

PROPOSED G77 AND CHINA TEXTUAL SUBMISSION ON INSTITUTIONAL ARRANGEMENTS ON FINANCE IN THE CORE AGREEMENT

(SECTION F)

The financial mechanism of the UNFCCC (the “Convention”), as defined in its Article 11, shall serve as the financial mechanism of (this agreement), including the Green Climate Fund and the Global Environment Facility as its operating entities, in line with their respective mandates and under the guidance and authority of the (governing body of this agreement). Its operation shall remain open to be entrusted to other existing international entities.

The funds under the Convention such as the Special Climate Change Fund (SCCF) and the Least-Developed Country Fund (LDCF), and the Adaptation Fund under the Kyoto Protocol to the Convention (KP) shall also serve (this agreement). Other funds may be established under (this agreement) as necessary. These funds shall operate under the guidance and authority of governing body in relation to activities to be developed and implemented under this agreement.

The Standing Committee on Finance of the Convention shall assist the (governing body) of (this agreement) in exercising its functions with respect to the financial mechanism. Other thematic bodies of the Convention shall likewise assist the (governing body of this agreement) on the coordination of support in line with the relevant decisions of the COP. The (governing body of this agreement) may also establish other thematic bodies as necessary.

The (governing body of this agreement) shall provide annual guidance to the operating entities of the financial mechanism, the funds serving (this agreement) and the thematic bodies including the SCF.

(Explanatory Note: Built upon paragraph 19 of Part I of the Co-Chairs’ tool; and the “chapeau” of paragraph 65, and its sub-paragraph (a), Part III).