

SC-8/16: Financial mechanism

The Conference of the Parties,

Recalling Articles 13 and 14 of the Stockholm Convention on Persistent Organic Pollutants,

Recognizing the urgent need for financial resources for developing countries for the implementation of the Stockholm Convention and the considerable gap between that need and the financial resources provided by the principal entity entrusted with the operations of the financial mechanism of the Convention under the current financial arrangements,

Recognizing future discussions with a view to continuing to strengthen the effectiveness of the financial mechanism of the Convention,

1. *Requests* the principal entity entrusted with the financial mechanism of the Stockholm Convention on Persistent Organic Pollutants, taking into account the specific deadlines set forth in the Convention, to consider in its programming of areas of work for the period 2018–2022 the following priority areas:

(a) Development and deployment of products, methods and strategies as alternatives to persistent organic pollutants;

(b) Restriction of DDT production and use to disease vector control in accordance with World Health Organization recommendations and guidelines on the use of DDT in cases where locally safe, effective and affordable alternatives are not available to a Party to the Stockholm Convention;

(c) Elimination of the use of polychlorinated biphenyls (PCBs) in equipment by 2025;

(d) Environmentally sound waste management of liquids containing PCBs and equipment contaminated with PCBs having a PCB content above 0.005 per cent, in accordance with paragraph 1 of Article 6 and part II of Annex A to the Convention, as soon as possible and no later than 2028;

(e) Introduction and use of best available techniques and best environmental practices to minimize and ultimately eliminate releases of unintentionally produced persistent organic pollutants;

(f) Development and strengthening of national legislation and regulations for meeting obligations with regard to persistent organic pollutants listed in the annexes to the Convention;

(g) Review and updating of national implementation plans, including as appropriate their initial development;

2. *Encourages* the Global Environment Facility to continue to support the focal area of chemicals and waste and if appropriate its work on integrated programming as a means of harnessing opportunities for synergy in implementing the Stockholm Convention and contributing to the global efforts to attain the chemicals-and-waste-related Sustainable Development Goals with adequate and sustainable financial resources, taking into account the national priorities of developing countries;

3. *Requests* the Global Environment Facility to consider improving its access modalities, including enabling the participation of a number of additional agencies from developing countries;

4. *Encourages* the Global Environment Facility and its partners to support recipient countries in their efforts to identify and mobilize co-financing for its projects related to the implementation of the Stockholm Convention, including through public-private partnerships, as well as applying co-financing arrangements in ways that improve access and do not create barriers or increase costs for recipient countries seeking access to Global Environment Facility funds;

5. *Takes note* of the projected shortfall of resources from the sixth replenishment of the Global Environment Facility due to exchange rate movements and the decision of the Council of the Global Environment Facility on item 6 of the agenda for its fifty-first meeting;

6. *Notes* the crucial role of the Global Environment Facility in the mobilization of resources at the domestic level and in support of the effective implementation of the Stockholm Convention and requests the Global Environment Facility to continue its efforts to minimize the potential consequences of the projected shortfall referred to in paragraph 5 above for its support to developing countries aiming to fulfil the relevant programming directions of the sixth replenishment of the Global Environment Facility and with a view to maintaining the level of support to Global Environment Facility recipient countries;

7. *Requests* the Global Environment Facility to consider exploring measures to mitigate possible risks, including currency risks, in order to avoid potential negative impacts on future replenishment periods for the provision of financial resources for all Global Environment Facility recipient countries, taking fully into account the obligations under the Stockholm Convention;

8. *Requests* the Global Environment Facility, as appropriate, to ensure that its policies and procedures related to the consideration and review of funding proposals be duly followed in an efficient and transparent manner;

9. *Takes note* of the following non-exhaustive list of elements of guidance from the Stockholm Convention to the Facility that also address relevant priorities of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal and the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade:

(a) Environmentally sound management of waste consisting of, containing or contaminated with persistent organic pollutants;

(b) Minimization of waste with a view to reducing or eliminating releases from unintentionally produced persistent organic pollutants;

(c) Development or strengthening of national legal and regulatory frameworks for meeting obligations regarding persistent organic pollutants listed under the Rotterdam and Stockholm conventions as well as persistent organic pollutant wastes as covered by the Basel Convention;

10. *Requests* the Secretariat:

(a) To prepare, on the basis of the document developed by the Secretariat pursuant to paragraph 7 (a) of decision SC-6/20,¹ a complete set of guidance to the financial mechanism of the Convention by consolidating the guidance set out in decision SC-7/21 and paragraphs 1–8 of the present decision;

(b) To make the complete set of guidance available on the Convention website;

(c) To update the complete set of guidance after the tenth meeting of the Conference of the Parties;

11. *Welcomes* the report of the Global Environment Facility to the Conference of the Parties to the Stockholm Convention;²

12. *Welcomes* the report on the fourth review of the financial mechanism;³

13. *Requests* the Secretariat to prepare, on the basis of the terms of reference for the fourth review of the financial mechanism set out in the annex to decision SC-7/20, draft terms of reference for the fifth review of the financial mechanism for consideration and possible adoption by the Conference of the Parties at its ninth meeting;

¹ Available at <http://chm.pops.int/Portals/0/download.aspx?d=UNEP-POPS-FM-GUID-Guidance-04062013.En.pdf>.

² UNEP/POPS/COP.8/INF/28; UNEP/POPS/COP.8/18, annex I.

³ UNEP/POPS/COP.8/INF/30; UNEP/POPS/COP.8/18, annex II.

14. *Takes note* of the report by the Secretariat on the assessment of funding needs of Parties that are developing countries or countries with economies in transition to implement the provisions of the Convention over the period 2018–2022;⁴

15. *Requests* the Global Environment Facility, during the negotiations on the seventh replenishment of the Global Environment Facility Trust Fund, to consider the needs assessment report referred to in paragraph 14 above and the non-exhaustive list referred to in paragraph 9 above;

16. *Takes note* of the low level of responses to the online questionnaire, prepared by the Secretariat in response to paragraph 6 of decision SC-7/18, directed to developed country Parties, other Parties and other sources, including relevant funding institutions and the private sector, asking them to provide further information about how they could provide support for the implementation of the Stockholm Convention;

17. *Urges* developed country Parties, in accordance with paragraphs 2 and 3 of Article 13 of the Convention, to provide the Secretariat, by 30 September 2018, with information on ways in which they can provide support, including new and additional financial resources, for the implementation of the Stockholm Convention in relation to specific key areas identified in the needs assessment report referred to in paragraph 14 above, including information on access to such support;

18. *Invites* other Parties, in accordance with paragraphs 2 and 3 of Article 13 of the Convention, to provide the Secretariat, by 30 September 2018, with information on ways in which they can provide support, including financial resources, in accordance with their capabilities, for the implementation of the Stockholm Convention in relation to specific key areas identified in the needs assessment report referred to in paragraph 14 above, including information on access to such support;

19. *Invites* other sources, including relevant funding institutions and the private sector, in accordance with paragraph 2 of Article 13 of the Convention, to provide the Secretariat, by 30 September 2018, with information on ways in which they can contribute to the implementation of the Stockholm Convention in relation to specific key areas identified in the needs assessment report referred to in paragraph 14 above, including information on access to such contributions;

20. *Requests* the Secretariat to prepare, on the basis of the information provided pursuant to paragraphs 17–19 above, a report on the availability of financial resources additional to those provided through the Global Environment Facility and ways and means of mobilizing and channelling such additional resources in support of the objectives of the Convention, for consideration by the Conference of the Parties at its ninth meeting;

21. *Also requests* the Secretariat to prepare draft terms of reference for the assessment of funding needs for Parties that are developing countries or countries with economies in transition to implement the Stockholm Convention over the period 2022–2026, on the basis of the terms of reference set forth in the annex to decision SC-7/18 and taking into consideration the observations and recommendations made by Parties in their assessment of the needs assessment report referred to in paragraph 14 above and the methodology used in preparing it for consideration and possible adoption at the ninth meeting of the Conference of the Parties;

22. *Further requests* the Secretariat to transmit to the Global Environment Facility for its consideration the consolidated guidance referred to in paragraph 10 above, the report on the fourth review of the financial mechanism referred to in paragraph 12 above and the report on the assessment of funding needs over the period 2018–2022 referred to in paragraph 14 above and invites the Global Environment Facility to indicate, in its next regular report to the Conference of the Parties, how the above guidance and reports have been reflected in the outcomes of the negotiations on the seventh replenishment of the Facility;

23. *Welcomes* the ongoing collaboration between the secretariats of the Global Environment Facility and the Stockholm Convention and encourages the two secretariats to further

⁴ UNEP/POPS/COP.8/INF/32.

enhance effective inter-secretariat cooperation in accordance with the memorandum of understanding between the Conference of the Parties to the Stockholm Convention and the Council of the Global Environment Facility;

24. *Requests* the Secretariat, in consultation with the secretariat of the Global Environment Facility, to prepare a report on the implementation of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility with regard to cooperation between the secretariats and reciprocal representation, including follow-up actions, for consideration by the Conference of the Parties at its ninth meeting.