

## SC-1/9: Guidance to the financial mechanism

*The Conference of the Parties,*

*Recalling* paragraph 6 of article 13 of the Stockholm Convention, which establishes a mechanism for the provision of adequate and sustainable financial resources to developing country Parties and Parties with economies in transition on a grant or concessional basis to assist in their implementation of the Convention,

*Bearing in mind* the urgent need for financial resources to help developing country Parties and Parties with economies in transition to fulfil their obligations under this Convention,

*Recalling* further paragraph 7 of article 13, which requires the Conference of the Parties at its first meeting to adopt appropriate guidance to be provided to the financial mechanism,

*Noting* Article 14 of the Stockholm Convention on interim financial arrangements,

*Considering* the work of the open-ended working group on the financial mechanism established by the Intergovernmental Negotiating Committee for an International Legally Binding Instrument for Implementing International Action on Certain Persistent Organic Pollutants,

1. *Adopts* the guidance to the financial mechanism contained in the annex to the present decision;
2. *Requests* the Secretariat to transmit the guidance to the financial mechanism contained in the annex to the present decision to the entity or entities entrusted with the operation of the financial mechanism pursuant to paragraph 6 of Article 13 of the Convention;
3. *Further requests* the Secretariat to transmit the guidance to the financial mechanism contained in the annex to the present decision to the Global Environment Facility, which is, on an interim basis, the principal entity entrusted with the operations of the financial mechanism in accordance with Article 14 of the Convention;
4. *Requests* the entity or entities entrusted with the operations of the financial mechanism of the Convention, including the Global Environment Facility, to incorporate on an ongoing basis guidance from the Conference of the Parties in the further development of their operational programmes to ensure that the objectives of the Convention are addressed;
5. *Requests* the Global Environment Facility to prepare and submit reports to each ordinary meeting of the Conference of the Parties on its operations in support of the Convention, as set out in the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility.

## Annex to decision SC-1/9

### Guidance to the financial mechanism

This guidance is intended to assist the entity or entities entrusted with the operation of the financial mechanism pursuant to paragraph 6 of Article 13 and in accordance with article 14 of the Stockholm Convention on Persistent Organic Pollutants.

#### 1. Eligibility

(a) *Country eligibility:* To be eligible to receive funding from the financial mechanism a country must be:

- (i) A developing country or country with an economy in transition; and
- (ii) A Party to the Convention.

For the preparation of the initial national implementation plan, developing countries and countries with economies in transition that are signatories or in the process of becoming Parties should also be eligible.

The entity or entities entrusted with the operations of the financial mechanism should take full account of the specific needs and the special situation of the least developed countries and small island developing States in their actions with regard to funding;

(b) *Eligible activities:* Activities that are eligible for funding from the financial mechanism are those that seek to meet the objectives of the Convention, by assisting eligible Parties to fulfil their obligations under the Convention, in accordance with guidance provided by the Conference of the Parties.

#### 2. Policy and strategy

Timely, adequate and sustainable financial resources on a grant or concessional basis should be allocated to meet the agreed full incremental costs of implementing eligible activities:

- (a) That are country-driven and are endorsed by the Parties concerned;
- (b) That assist eligible Parties in meeting their obligations under the Stockholm Convention and are in conformity with, and supportive of, the priorities identified in their respective national implementation plans;
- (c) That are in conformity with the programme priorities as reflected in the relevant guidance and guidelines developed and/or adopted by the Conference of the Parties, as appropriate;
- (d) That build capacity and promote the utilization of local and regional expertise;
- (e) That promote multiple-source funding approaches, mechanisms and arrangements; and
- (f) That promote sustainable national socio-economic development, poverty reduction and activities consistent with existing national sound environmental management programmes geared towards the protection of human health and the environment.

#### 3. Programme priorities

Priority should be given to the funding of activities that enable eligible Parties to fulfil their obligations under the Convention, in particular with:

- (a) Development, review and updating, as appropriate, of national implementation plans, pursuant to Article 7 of the Convention;
- (b) Development and implementation of activities identified in national implementation plan as national or regional priorities;
- (c) Reducing the need for specific exemptions by eligible Parties;
- (d) Activities that support or promote capacity-building, including human resource development and institutional development and/or strengthening; including those from centres for regional and subregional capacity-building and technology assistance, e.g.:
  - (i) Institutional strengthening and capacity-building;

- (ii) Capacity improvement for designing, developing and enforcing action plans, strategies and policies, including measures to minimize negative impacts on workers and local communities;
- (e) Activities that promote and provide access to technical assistance through appropriate arrangements, including those from centres for regional and subregional capacity-building and technology assistance;
- (f) Assistance with needs assessment and information on available sources on funding;
- (g) Activities that promote transfer of technology adapted to local conditions, to eligible Parties, including best available techniques and best environmental practices;
- (h) Activities that promote education, training, public participation and awareness-raising of stakeholders and the general public;
- (i) Projects that are responsive to priorities identified in the national implementation plans of eligible Parties and take fully into account the relevant guidance of the Conference of the Parties;
- (j) Activities that enhance information exchange and management;
- (k) Development and promotion of alternatives to persistent organic pollutants, including non-chemical alternatives.

#### **4. Determination of funding**

In accordance with paragraph 7 (d) of article 13, the Conference of the Parties will regularly provide the entity or entities entrusted with the operations of the financial mechanism pursuant to paragraph 6 of article 13 of the Convention assessments of the funding needed to ensure effective implementation of the Convention.

#### **5. Updating the guidance**

The Conference of the Parties shall review, in consultation, as appropriate, with the entity or entities entrusted with the operation of the financial mechanism, the effectiveness of the present guidance on a regular basis and update and prioritize it as necessary.<sup>1</sup> Such reviews will coincide with the schedule of reviews for the effectiveness of the financial mechanism.

---

<sup>1</sup> In determining the length of time between updates of the guidance, the Conference of the Parties may wish to take into account the schedule for the review of the effectiveness of the financial mechanism.