

## SC-2/10: Financial resources and mechanism

*The Conference of the Parties,*

1. *Welcomes* the approval by the Council of the Global Environment Facility of the memorandum of understanding between the Conference of the Parties of the Stockholm Convention and the Council of the Global Environment Facility contained in the annex to decision SC-1/11 and takes note that the memorandum entered into effect on 10 November 2005;
2. *Requests* the Secretariat, in consultation with the Global Environment Facility, to report to the Conference at its future meetings 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;
3. *Welcomes* the report on the first review of the financial mechanism and notes its recommendations, the relevant ones of which are included, as appropriate, either in the present decision or in decision SC-2/11 on additional guidance to the financial mechanism;
4. *Decides* to include all its requests and recommendations to the Global Environment Facility in a single decision on additional guidance to the financial mechanism;
5. *Welcomes* the achievements of the Global Environment Facility in support of the Convention and notes that the report of the first review of the financial mechanism is in general appreciative of the role of the Global Environment Facility as the principal entity of the financial mechanism of the Convention;
6. *Urges* donor Parties and invites other Governments to contribute to the Global Environment Facility in order to achieve a timely and successful fourth replenishment and the resources necessary for advancing the implementation of the Convention;

### Mobilization of resources

7. *Invites*, in accordance with paragraphs 2 and 3 of Article 13 of the Convention, the developed country Parties, other Parties and other sources, including relevant funding institutions, to provide information to the Secretariat on ways in which they can support the Convention;
8. *Requests* the Secretariat to identify other possible sources of funding and/or entities to facilitate the adequacy and sustainability of funding for activities relevant to the implementation of the Convention and to propose arrangements with those entities for consideration by the Conference of the Parties at its third meeting;
9. *Also requests* the Secretariat to prepare a report on the basis of the information to be provided pursuant to paragraphs 7 and 8 above reviewing the availability of financial resources in addition to those provided through the Global Environment Facility and ways and means of mobilizing and channelling those resources in support of the objectives of the Convention, as requested by the Conference of Plenipotentiaries in its resolution 2, for consideration by the Conference of the Parties at its third meeting;

### Second review of the financial mechanism

10. *Further requests* the Secretariat to prepare, on the basis of the terms of reference for the first review of the financial mechanism contained in the annex to decision SC-1/10, draft terms of reference for the second review of the financial mechanism, for consideration and possible adoption by the Conference of the Parties at its third meeting;
11. *Decides* to undertake the second review of the financial mechanism at the fourth meeting of the Conference of the Parties, scheduled to take place in 2009, in time to submit recommendations and guidance to the Council of the Global Environment Facility and to invite it to take into account such recommendations and guidance during the Global Environment Facility's fifth replenishment, in 2009;

12. *Also decides* that the second review of the financial mechanism should also include:

- (a) 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 fulfilment of obligations under the Convention, along with lessons learned from the evaluation reports on the activities of the Global Environment Facility;
- (b) An assessment of the adequacy, sustainability and predictability of the funding.