

## **RC-1/5: Establishment of a financial mechanism for the implementation of the Rotterdam Convention**

*The Conference of the Parties,*

*Aware of the extent of the negative impact of chemical products on health and the environment in developing countries, particularly in Africa,*

*Recognizing the need to strengthen and develop the capacities of the various institutions responsible for the control and management of chemicals,*

*Recalling the weakness of the financial, institutional, technical and legal capacities of developing countries with regard to the management of chemicals,*

*Recalling the social and economic imperatives of sustainable development and the needs relating to poverty mitigation that require the mobilization of additional resources,*

*Recalling the principle of the common but differentiated responsibility for the management of chemicals,*

*Appreciating the concerted efforts by the Parties to the Rotterdam Convention to set up a special fund,*

*Noting, however, the limitations that relate to the voluntary nature of contributions to the fund,*

*Decides:*

(a) To request the secretariat to conduct a study into the possible options for lasting and sustainable financial mechanisms which will enable developing countries to implement adequately the provisions of the Convention;

(b) That the study should, among other things:

- (i) Review and evaluate existing financial mechanisms for other multilateral environmental agreements as a possible financial mechanism as well as new and additional financial resources for the implementation of the Rotterdam Convention. Such mechanisms should include, but not be limited to, the Multilateral Fund of the Montreal Protocol, the Global Mechanism for Combating Desertification, the Global Environment Facility, the Carbon Fund, and others;
- (ii) Analyse the advantages and disadvantages associated with each of the options, so as to facilitate decision-making by the Conference of Parties on financial provisions for the implementation of the Convention;
- (iii) Describe feasible options for consideration at the second meeting of the Conference of Parties, making sure that the options are operational, effective, clear and sustainable in the long term;
- (iv) Build the evaluation mentioned above, as far as is feasible, upon existing financial mechanisms studies already developed or being developed, such as those under the Basel Convention and the Stockholm Convention, making full use of coordination, exchange of information and partnership mechanisms with other organizations, financial institutions and convention secretariats;

(c) To factor into the 2005–2006 budget the financial resources required to conduct the study;

(d) To present the results of the aforementioned study to the Conference of the Parties at its second meeting.

---