

Distr. LIMITED

FCCC/SBI/2003/L.27 10 December 2003

Original: ENGLISH

SUBSIDIARY BODY FOR IMPLEMENTATION Nineteenth session Milan, 1–9 December 2003 Agenda item 4 (b)

FINANCIAL MECHANISM OF THE CONVENTION

REPORT OF THE GLOBAL ENVIRONMENT FACILITY TO THE CONFERENCE OF THE PARTIES

Recommendation by the Subsidiary Body for Implementation

The Subsidiary Body for Implementation, at its nineteenth session, decided to recommend the following draft decision for adoption by the Conference of the Parties at its ninth session:

Draft decision -/CP.9

Report of the Global Environment Facility to the Conference of the Parties

The Conference of the Parties,

Recalling Article 11, paragraph 1, of the Convention,

Recalling also its decisions 11/CP.1, 12/CP.1, 13/CP.1, 10/CP.2, 11/CP.2, 12/CP.2, 2/CP.4, 3/CP.4, 8/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 6/CP.7, 27/CP.7, 5/CP.8 and 6/CP.8,

Having considered the report of the Global Environment Facility¹ containing information on its major activities in the period 1 June 2002 to 30 June 2003,

Noting the information provided on the current level of funding for full- and medium-sized projects and the small grants programme, and for enabling activities in developing countries,

Noting also that over time there are variations in activity under different operational programmes,

Noting further that within the reporting period, two out of eight project development facility grants were provided for preparation of projects under the Global Environment Facility's operational programme 7 (Reducing the long-term costs of low greenhouse gas-emitting energy technologies),

¹ FCCC/CP/2003/3.

FCCC/SBI/2003/L.27 English Page 2

Noting the ongoing work in the areas of monitoring and evaluation, strategic planning, streamlining the Global Environment Facility project cycle, and incremental costs,

Welcoming the completion of the operational procedures for the expedited financing of national communications on the basis of the "Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention" (contained in the annex to decision 17/CP.8), and the approval of a global project designed to support the preparation of those national communications,

Welcoming also the increased support for capacity-building activities as outlined in the "GEF Business Plan FY05-07"² and the Global Environment Facility's strategic approach to enhancing capacity-building³ approved by its Council in November 2003,

Welcoming further the successful efforts to mobilize resources for the Least Developed Countries Fund, and also noting the added responsibility of the Global Environment Facility in respect of the Special Climate Change Fund as stipulated in decisions 7/CP.7 and 7/CP.8,

Noting the value of the long-term and strategic approach of the Global Environment Facility to barrier removal and market facilitation for renewable energy technologies, energy efficiency and energy conservation, low greenhouse gas emitting technologies and environmentally sustainable transport,

Noting also the Global Environment Facility document *A Proposed GEF Approach to Adaptation*⁴ and the establishment of a new strategic priority in the climate change focal area (Piloting an operational approach to adaptation) that will build upon and demonstrate linkages to activities in the other focal areas by expanding opportunities within those focal areas to demonstrate important adaptation response measures,

Noting further the information provided in response to guidance by the Conference of the Parties on the provision of financial support to Parties not included in Annex I to the Convention for the transfer of technology,

Noting the information provided on activities relating to education, training and public awareness under Article 6 of the Convention,

Welcoming the closer consultations initiated between the Global Environment Facility secretariat and the Convention secretariat to strengthen collaboration and improve information exchange,

1. *Requests* the Global Environment Facility to include, in its report to the tenth session of the Conference of the Parties:

(a) Information on the implementation of the strategic approach to enhancing capacity-building in response to decisions 2/CP.7 and 3/CP.7;

(b) Information on its support for the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention.

- - - - -

² GEF/C.22/6 available at <u>www.gefweb.org/Documents/Council Documents/</u>

³ GEF/C.22/8 available at <u>www.gefweb.org/Documents/Council_Documents/</u>

⁴ GEF/C.21/INF.10 available at <u>www.gefweb.org/Documents/Council_Documents/</u>