

## **SUBMISSION BY IRELAND AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN UNION AND ITS MEMBER STATES**

**This submission is supported by Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia and Serbia.**

**Dublin, 1 March 2013**

**Subject: Elements in the development of the further guidelines for the fifth review of the financial mechanism**

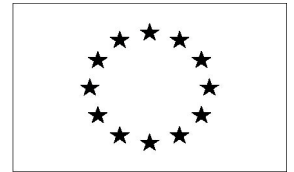
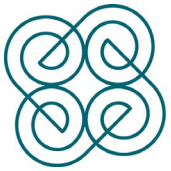
Reference: (FCCC/SBI/2012/L.45, paragraph 4; Parties invited to submit their views and recommendations regarding the guidelines for the consideration of the Standing Committee; deadline 1.3.2013).

When initiating the fifth review of the financial mechanism, COP 18 outlined a two-step process for the review (paragraph 2 in above mentioned decision):

- the Standing Committee on Finance was asked to further amend the guidelines for the review for consideration and adoption at COP 19;
- the review would be finalised for consideration by COP 20.

It is the view of the EU that:

1. The guidelines for the review of the financial mechanism (Annex to 3/CP.4) and the additional guidelines for the 4<sup>th</sup> review of the financial mechanism (Annex to 6/CP.13) are still highly relevant as a basis for the 5<sup>th</sup> review of the financial mechanism.
2. The conclusions and recommendations based on the 4<sup>th</sup> review (2/CP.16) contain useful background information also for the 5<sup>th</sup> review.
3. The Standing Committee on Finance, when proposing further amendments or updates to the guidelines, should, in particular, consider the following recommendations:
  - the review should make extensive use of the GEF publication “UNFCCC COP Guidance and GEF Responses 1995” as well as the forthcoming 5<sup>th</sup> Overall Performance Study being prepared by the GEF Evaluation Unit; on the basis of this documentation the SCF should engage in direct dialogue with representatives of the GEF;



- the review should have a critical look at the present system for providing guidance to the operating entities of the financial mechanism and prepare recommendations for improving the procedures and methodologies to ensure the provision of useful guidance in order to promote an effective operation of the financial mechanism.
4. The references made in paragraph 2 of the COP 18 decision to recent developments within the financial mechanism (drawing upon information from fast-start finance, the work of the GCF taking into account its early stage of operationalization, the initial review of the Adaptation Fund, and the work programme on long-term finance) are to be taken into account, as appropriate, in the practical implementation of the review, but do not necessarily require any specific amendments to the existing guidelines.
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