



What is the financial mechanism? What are the other funds?

To facilitate the provision of climate finance, the Convention established a financial mechanism to provide funds to developing country Parties. The financial mechanism also serves the Kyoto Protocol and the Paris Agreement.

The Convention states that the operation of the financial mechanism can be entrusted to one or more existing international entities. The [Global Environment Facility](#) (GEF) has served as an operating entity of the financial mechanism for many years. At COP 16 in 2010 Parties established [Green Climate Fund](#) (GCF) and in 2011 also designated it as an operating entity of the financial mechanism. The financial mechanism is accountable to the COP, which decides on its policies, programme priorities and eligibility criteria for funding.

In addition to providing guidance to the GEF and the GCF, Parties have established two special funds—the [Special Climate Change Fund](#) (SCCF) and the [LDCE](#), both managed by the GEF—and the [Adaptation Fund](#) (AF) under the Kyoto Protocol.