

**Draft Guidance to the Financial Mechanism
(Draft of 27 May 2004)**

This guidance is intended to assist the entity or entities entrusted with the operation of the financial mechanism pursuant to paragraph 6 of Article 13 of the Stockholm Convention on Persistent Organic Pollutants.

1. Eligibility:

(a) *Country eligibility:* To be eligible to receive funding from the financial mechanism a country must be:

- (i) a developing country or country with an economy in transition (see list in the annex to the present guidance); and
- (ii) a Party to the Convention.

In allocating funds, the entity or entities entrusted with the operation of the financial mechanism should give special consideration to the specific needs and the special situation of the Least Developing Countries.

(b) *Eligible activities:* Activities that are eligible for funding from the financial mechanism are those that seek to meet the objectives of the Convention, by assisting eligible Parties to fulfil their obligations under the Convention, in accordance with guidance provided by the Conference of the Parties.

2. Policy and Strategy:

Adequate and sustainable financial resources on grant or concessional basis should be allocated to meet the agreed full incremental costs of implementing measures that:

- (a) meet the eligibility criteria listed in paragraph 1 above are country-driven and are endorsed by the Parties concerned;
- (b) assist eligible Parties in meeting their obligations under the Stockholm Convention and are in conformity with, and supportive of, the priorities identified in their respective national implementation plans;
- (c) are in conformity with the programme priorities as reflected in the relevant guidance and guidelines developed and/or adopted by the Conference of the Parties, as appropriate;
- (d) build capacity and promote the utilization of local and regional expertise;
- (e) promote sustainable national socio-economic development, poverty reduction and activities consistent with on-going national sound environmental management programmes geared towards the protection of human health and the environment.

3. Programme Priorities

Priority should be given to the funding of activities that enable eligible Parties to fulfil their obligations under the Convention, in particular with:

- (a) development, review and update, as appropriate, of national implementation plans, pursuant to Article 7 of the Convention;

- (b) development and implementation of activities identified in the national implementation plan as national or regional priorities;
- (c) reducing the need for specific exemptions by eligible Parties;
- (d) activities that support or promote capacity-building, including human resource development and institutional development and/or strengthening; e.g.:
 - (i) Institutional strengthening and capacity building
 - (ii) Capacity improvement for designing, developing and enforcing action plans, strategy, and policies
- (e) activities that promote and provide access to technical assistance through appropriate arrangements;
- (f) activities that promote transfer of technology adapted to local conditions, to eligible Parties, including BAT and BEP;
- (g) activities that promote education, training and awareness raising of stakeholders and the general public;
- (h) technology demonstration projects that are responsive to priorities identified in the national implementation plans of eligible Parties, and take fully into account the relevant guidance of the Conference of the Parties;
 - (i) activities that enhance information exchange and management;
 - (j) development and promotion of non-chemical alternatives to Persistent Organic Pollutants.

4. Determination of funding

In accordance with paragraph 7 (d) of Article 13, the Conference of the Parties will provide on a regular basis to the entity or entities entrusted with the operation of the financial mechanism pursuant to paragraph 6 of Article 13 of the Stockholm Convention on Persistent Organic Pollutants, assessments of the funding needed to ensure effective implementation of the Convention.

5. Updating the Guidance

The Conference of the Parties shall review, in consultation, as appropriate, with the entity or entities entrusted with the operation of the financial mechanism, the effectiveness of this guidance on a regular basis and update and prioritise it as necessary.¹

¹ In determining the length of time between updates of the guidance, the Conference of the Parties may wish to take into account the schedule for the review of the effectiveness of the financial mechanism.

Annex

COUNTRIES ELIGIBLE TO RECEIVE FUNDING FROM
THE FINANCIAL MECHANISM OF THE STOCKHOLM CONVENTION
UPON BECOMING PARTIES TO THE CONVENTION

[Insert list of countries]