

Subsidiary Body for Implementation (SBI)  
Eighth Session  
Bonn, 2-12 June

Item 4 of the Provisional Agenda

### **CANADIAN INTERVENTION ON THE FINANCIAL MECHANISM**

Canada welcomes the successful conclusion of the GEF-2 replenishment which will allow the GEF to continue to act effectively as the financial mechanism serving the convention. As noted by some others, the GEF has registered much progress over the last few years. It must nevertheless, continue to evolve and enhance its effectiveness in order to reach its goals. We note the adoption of the Statement of the GEF Assembly and support the measures outlined in this statement, and in the recent replenishment policy statement for improvements to GEF effectiveness.

Canada would encourage that in elaborating any additional guidance to the financial mechanism, we ensure this centers on policies, programme priorities and eligibility criteria. It should also be additional to previous guidance and consistent with the role and mandate of the GEF.

Canada also continues to believe that the GEF should be confirmed as the permanent financial mechanism for the Climate Change Convention.

In responding to some points raised by others:

On the special needs of affected vulnerable countries, raised by the Philippines, Canada is sympathetic to adaptation requirements, and welcomes gains registered at Kyoto to provide support through CDM fees. We will have further comments on this subject under the relevant agenda item this afternoon.

We support the comments registered by China on the importance of further project cycle streamlining. But, on mainstreaming, Canada does not believe that such efforts are inconsistent with the objectives of implementation agencies in supporting development efforts.