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Agenda item 4 (a)

FINANCIAL MECHANISM OF THE CONVENTION

SPECIAL CLIMATE CHANGE FUND

Proposal by the Chair of the Subsidiary Body for Implementation

The Subsidiary for Implementation, at its nineteenth session, considered the following draft decision and forwarded it to the Conference of the Parties at its ninth session, for further action:

Draft decision -/CP.9

Further guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Special Climate Change Fund

The Conference of the Parties,

Recalling the relevant provisions of, in particular, Article 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9, 4.10, and Article 11, of the Convention

Recalling also its decisions 4/CP.7, 5/CP.7, 7/CP.7 and 7/CP.8,

Noting the views of Parties on prioritized activities, programmes and measures to be funded under the Special Climate Change Fund,

Stressing the importance of bilateral and multilateral funding in support of the implementation of activities, programmes and measures in the climate change area,

[*Noting* that the Special Climate Change Fund supports the implementation of the Convention, contributes to the achievement of the World Summit on Sustainable Development and the Millennium Development Goals, and contributes to the integration of climate change considerations into development activities,]

1. *Decides that:*

(a) The Special Climate Change Fund should serve as a catalyst to leverage additional resources from bilateral and other multilateral sources;

(b) Activities to be funded should be country-driven, cost-effective and integrated into national sustainable development and poverty-reduction strategies;

(c) Adaptation activities to address the adverse impacts of climate change shall have top priority for funding;

(d) Technology transfer and its associated capacity-building activities shall also be essential areas to receive funding from the Special Climate Change Fund;

2. *Decides also* that the implementation of adaptation activities shall be supported through the Special Climate Change Fund, taking into account national communications [or] [and] national adaptation programmes of action, and other relevant information, and include:

(a) Implementation of adaptation activities where sufficient information is available to warrant such activities, inter alia, in the areas of water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management;

(b) Improving the monitoring of diseases and vectors affected by climate change, and related forecasting and early warning systems, and in this context improve disease control and prevention;

(c) Supporting capacity-building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme weather events;

(d) Strengthening existing and, where needed, establish national and regional centres and information networks for rapid response to extreme weather events, utilising information technology as much as possible;

3. *Decides further* that resources from the Special Climate Change Fund shall be used to fund technology transfer activities, programmes and measures that are complementary to those currently funded by the Global Environment Facility taking into account national communications or any other relevant documents in accordance with decision 4/CP.7 and its annex containing the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, in the following priority areas:

(a) Implementation of the results of technology needs assessments;

(b) Technology information;

(c) Capacity-building for technology transfer;

(d) Enabling environments;

4. [*Decides further* that resources from the Special Climate Change Fund may be used to finance activities included in decision 7/CP.7, paragraph 2 (c) and (d), that are complementary to those funded by the resources allocated to the climate change focal area of the Global Environment Facility

and by bilateral and multilateral funding, when the Conference of the Parties decides on the prioritized activities, programmes and measures for funding in these areas];

4 bis [Decides further that activities under paragraph 2(c) and (d) as contained in decision 7/CP.7 are also to be funded by the Special Climate Change Fund when the prioritized activities, programmes and measures for funding in these areas are further defined at the tenth session of the Conference of the Parties];

5. Requests the entity entrusted with the operation of the fund to arrange expedited access to the Special Climate Change Fund in keeping with current practices of the Global Environment Facility, taking into account the need for adequate resources to implement eligible activities, programmes and measures;

6. Invites also the entity entrusted with the operations of the fund to make the necessary arrangements to mobilize resources to make the fund operational without delay;

7. Requests the entity referred to in paragraph 5 above to include in its report to the Conference of the Parties, at its tenth session, the specific steps it has undertaken to implement this decision.
