

**IV. FINANCIAL MECHANISM**  
(Agenda item 4)

- A. Review process referred to in decision 9/CP.1**  
**B. Guidance to the Global Environment Facility**  
(Agenda items 4 (a) and 4 (b))

**1. Proceedings**

29. The SBI considered these sub-items at its 5<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> meetings, on 4, 10, 11 and 12 June, respectively. It had before it documents FCCC/SBI/1998/MISC.1 and FCCC/SBI/1998/INF.3.

30. Statements were made by representatives of 12 Parties, including one speaking on behalf of the Group of 77 and China, and one speaking on behalf of the European Community and its member States.

31. At its 5<sup>th</sup> meeting, the SBI agreed to a proposal by the Chairman that this item should be taken up in informal contact group discussions in conjunction with item 3 (b) of the agenda, Communications from Parties not included in Annex I to the Convention. The informal contact group was co-chaired by Mr. John Ashe (Antigua and Barbuda) and Mr. Daniel Reifsnyder (United States of America).

**2. Conclusions**

32. At its 12<sup>th</sup> meeting, on 12 June, the SBI, having considered a proposal by the Chairman, adopted the following conclusions:

(a) The SBI took note of the views expressed by Parties on the review of the financial mechanism and the provision of additional guidance to the Global Environment Facility as contained in documents FCCC/SBI/1998/MISC.4 and Add.1;

(b) The SBI concluded that further deliberations on these matters are needed, and decided to continue its discussions at its ninth session; and

(c) The SBI invited Parties to submit to the secretariat further views or comments, if any, on these matters by 15 August 1998. It requested the secretariat to compile and make available such views and comments at the ninth session of the SBI.