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CONFERENCE OF THE PARTIES

Tenth session

Buenos Aires, 6–18 December 2004

Agenda item 4 (a)

**Review of implementation of commitments and of other provisions of the Convention
Financial mechanism of the Convention**

Financial mechanism of the Convention

Proposal by the President

The Subsidiary Body for Implementation, at its twenty-first session, was unable to reach agreement on a text for a draft decision, and forwarded the draft text to the President of the Conference of the Parties (COP) for appropriate action. After holding consultations on the draft text, the President of the COP proposed the following draft decision for adoption by the COP at its tenth session.

Draft decision -/CP.10

Additional guidance to an operating entity of the financial mechanism

The Conference of the Parties,

Recalling Article 3, Article 4, paragraphs 1, 3, 4, 5, 7, 8 and 9, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4, of the Convention,

Recalling also its decisions 13/CP.1, 7/CP.2, 10/CP.2, 11/CP.2, 12/CP.2, 9/CP.3, 1/CP.4, 2/CP.4, 4/CP.4, 6/CP.4, 8/CP.5, 9/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 5/CP.7, 6/CP.7, 7/CP.7, 5/CP.8, 7/CP.8, 9/CP.8, 10/CP.8, 2/CP.9, 3/CP.9, 4/CP.9 and 9/CP.9,

Recalling further that in accordance with decision 11/CP.1, the Conference of the Parties is to give guidance on policies, programme priorities and eligibility criteria to an operating entity of the financial mechanism,

1. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to take into account, on matters relating to capacity-building, the key factors identified in paragraph 1 of decision -/CP.10 (*Capacity-building*) in the context of projects of the operating entity of the financial mechanism, when supporting capacity-building activities in developing countries in accordance with decisions 2/CP.7 and 4/CP.9 and as defined in the Strategic Approach to Enhance Capacity-Building;
2. *Urges* the Global Environment Facility, on matters relating to Article 6 of the Convention, to continue its work in improving access to, and visibility of, opportunities for funding Article 6 activities;
3. *Requests* the Global Environment Facility to report to the Conference of the Parties at its eleventh session (November 2005) and at subsequent sessions on how activities identified in paragraph 6 of decision -/CP.10 (*Buenos Aires programme of work on adaptation and response measures*) have been supported, and the barriers, obstacles and opportunities presented, through:
 - (a) The strategic priority “Piloting an Operational Approach to Adaptation”
 - (b) The small grants programme
 - (c) Efforts to address adaptation in the climate change focal area and to mainstream it into other focal areas of the Global Environment Facility
 - (d) The Least Developed Countries Fund and efforts to finance the preparation of national adaptation programmes of action
 - (e) The Special Climate Change Fund;
4. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to make available further financial and technical resources to implement the actions identified in paragraph 7 of decision 5/CP.7;
5. *Requests* the Global Environment Facility to expand support for the elaboration of adaptation strategies as part of the national communication process in Parties not included in Annex I to the Convention;
6. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties at its eleventh session information on specific steps undertaken to implement this decision;
7. *Invites* the Global Environment Facility to provide feedback to the Conference of the Parties, at its twelfth session (November 2006), on activities undertaken in response to decision 5/CP.7, paragraphs 22–29 (in accordance with decisions 6/CP.7 and 7/CP.7), with a view to the Conference of the Parties adopting a decision on further action at its thirteenth session (November 2007).
