to inform the Conference of the Parties (COP) on how projects in GEF focal areas other than land degradation have contributed specifically to sustainable land management;
- 6. Invites the GEF to continue implementing the GEF Council decision taken at its May 2003 meeting, by which it recognized that the elaboration of national, sub regional or regional action programs or national reports is considered to be a component in the framework of capacity-building projects, and thus eligible for funding, when assisting affected country Parties under the next reporting cycle;
- 7. Requests the Global Mechanism to improve assistance to affected developing country Parties and other eligible country Parties, where appropriate, in collaboration with the GEF implementing and executing agencies in identifying and accessing the co-financing from donors necessary to enable access to GEF project funding for land degradation projects in conformity with the 10-year strategic plan and the framework to enhance the implementation of the Convention and emphasizing the complementary role of the GEF;
- 8. Requests also the Executive Secretary to bring the 10-year strategic plan and the framework to enhance the implementation of the Convention, adopted at this COP, to the attention of GEF Council:
- 9. Further requests the Executive Secretary and the Chief Executive Officer/Chair of the GEF as a financial mechanism of the Convention to report to the COP at its ninth session on the implementation of this decision.

9th plenary meeting 14 September 2007