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## Conference of the Parties

### **Report of the Conference of the Parties on its seventeenth session, held in Durban from 28 November to 11 December 2011**

#### **Addendum**

#### **Part Two: Action taken by the Conference of the Parties at its seventeenth session**

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## Decision 1/CP.17

### Establishment of an Ad Hoc Working Group on the Durban Platform for Enhanced Action

*The Conference of the Parties,*

*Recognizing* that climate change represents an urgent and potentially irreversible threat to human societies and the planet and thus requires to be urgently addressed by all Parties, and acknowledging that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, with a view to accelerating the reduction of global greenhouse gas emissions,

*Noting with grave concern* the significant gap between the aggregate effect of Parties' mitigation pledges in terms of global annual emissions of greenhouse gases by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels,

*Recognizing* that fulfilling the ultimate objective of the Convention will require strengthening of the multilateral, rules-based regime under the Convention,

*Noting* decision 1/CMP.7,

*Also noting* decision 2/CP.17,

1. *Decides* to extend the Ad Hoc Working Group on Long-term Cooperative Action under the Convention for one year in order for it to continue its work and reach the agreed outcome pursuant to decision 1/CP.13 (Bali Action Plan) through decisions adopted by the sixteenth, seventeenth and eighteenth sessions of the Conference of the Parties, at which time the Ad Hoc Working Group on Long-term Cooperative Action under the Convention shall be terminated;
2. *Also decides* to launch a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties, through a subsidiary body under the Convention hereby established and to be known as the Ad Hoc Working Group on the Durban Platform for Enhanced Action;
3. *Further decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall start its work as a matter of urgency in the first half of 2012 and shall report to future sessions of the Conference of the Parties on the progress of its work;
4. *Decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall complete its work as early as possible but no later than 2015 in order to adopt this protocol, another legal instrument or an agreed outcome with legal force at the twenty-first session of the Conference of the Parties and for it to come into effect and be implemented from 2020;
5. *Also decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall plan its work in the first half of 2012, including, inter alia, on mitigation, adaptation, finance, technology development and transfer, transparency of action and support, and capacity-building, drawing upon submissions from Parties and relevant technical, social and economic information and expertise;

6. *Further decides* that the process shall raise the level of ambition and shall be informed, inter alia, by the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, the outcomes of the 2013–2015 review and the work of the subsidiary bodies;
7. *Decides* to launch a workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties;
8. *Requests* Parties and observer organizations to submit by 28 February 2012 their views on options and ways for further increasing the level of ambition and decides to hold an in-session workshop at the first negotiating session in 2012 to consider options and ways for increasing ambition and possible further actions.

*10<sup>th</sup> plenary meeting  
11 December 2011*

## **Decision 2/CP.17**

### **Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention**

*The Conference of the Parties,*

#### **I. A shared vision for long-term cooperative action**

*Recalling* decision 1/CP.13 (the Bali Action Plan) and decision 1/CP.16, elaborating on a shared vision for long-term cooperative action, in particular the mandate contained in decision 1/CP.16, paragraphs 5 and 6, with regard to working towards identifying a global goal for substantially reducing global emissions by 2050 and a time frame for a global peaking of greenhouse gas emissions,

1. *Agrees*, in the context of the long-term goal and the ultimate objective of the Convention and the Bali Action Plan, to continue to work towards identifying a global goal for substantially reducing global emissions by 2050, and to consider it at its eighteenth session;
2. *Also agrees* to continue to work, in the context of the provisions of decision 1/CP.16, paragraph 6, towards identifying a time frame for the global peaking of greenhouse gas emissions based on the best available scientific knowledge and equitable access to sustainable development, and to consider it at its eighteenth session;
3. *Further agrees* that consideration of a global goal for substantially reducing global emissions by 2050 and the time frame for global peaking of greenhouse gas emissions cannot be undertaken in the abstract and will necessarily involve matters related to the context for such considerations;
4. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to consider the issue of equitable access to sustainable development, as contained in decision 1/CP.16, through a workshop at its next session; the Ad Hoc Working Group on Long-term Cooperative Action under the Convention shall report on the workshop to the Conference of the Parties as part of its work;

#### **II. Enhanced action on mitigation**

##### **A. Nationally appropriate mitigation commitments or actions by developed country Parties**

###### **Matters relating to decision 1/CP.16, paragraphs 36–38**

*Recalling* decision 1/CP.16, which recognizes that climate change represents an urgent and potentially irreversible threat to human societies and the planet, and thus requires to be urgently addressed by all Parties,

*Also recalling* decision 1/CP.13 in relation to ensuring the comparability of mitigation efforts among all developed country Parties in a measurable, reportable and verifiable manner,

*Recognizing* that deep cuts in global greenhouse gas emissions are required according to science, as documented in the Fourth Assessment Report of the

Intergovernmental Panel on Climate Change, with a view to reducing global greenhouse gas emissions so as to hold the increase in global average temperature below 2 °C above pre-industrial levels, and that Parties should take urgent action to meet this long-term goal, consistent with science and on the basis of equity; also recognizing the need to consider, in the context of the first review of the long-term global goal, as referred to in decision 1/CP.16, paragraph 138, strengthening the long-term global goal on the basis of the best available scientific knowledge, including in relation to a global average temperature rise of 1.5 °C,

*Acknowledging* that there is a gap between the aggregate level of reduction in emissions of greenhouse gases to be achieved through global mitigation efforts and the reduction needed as part of the global effort to achieve the range indicated in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change,

*Recognizing* that the clarification of developed country Parties' quantified economy-wide emission reduction targets builds confidence and trust among Parties,

*Urging* developed country Parties to increase the ambition of their economy-wide emission reduction targets, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with the ranges documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change and subsequent assessment reports of the Intergovernmental Panel on Climate Change,

*Noting* the quantified economy-wide emission reduction targets to be implemented by Parties included in Annex I to the Convention (Annex I Parties) as communicated by them and contained in document FCCC/SB/2011/INF.1/Rev.1,

5. *Decides* to continue in 2012 the process of clarifying the developed country Parties' quantified economy-wide emission reduction targets contained in document FCCC/SB/2011/INF.1/Rev.1, with the objective of understanding the assumptions and conditions related to the individual targets, in particular in relation to the base year, global warming potential values, coverage of gases, coverage of sectors, expected emission reductions, and the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms, and associated assumptions and conditions related to the ambition of the pledges; this process shall include the following:

(a) Submission of relevant information by developed country Parties, using a common template, to the secretariat by 5 March 2012 to be compiled into a miscellaneous document;

(b) In-session workshops;

(c) An update of document FCCC/TP/2011/1;

6. *Requests* the secretariat to compile additional information relating to the quantified economy-wide emission reduction targets submitted by developed country Parties in a miscellaneous document;

7. *Also requests* the secretariat to organize the workshops referred to in paragraph 5(b) above in conjunction with the thirty-sixth sessions of the subsidiary bodies and to prepare a written workshop report in a structured manner;

8. *Further requests* the secretariat to prepare the technical paper referred to in paragraph 5(c) above, compiling all the information contained in Parties' submissions in a structured manner, and to further update that paper as new information is provided by Parties;

9. *Acknowledges* the value of ex ante information, and the need to elaborate rigorous, robust and transparent approaches in a systematic manner to measure progress towards the

achievement of economy-wide emission reduction targets, building on existing processes, practices and experiences;

10. *Decides* to hold workshops to explore the assumptions and conditions related to targets, including the elements listed in paragraph 5 above, and requests the secretariat to produce a technical paper exploring the commonalities and differences of approaches;

11. *Requests* developed country Parties to share experiences with the development of low-emission development strategies during the in-session workshops referred to in paragraph 5(b) above, and invites developed country Parties to submit information related to progress towards the formulation of their low-emission development strategies;

#### **UNFCCC biennial reporting guidelines for developed country Parties**

*Recalling* the relevant provisions of the Convention, in particular Articles 4, 5, 7, 10 and 12, and decisions 9/CP.2, 11/CP.4 and 4/CP.5 on national communications from Annex I Parties,

*Also recalling* that by decision 1/CP.16 it decided to enhance reporting in national communications of Annex I Parties, and on progress in achieving emission reductions and on the provision of financial, technology and capacity-building support to Parties not included in Annex I to the Convention (non-Annex I Parties), building on existing reporting and review guidelines, processes and experiences,

12. *Adopts* the guidelines contained in annex I on the preparation of biennial reports by developed country Parties (the “UNFCCC biennial reporting guidelines for developed country Parties”);

13. *Decides* that developed country Parties shall use the “UNFCCC biennial reporting guidelines for developed country Parties” for the preparation of their first biennial reports, taking into account their national circumstances, and shall submit their first biennial reports to the secretariat by 1 January 2014, and their second and subsequent biennial reports two years after the due date of a full national communication (i.e. in 2016, 2020);

14. *Also decides* that Annex I Parties shall submit a full national communication every four years, noting that the next due date after adoption of this decision is 1 January 2014 according to decision 9/CP.16;

15. *Further decides* that in the years when the full national communications are submitted, developed country Parties should present the biennial reports as an annex to the national communications or as a separate report;

16. *Decides* to establish a work programme under the Subsidiary Body for Scientific and Technological Advice on the development of a common tabular format for the electronic reporting of information according to the reporting guidelines referred to in paragraph 12 above, with a view to adopting the format by the Conference of the Parties at its eighteenth session;

17. *Invites* Annex I Parties to make submissions of views by 1 March 2014 on their experience with reporting the first biennial reports;

18. *Requests* the Subsidiary Body for Implementation to begin, at its fortieth session, the revision of the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications”, based on the experiences gained in preparing the first biennial reports and other information, with a view to adopting the revised guidelines by the Conference of the Parties at its twentieth session;

19. *Also requests* the Subsidiary Body for Scientific and Technological Advice to develop, taking into account existing international methodologies, and based on the

experiences gained in preparing the first biennial reports, methodologies for reporting financial information with a view to recommending a decision on this matter to the Conference of the Parties at its twentieth session;

20. *Requests* the secretariat to prepare a technical paper based on the submissions of views by Parties referred to in paragraph 17 above, with the aim of facilitating consideration by the Subsidiary Body for Implementation, at its forty-first session, of the matters referred to in paragraph 18 above;

21. *Also requests* the secretariat to prepare a compilation and synthesis report on the information reported by developed country Parties in the biennial reports referred to in paragraph 13 above, for consideration by the Conference of the Parties at its twentieth session and subsequent sessions, according to Article 7, paragraph 2(g), of the Convention;

22. *Encourages* Parties included in Annex II to the Convention (Annex II Parties) to assist Annex I Parties with economies in transition and those Annex I Parties whose special circumstances are recognized under the Convention, as necessary, through appropriate bilateral or multilateral channels, with technical aspects of the preparation of their biennial reports;

### **Modalities and procedures for international assessment and review**

*Recalling* decisions 2/CP.1, 9/CP.2, 6/CP.3, 6/CP.5, 33/CP.7, 19/CP.8, 12/CP.9, 18/CP.10 and 1/CP.13,

*Also recalling* decision 1/CP.16, establishing a process for the international assessment and review of emissions and removals related to developed country Parties' quantified economy-wide emission reduction targets under the Subsidiary Body for Implementation, taking into account national circumstances, in a rigorous, robust and transparent manner, with a view to promoting comparability and building confidence,

*Responding* to the work programme launched by decision 1/CP.16 to develop modalities and procedures for international assessment and review, and building on existing review guidelines, processes and experiences,

*Recognizing* that the international assessment and review process should promote the comparability of efforts among all developed country Parties, including in relation to their quantified economy-wide emission limitation and reduction targets,

*Also recognizing* the need to have an efficient, cost-effective and practical international assessment and review process which does not impose an excessive burden on Parties and on the secretariat,

23. *Decides* that the international assessment and review process will be conducted through a technical review of information and a multilateral assessment of the implementation of quantified economy-wide emission reduction targets;

24. *Adopts* the modalities and procedures for international assessment and review as contained in annex II, and decides to use them until any revisions are decided upon by the Conference of the Parties;

25. *Agrees* that the first round of international assessment and review should commence two months after the submission of the first round of biennial reports by developed country Parties, and should be conducted in accordance with the modalities and procedures referred to in paragraph 24 above;

26. *Decides* to revise the modalities and procedures prescribed herein on the basis of the experience gained in the first round of international assessment and review, no later than 2016;

27. *Also decides* that the review of annual national greenhouse gas inventories will continue on an annual basis, and that international assessment and review will be conducted every two years for the biennial reports, whether independently or in conjunction with a national communication;
28. *Further decides* to establish a work programme under the Subsidiary Body for Scientific and Technological Advice, with a view to concluding the revision of the guidelines for the review of biennial reports and national communications, including national inventory reviews to be concluded no later than the nineteenth session of the Conference of the Parties;
29. *Requests* the secretariat to enhance coordination between different review processes in such a way as to ensure effective and efficient processes and procedures;
30. *Agrees* that the outputs of the multilateral assessment will comprise, for each Party, a record prepared by the secretariat, which will include in-depth review reports, the summary report of the Subsidiary Body for Implementation, questions submitted by Parties and responses provided, and any other observations of the Party under review that are submitted within two months of the working group session of the Subsidiary Body for Implementation;
31. *Also agrees* that any revision of the modalities and procedures for international assessment and review should take into account any future agreement on a compliance regime for mitigation targets under the Convention;

## **B. Nationally appropriate mitigation actions by developing country Parties**

### **Matters relating to decision 1/CP.16, paragraphs 48–51**

*Recalling* decision 1/CP.16, which recognizes that climate change represents an urgent and potentially irreversible threat to human societies and the planet, and thus requires to be urgently addressed by all Parties,

*Recognizing* that deep cuts in global greenhouse gas emissions are required according to science, and as documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, with a view to reducing global greenhouse gas emissions so as to hold the increase in global average temperature below 2 °C above pre-industrial levels, and that Parties should take urgent action to meet this long-term goal, consistent with science and on the basis of equity; also recognizing the need to consider, in the context of the first review, as referred to in decision 1/CP.16, paragraph 138, strengthening the long-term global goal on the basis of the best available scientific knowledge, including in relation to a global average temperature rise of 1.5 °C,

*Acknowledging* that there is a gap between the aggregate level of reduction in emissions of greenhouse gases to be achieved through global mitigation efforts and the reduction needed as part of the global effort to achieve the range indicated in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change,

*Recognizing* that understanding the diversity of mitigation actions submitted by developing country Parties, their underlying assumptions and methodologies, builds confidence and trust among Parties,

*Also recognizing* that developing country Parties are already contributing and will continue to contribute to a global mitigation effort in accordance with the principles and provisions of the Convention, and could enhance their mitigation actions, depending on provision of finance, technology and capacity-building support by developed country Parties,



*Reaffirming* that social and economic development and poverty eradication are the first and overriding priorities of developing country Parties, and that a low-emission development strategy is central to sustainable development, and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

*Also reaffirming* that, in accordance with Article 4, paragraph 3, of the Convention, developed country Parties shall provide enhanced financial, technology and capacity-building support for the preparation and implementation of nationally appropriate mitigation actions of developing country Parties,

*Noting* the nationally appropriate mitigation actions to be implemented by non-Annex I Parties, as communicated by them and contained in the document FCCC/AWGLCA/2011/INF.1,

32. *Encourages* developing country Parties that are yet to submit information on nationally appropriate mitigation actions pursuant to decision 1/CP.16, paragraph 50, to do so, noting the need to extend flexibility to small island developing States and the least developed country Parties;

33. *Decides* to continue, in 2012, workshops, in a structured manner, to further the understanding of the diversity of mitigation actions as communicated and contained in document FCCC/AWGLCA/2011/INF.1, underlying assumptions and any support needed for the implementation of these actions, noting different national circumstances and the respective capabilities of developing country Parties;

34. *Invites* developing country Parties, with a view to providing input to the process referred to in paragraph 33 above, to submit, subject to availability, more information relating to nationally appropriate mitigation actions, including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used, support needs for the implementation of nationally appropriate mitigation actions and estimated mitigation outcomes;

35. *Also invites* developing country Parties to submit this information to the secretariat, by 5 March 2012, to be compiled into a miscellaneous document;

36. *Requests* the secretariat to organize the in-session workshops referred to in paragraph 33 above in conjunction with the thirty-sixth session of the subsidiary bodies and to prepare written workshop summary reports;

37. *Also requests* the Subsidiary Body for Scientific and Technological Advice to develop general guidelines for domestic measurement, reporting and verification of domestically-supported nationally appropriate mitigation actions;

38. *Encourages* developing country Parties to develop low-emission development strategies, recognizing the need for financial and technical support by developed country Parties for the formulation of these strategies, and invites interested developing country Parties to share their experience with the formulation of low-emission development strategies during the in-session workshops referred to in paragraph 36 above;

#### **UNFCCC biennial update reporting guidelines for Parties not included in Annex I to the Convention**

*Recalling* the relevant provisions of the Convention, in particular Article 4, paragraphs 1, 3 and 7, Article 5, Article 7, paragraph 2(a), (b), (d) and (e), Article 9, paragraph 2(b), Article 10, paragraph 2(a) and (c), and Article 12, paragraphs 1, 5, 6 and 7,

*Also recalling* decisions on national communications from non-Annex I Parties in particular decisions 10/CP.2, 2/CP.4, 12/CP.4, 8/CP.5, 31/CP.7, 32/CP.7, 17/CP.8 and 8/CP.11,

*Further recalling* that, by decision 1/CP.16, paragraph 60, the Conference of the Parties decided to enhance the reporting in national communications, including inventories from non-Annex I Parties, on mitigation actions and their effects, and support received, with additional flexibility to be given to the least developed country Parties and small island developing States,

*Recalling* that the Conference of the Parties, through decision 1/CP.16, paragraph 60(c), decided that developing country Parties, consistent with their capabilities and the level of support provided for reporting, should submit biennial update reports containing updates of national greenhouse gas inventories, including a national inventory report and information on mitigation actions, needs and support received,

*Recognizing* the difficulties faced by non-Annex I Parties in reporting under the Convention and the need to take into account national capabilities and circumstances, and to build capacity, and the need for the provision of financial support in a timely manner to non-Annex I Parties to facilitate the timely preparation of biennial update reports,

*Urging* Annex II Parties and other developed country Parties in a position to do so to provide support for the preparation of biennial update reports,

*Recognizing* that the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention could also play an important role in facilitating technical advice and support for the preparation and submission of the first biennial update report,

*Also recognizing* that, by decision 1/CP.16, the Conference of the Parties agreed on a work programme for developing the guidelines for the preparation of biennial update reports from non-Annex I Parties, as a part of their national communications,

39. *Adopts* the guidelines, contained in annex III, for the preparation of biennial update reports by non-Annex I Parties (hereinafter referred to as the Guidelines);

40. *Affirms* that the Guidelines shall respect the diversity of mitigation actions and provide flexibility for non-Annex I Parties to report information, while providing an understanding of actions taken;

41. *Decides*:

(a) That non-Annex I Parties, consistent with their capabilities and the level of support provided for reporting, should submit their first biennial update report by December 2014; the least developed country Parties and small island developing States may submit biennial update reports at their discretion;

(b) That in using the Guidelines, non-Annex I Parties should take into account their development priorities, objectives, capacities and national circumstances;

(c) That the Guidelines should be used as a basis to provide guidance to an operating entity of the financial mechanism for funding the preparation of biennial update reports from non-Annex I Parties and, in the case of the first biennial update report, to the Global Environment Facility;

(d) To urge non-Annex I Parties to submit their requests to the Global Environment Facility for support, in a timely manner;

(e) That enhanced support for the preparation of biennial update reports should be ensured by developed country Parties and other developed Parties included in Annex II

to the Convention by means of resources, in accordance with Article 4, paragraph 3, of the Convention, on the basis of agreed full-cost funding;

(f) That non-Annex I Parties shall submit a biennial update report every two years, either as a summary of parts of their national communication in the year in which the national communication is submitted or as a stand-alone update report; the least developed country Parties and small island developing States may submit biennial update reports at their discretion;

(g) That the first biennial update report submitted by non-Annex I Parties shall cover, at a minimum, the inventory for the calendar year no more than four years prior to the date of the submission, or more recent years if information is available, and that subsequent biennial update reports shall cover a calendar year that does not precede the submission date by more than four years;

42. *Also decides* that these guidelines should be reviewed and revised as appropriate, in accordance with decisions of the Conference of the Parties;

43. *Requests* the secretariat to facilitate assistance to non-Annex I Parties, on request, in the preparation of their biennial update reports, in accordance with Article 8, paragraph 2(c), of the Convention;

44. *Urges* and requests the Global Environment Facility to make available support to non-Annex I Parties preparing their first biennial update reports as early as possible in 2012 and on the basis of agreed full-cost funding;

## **Registry**

*Recalling* decision 1/CP.13,

*Also recalling* decision 1/CP.16, paragraphs 53–59, by which the Conference of the Parties decided to set up a registry to record the nationally appropriate mitigation actions seeking international support, to facilitate the matching of financial, technology and capacity-building support for these actions, and to recognize nationally appropriate mitigation actions of developing country Parties in a separate section of the registry,

*Further recalling* the same decision, by which the Conference of the Parties agreed to develop modalities for the facilitation of support through the registry, including any functional relationship with the financial mechanism,

*Recognizing* the need for support for enabling activities to assist developing country Parties in the identification and preparation of nationally appropriate mitigation actions for submission to the registry, and support for their implementation,

45. *Decides* that:

(a) The registry should be developed as a dynamic, web-based platform managed by a dedicated team in the secretariat;

(b) Participation in the registry shall be voluntary and only information submitted expressly for inclusion in the registry should be recorded;

(c) The registry should be structured in a flexible manner that clearly reflects the full range of the diversity of nationally appropriate mitigation actions, and a range of types of support;

46. *Invites* developing country Parties to submit, as appropriate, to the secretariat the following information on individual nationally appropriate mitigation actions seeking international support:

- (a) A description of the mitigation action and the national implementing entity, including contact information;
- (b) The expected time frame for the implementation of the mitigation action;
- (c) The estimated full cost of the preparation;
- (d) The estimated full cost and/or incremental cost of the implementation of the mitigation action;
- (e) The amount and type of support (financial, technology and capacity-building) required to prepare and/or implement the mitigation action;
- (f) The estimated emission reductions;
- (g) Other indicators of implementation;
- (h) Other relevant information, including the co-benefits for local sustainable development, if information thereon exists;

47. *Also invites* developing country Parties to submit to the secretariat information on other individual nationally appropriate mitigation actions, to be recorded in a separate section of the registry, for their recognition;

48. *Further invites* developed country Parties, the entity or entities entrusted with the operation of the financial mechanism, including the Global Environment Facility and the Green Climate Fund, multilateral, bilateral and other public donors, and private and non-governmental organizations that are in position to do so, to submit to the secretariat, as appropriate, the following information on financial, technology and capacity-building support available and/or provided for the preparation and/or implementation of nationally appropriate mitigation actions:

- (a) Whether the support available is for the preparation and/or implementation of nationally appropriate mitigation actions;
- (b) The source of the support, including, where applicable, the name of the developed country Parties in question and the executing entity channelling the support, including contact information;
- (c) The amount and type of support available, and whether it is financial (e.g. grant or facilitated loan), technology and/or capacity-building support;
- (d) The status of delivery;
- (e) The types of action that may be supported and the process for the provision of support;

49. *Invites* Parties and entities referred to in paragraphs 46 and 48 above to provide the secretariat, subsequent to the matching of action with support, information on both internationally supported mitigation actions and associated support;

50. *Requests* the secretariat, pursuant to decision 1/CP.16, paragraphs 53–59, to record and regularly update, in separate sections of the registry, information provided in accordance with paragraphs 46–49 above;

51. *Decides* that the registry will facilitate the matching of actions seeking international support with support available by providing and directing information to Parties that submitted information on nationally appropriate mitigation actions seeking support, and Parties and entities that have submitted information on the support available;

52. *Requests* the secretariat, subject to the availability of resources:

(a) To provide assistance to developing country Parties requesting information on the available sources of support in the registry;

(b) To provide information on the operation of the registry to the Conference of the Parties annually, in order to inform the discussions on the financial mechanism;

53. *Notes* that the financial mechanism may make use of information available in the registry when considering the provision of support for the preparation and implementation of individual nationally appropriate mitigation actions which are seeking support;

54. *Requests* the secretariat to develop a prototype of the registry by the thirty-sixth session of the Subsidiary Body for Implementation in order to present the prototype to Parties for their consideration;

55. *Also requests* the secretariat, if applicable, to improve the design of the prototype based on the views expressed by Parties at the thirty-sixth session of the Subsidiary Body for Implementation, in order to enable Parties to start using the prototype of the registry as soon as possible and within two months thereafter, with a view to finalizing the registry through a decision at the eighteenth session of the Conference of the Parties, taking into account the lessons learned from the initial experience gained;

#### **Modalities and guidelines for international consultation and analysis**

*Recalling*, in particular, Article 4, paragraphs 1, 3, and 7, Article 10, paragraph 2(a), and Article 12, paragraphs 1, 5 and 7, of the Convention,

*Also recalling* decisions on communications from non-Annex I Parties and, in particular, decisions 10/CP.2, 12/CP.4, 8/CP.5, 31/CP.7, 32/CP.7, 17/CP.8 and 8/CP.11,

*Noting* decision 1/CP.16, by which a process of international consultation and analysis of biennial update reports will be conducted under the Subsidiary Body for Implementation, aiming to increase the transparency of mitigation actions and their effects,

*Also noting* decision 1/CP.16, paragraph 60(c), by which developing country Parties, consistent with their capabilities and the level of support provided for reporting, should also submit biennial update reports containing updates of national greenhouse gas inventories, including a national inventory report and information on mitigation actions, needs and support received,

*Recognizing* that the guidelines for international measurement, reporting and verification referred to in decision 1/CP.16, paragraph 61, correspond to the guidelines determined for the international consultation and analysis of nationally appropriate mitigation actions of developing country Parties,

*Also recognizing* the need to have an efficient, cost-effective and practical international consultation and analysis process, which does not impose an excessive burden on Parties, and on the secretariat,

*Noting* that international consultation and analysis is non-intrusive, non-punitive, and respectful of national sovereignty,

56. *Adopts* the modalities and guidelines for international consultation and analysis as contained in annex IV;

57. *Recognizes* that the extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology;

58. *Decides*:

(a) That the first rounds of international consultation and analysis will be conducted for developing country Parties, commencing within six months of the submission of the first round of biennial update reports by developing country Parties;

(b) That the frequency of participation in subsequent rounds of international consultation and analysis by developing country Parties, based on their respective capabilities and national circumstances, and special flexibility for small island developing States and the least developed country Parties, will be determined by the frequency of the submission of biennial update reports;

(c) To revise the modalities and guidelines prescribed herein based on experiences gained in the first round of international consultation and analysis, no later than 2017;

(d) That small island developing States and the least developed country Parties may undergo international consultation and analysis as a group of Parties at their discretion;

59. *Urges* developed country Parties and other developed Parties included in Annex II to the Convention to provide new and additional financial resources at the agreed full cost in accordance with Article 4, paragraph 3, of the Convention with a view to supporting any reporting needed for international consultations and analysis;

60. *Aims* to facilitate the universal participation of developing country Parties in the international consultation and analysis process;

61. *Invites* Parties to submit to the secretariat, by 5 March 2012, their views on the composition, modalities and procedures of the team of technical experts referred to in annex IV, paragraph 1;

62. *Requests* the secretariat to compile these submissions into a miscellaneous document for consideration by the Subsidiary Body for Implementation at its thirty-sixth session, with a view to adopting a decision on the matter referred to in paragraph 61 above at the eighteenth session of the Conference of the Parties;

**C. Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries**

*Recalling* the principles and provisions set forth in decision 1/CP.16 and its appendices I and II on policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries,

*Also recalling* decisions 1/CP.13, 2/CP.13, 4/CP.15 and 12/CP.17,

*Further recalling* decision 1/CP.16, paragraphs 68–74 and 76–78,

*Reaffirming* that, in the context of the provision of adequate and predictable support to developing country Parties, Parties should collectively aim to slow, halt and reverse forest cover and carbon loss, in accordance with national circumstances, consistent with the ultimate objective of the Convention, as stated in its Article 2,

*Also reaffirming* decision 1/CP.16, appendix I, paragraph 1,

*Affirming* that efforts are already being made and actions being taken to reduce emissions from deforestation and forest degradation, and to maintain and enhance forest carbon stocks in developing countries,

*Recognizing* the importance of effective and continuing support for the activities referred to in decision 1/CP.16, paragraphs 73 and 76,

*Also recognizing* that policy approaches and positive incentives for mitigation actions in the forest sector, as referred to in decision 1/CP.16, paragraph 70, can promote poverty alleviation and biodiversity benefits, ecosystem resilience and the linkages between adaptation and mitigation, and should promote and support the safeguards referred to in decision 1/CP.16, appendix 1, paragraph 2(c–e),

*Being aware of* the relevance of the work being undertaken by relevant international conventions and agreements,

63. *Agrees* that, regardless of the source or type of financing, the activities referred to in decision 1/CP.16, paragraph 70, should be consistent with the relevant provisions included in decision 1/CP.16, including the safeguards in its appendix I, in accordance with relevant decisions of the Conference of the Parties;

64. *Recalls* that for developing country Parties undertaking the results-based actions<sup>1</sup> referred to in decision 1/CP.16, paragraphs 73 and 77, to obtain and receive results-based finance, these actions should be fully measured, reported and verified,<sup>2</sup> and developing country Parties should have the elements referred to in decision 1/CP.16, paragraph 71, in accordance with any decisions taken by the Conference of the Parties on this matter;

65. *Agrees* that results-based finance provided to developing country Parties that is new, additional and predictable may come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources;

66. *Considers* that, in the light of the experience gained from current and future demonstration activities, appropriate market-based approaches could be developed by the Conference of the Parties to support the results-based actions by developing country Parties referred to in decision 1/CP.16, paragraph 73, ensuring that environmental integrity is preserved, that the provisions of decision 1/CP.16, appendices I and II, are fully respected, and should be consistent with the relevant provisions of decisions 1/CP.16 and 12/CP.17 and any future decision by the Conference of the Parties on these matters;

67. *Notes* that non-market-based approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests as a non-market alternative that supports and strengthens governance, the application of safeguards as referred to in decision 1/CP.16, appendix I, paragraph 2(c–e), and the multiple functions of forests, could be developed;

68. *Encourages* the operating entities of the financial mechanism of the Convention to provide results-based finance for the actions referred to in decision 1/CP.16, paragraph 73;

69. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 5 March 2012, their views on modalities and procedures for financing results-based actions and considering activities related to decision 1/CP.16, paragraphs 68–70 and 72;

70. *Requests* the secretariat to compile the submissions by Parties into a miscellaneous document for consideration by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention at its session to be held in conjunction with the thirty-sixth session of the Subsidiary Body for Scientific and Technological Advice;

71. *Also requests* the secretariat to prepare, subject to the availability of supplementary resources, a technical paper, based on submissions by Parties and admitted observer

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<sup>1</sup> In accordance with decision 1/CP.16, appendix II.

<sup>2</sup> As agreed by the Conference of the Parties.

organizations on the issues referred to in paragraphs 69 and 70 above, as an input for the workshop referred to in paragraph 72 below;

72. *Further requests* the secretariat to organize, subject to the availability of supplementary resources, a workshop taking into account the submissions by Parties and admitted observer organizations referred to in paragraph 69 above, the technical paper referred to in paragraph 71 above, and the conclusions on this matter by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention at its session to be held in conjunction with the thirty-sixth session of the Subsidiary Body for Scientific and Technological Advice, before the session of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to be held in conjunction with the eighteenth session of the Conference of the Parties;

73. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to consider the submissions by Parties and admitted observer organizations referred to in paragraph 69 above, the technical paper referred to in paragraph 71 above and the report on the outcomes of the workshop referred to in paragraph 72 above with the aim of reporting on progress made and any recommendations to the Conference of the Parties at its eighteenth session.

**D. Cooperative sectoral approaches and sector-specific actions, in order to enhance the implementation of Article 4, paragraph 1(c), of the Convention**

**General framework**

74. *Agrees* to continue its consideration of a general framework for cooperative sectoral approaches and sector-specific actions with a view to adopting a decision on this matter at its eighteenth session, as appropriate;

**Agriculture**

75. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider issues related to agriculture at its thirty-sixth session, with the aim of exchanging views and the Conference of the Parties adopting a decision on this matter at its eighteenth session;

76. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 5 March 2012, their views on the issues referred to in paragraph 75 above;

77. *Requests* the secretariat to compile the submissions referred to in paragraph 76 above by Parties into a miscellaneous document for consideration by the Subsidiary Body for Scientific and Technological Advice at its thirty-sixth session;

**International aviation and maritime transport**

78. *Agrees* to continue its consideration of issues related to addressing emissions from international aviation and maritime transport;

**E. Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries**

*Recalling* decisions 1/CP.13 and 1/CP.16,



*Also recalling* Article 1, paragraph 1, Article 3, paragraph 1, and Article 4, paragraphs 1, 2(a), 3, 7, 8 and 10, of the Convention,

*Affirming* the need to maintain consistency with the principles and commitments of the Convention, particularly that Parties should protect the climate system in accordance with their common but differentiated responsibilities and respective capabilities,

*Undertaking* to maintain and build upon the existing flexibility mechanisms established under the Kyoto Protocol,

*Recognizing* the role of public sources of finance in the implementation of mitigation activities,

*Acknowledging* the role of various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries,

*Noting* that Parties may, individually or jointly, develop and implement such approaches in accordance with their national circumstances,

79. *Emphasizes* that various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries, must meet standards that deliver real, permanent, additional and verified mitigation outcomes, avoid double counting of effort, and achieve a net decrease and/or avoidance of greenhouse gas emissions;

80. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to conduct a work programme to consider a framework for such approaches, with a view to recommending a decision to the Conference of the Parties at its eighteenth session;

81. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 5 March 2012, their views on the matters referred to in paragraphs 79 and 80 above, including their experiences, positive and negative, with existing approaches and mechanisms as well as lessons learned;

82. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to conduct one or more workshops with Parties, experts and other stakeholders, including an in-session workshop at its session to be held in conjunction with the thirty-sixth sessions of the subsidiary bodies, to consider the submissions referred to in paragraph 81 above and to discuss the matters referred to in paragraphs 79 and 80 above;

83. *Defines* a new market-based mechanism, operating under the guidance and authority of the Conference of the Parties, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries, which is guided by decision 1/CP.16, paragraph 80, and which, subject to conditions to be elaborated, may assist developed countries to meet part of their mitigation targets or commitments under the Convention;

84. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to conduct a work programme to elaborate modalities and procedures for the mechanism referred to in paragraph 83 above, with a view to recommending a decision to the Conference of the Parties at its eighteenth session;

85. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 5 March 2012, their views on the matters referred to in paragraphs 83 and 84 above, including their experiences, positive and negative, with existing approaches and mechanisms as well as lessons learned;

86. *Requests* the Ad Hoc Working Group on Long-term Cooperative Action under the Convention to conduct one or more workshops with Parties, experts and other stakeholders, including an in-session workshop at its session to be held in conjunction with the thirty-sixth sessions of the subsidiary bodies, to consider the submissions referred to in paragraph 85 above and to discuss the matters referred to in paragraphs 83 and 84 above;

## **F. Economic and social consequences of response measures**

*Recalling* the ultimate objective of the Convention,

*Also recalling* and *reaffirming* decisions 1/CP.13 and 1/CP.16,

*Also reaffirming* the importance of the objective of the Convention, and the relevant principles and provisions of the Convention related to the economic and social consequences of response measures, in particular its Articles 2, 3 and 4,

*Affirming* that there is a need to give full consideration to what actions are necessary, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures,

*Acknowledging* that response measures to combat climate change may have negative environmental, social and economic consequences, and that all developing countries face economic and social consequences of response measures to climate change,

*Reaffirming* the principle of sovereignty of States in international cooperation to address climate change,

*Noting* that policies and measures to address climate change should be supportive of the economic and social development of developing country Parties,

*Reaffirming* that developed country Parties should take the lead in combating climate change and the adverse effects thereof,

*Also reaffirming* that developed country Parties are urged to strive to implement policies and measures to respond to climate change in such a way as to avoid negative social and economic consequences for developing country Parties, taking into account Article 3 of the Convention, and to assist these Parties to address such consequences by providing support, including financial resources, transfer of technology and capacity-building, in accordance with Article 4 of the Convention, to build up the resilience of societies and economies negatively affected by response measures,

87. *Recognizes* that social and economic development and poverty eradication are the first and overriding priorities of developing countries;

88. *Urges* Parties in implementing their policies and measures to promote a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities and strategies;

89. *Also urges* developed country Parties to assist developing country Parties to promote economic diversification in the context of sustainable development, especially for those listed in Article 4, paragraphs 8 and 9, of the Convention;

90. *Further urges* Parties to give full consideration to the positive and negative impacts of the implementation of response measures to mitigate climate change on society and on all vulnerable groups, in particular women and children;

91. *Recognizes* decision 8/CP.17 that establishes the Forum to Implement the Work Programme on the Impact of the Implementation of Response Measures, and consolidates all progressive discussions related to response measures under the Convention.

### III. Enhanced action on adaptation

*Recalling* the relevant provisions of the Convention,

*Also recalling* decision 1/CP.16, which established the Cancun Adaptation Framework and the Adaptation Committee,

92. *Affirms* that the Adaptation Committee shall be the overall advisory body to the Conference of the Parties on adaptation to the adverse effects of climate change;

93. *Also affirms* that the Adaptation Committee was established to promote the implementation of enhanced action on adaptation in a coherent manner under the Convention, as provided for by the Cancun Adaptation Framework, inter alia through the following functions:

(a) Providing technical support and guidance to the Parties, respecting the country-driven approach, with a view to facilitating the implementation of adaptation activities, including those listed in decision 1/CP.16, paragraphs 14 and 15, where appropriate;

(b) Strengthening, consolidating and enhancing the sharing of relevant information, knowledge, experience and good practices, at the local, national, regional and international levels, taking into account, as appropriate, traditional knowledge and practices;

(c) Promoting synergy and strengthening engagement with national, regional and international organizations, centres and networks, in order to enhance the implementation of adaptation actions, in particular in developing country Parties;

(d) Providing information and recommendations, drawing on adaptation good practices, for consideration by the Conference of the Parties when providing guidance on means to incentivize the implementation of adaptation actions, including finance, technology and capacity-building, and other ways to enable climate-resilient development and reduce vulnerability, including to the operating entities of the financial mechanism of the Convention, as appropriate;

(e) Considering information communicated by Parties on their monitoring and review of adaptation actions, support provided and received, possible needs and gaps and other relevant information, including information communicated under the Convention, with a view to recommending what further actions may be required, as appropriate;

94. *Decides* that the Adaptation Committee should make use of the following modalities in exercising its functions:

(a) Workshops and meetings;

(b) Expert groups;

(c) Compilation, review, synthesis, analysis reports of information, knowledge, experience and good practice;

(d) Channels for sharing information, knowledge and expertise;

(e) Coordination and linkages with all relevant bodies, programmes, institutions and networks, within and outside the Convention;

95. *Also decides* that the Adaptation Committee shall operate under the authority of, and be accountable to, the Conference of the Parties, which should decide on its policies in line with relevant decisions;
96. *Requests* the Adaptation Committee to report annually to the Conference of the Parties, through the subsidiary bodies, including on its activities, the performance of its functions, guidance, recommendations and other relevant information arising from its work, and, as appropriate, on further action that may be required under the Convention, for consideration by the Conference of the Parties;
97. *Also requests* the Adaptation Committee during its first year to develop a three-year plan for its work, which should include milestones, activities, deliverables and resource requirements, in accordance with its agreed functions, employing the modalities listed in paragraph 94 above, considering the indicative list of activities included in annex V, for approval by the Conference of the Parties at its eighteenth session;
98. *Further requests* the Adaptation Committee, in addition to developing its workplan, to initiate some of the activities contained in annex V during its first year;
99. *Requests* the Adaptation Committee to engage and develop linkages through the Conference of the Parties with all adaptation-related work programmes, bodies and institutions under the Convention, including the Least Developed Countries Expert Group, the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, the Technology Executive Committee, the Nairobi work programme on impacts, vulnerability and adaptation to climate change, the work programme on loss and damage and the operating entities of the financial mechanism of the Convention, as appropriate;
100. *Also requests* the Adaptation Committee to engage with, and draw on the expertise of, relevant institutions, organizations, frameworks, networks and centres outside of the Convention, including those at the intergovernmental, regional, national and, through them, subnational levels, where appropriate;
101. *Decides* that the Adaptation Committee shall comprise 16 members, who shall serve in their personal capacity, and will be nominated by Parties in their respective groups or constituencies and elected by the Conference of the Parties, with the aim of achieving a fair, equitable and balanced representation as follows:
- (a) Two members from each of the five United Nations regional groups;
  - (b) One member from a small island developing State;
  - (c) One member from a least developed country Party;
  - (d) Two members from Annex I Parties;
  - (e) Two members from non-Annex I Parties;
102. *Urges* regional groups in making their nominations to consider the special needs and concerns of particularly vulnerable developing countries;
103. *Encourages* Parties to nominate experts to the Adaptation Committee with a diversity of experience and knowledge relevant to adaptation to climate change, while also taking into account the need to achieve gender balance in accordance with decision 36/CP.7;
104. *Agrees* that the chairs of the Least Developed Countries Expert Group, the Technology Executive Committee and the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention could be invited to attend meetings of the Adaptation Committee, as appropriate;

105. *Also agrees* that the Adaptation Committee should seek input from intergovernmental, international, regional, national and subnational organizations, centres and networks, the private sector and civil society, in undertaking its work, and to invite advisers drawn from them to participate in its meetings as expert advisers on specific issues as they arise;

106. *Decides* that members shall serve for a term of two years and shall be eligible to serve a maximum of two consecutive terms of office, and that the following rules shall apply:

(a) Half of the members shall be elected initially for a term of three years and half of the members shall be elected for a term of two years;

(b) Thereafter, the Conference of the Parties shall elect members for a term of two years;

(c) The members shall remain in office until their successors have been elected;

107. *Also decides* that if a member of the Adaptation Committee resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the Adaptation Committee may decide, bearing in mind the proximity of the next session of the Conference of the Parties, to appoint another member from the same group or constituency to replace said member for the remainder of that member's mandate, in which case the appointment shall count as one term;

108. *Further decides* that the Adaptation Committee shall elect annually a chair and a vice-chair from among its members to serve for a term of one year each, with one being a member from an Annex I Party and the other being a member from a non-Annex I Party, and that the positions of chair and vice-chair shall alternate annually between a member from an Annex I Party and a member from a non-Annex I Party;

109. *Decides* that if the chair is temporarily unable to fulfil the obligations of the office, the vice-chair shall serve as the chair. In the absence of the chair and the vice-chair at a particular meeting, any other member designated by the Adaptation Committee shall temporarily serve as the chair of that meeting;

110. *Also decides* that if the chair or the vice-chair is unable to complete the term of office, the Adaptation Committee shall elect a replacement to complete that term of office;

111. *Further decides* that decisions of the Adaptation Committee shall be taken by consensus;

112. *Decides* that the Adaptation Committee shall meet at least twice a year, where possible in conjunction with other adaptation-related UNFCCC meetings, while retaining its flexibility to adjust the number of meetings to suit its needs;

113. *Encourages* the Adaptation Committee to establish subcommittees, panels, thematic advisory groups or task-focused ad hoc working groups, if required, to provide, inter alia, expert advice in different sectors and areas, in order to assist the Adaptation Committee in performing its functions and achieving its objectives;

114. *Decides* that the meetings of the Adaptation Committee shall be open to attendance by admitted observer organizations, except where otherwise decided by the Adaptation Committee, with a view to encouraging a balanced representation of observers from Annex I Parties and from non-Annex I Parties;

115. *Also decides* that the Adaptation Committee shall convene its first meeting soon after the seventeenth session of the Conference of the Parties;

116. *Further decides* that English shall be the working language of the Adaptation Committee;

117. *Decides* that outputs of the Adaptation Committee shall be made publicly available on the UNFCCC website;

118. *Also decides* that the secretariat shall support and facilitate the work of the Adaptation Committee, subject to the availability of resources;

119. *Further decides* to review the progress and performance of the Adaptation Committee at its twenty-second session, with a view to adopting an appropriate decision on the outcome of this review;

## IV. Finance

### Standing Committee

*Recalling* Articles 4 and 11 of the Convention,

*Having established* the Standing Committee under the Conference of the Parties as provided for in decision 1/CP.16, paragraph 112,

120. *Decides* that the Standing Committee shall report and make recommendations to the Conference of the Parties, for its consideration, at each ordinary session of the Conference of the Parties on all aspects of its work;

121. *Also decides* that the Standing Committee shall assist the Conference of the Parties in exercising its functions with respect to the financial mechanism of the Convention in terms of improving coherence and coordination in the delivery of climate change financing, rationalization of the financial mechanism, mobilization of financial resources, and measurement, reporting and verification of the support provided to developing country Parties through activities, such as the following:

(a) Organizing a forum for the communication and continued exchange of information among bodies and entities dealing with climate change finance in order to promote linkages and coherence;

(b) Maintaining linkages with the Subsidiary Body for Implementation and the thematic bodies of the Convention;

(c) Providing to the Conference of the Parties draft guidance for the operating entities of the financial mechanism of the Convention, with a view to improving the consistency and practicality of such guidance, taking into account the annual reports of the operating entities as well as submissions from Parties;

(d) Making recommendations on how to improve the coherence, effectiveness and efficiency of the operating entities of the financial mechanism;

(e) Providing expert input, including through independent reviews and assessments, into the preparation and conduct of the periodic reviews of the financial mechanism by the Conference of the Parties;

(f) Preparing a biennial assessment, overview of climate finance flows, to include information on the geographical and thematic balance of such flows, drawing on available sources of information, including national communications and biennial reports of both developed and developing country Parties, information provided in the registry, information provided by Parties on assessments of their needs, reports prepared by the operating entities of the financial mechanism, and information available from other entities providing climate change finance;

122. *Further decides* that the Standing Committee shall perform any other functions that may be assigned to it by the Conference of the Parties;
123. *Requests* the Standing Committee to develop a work programme based on the activities outlined in paragraph 121 above for presentation to the Conference of the Parties at its eighteenth session;
124. *Decides* that the cost of meetings and the participation of members from developing country Parties will be included in the consideration of the core budget of the secretariat;
125. *Also decides* to adopt the composition and working modalities of the Standing Committee as contained in annex VI;

### **Long-term finance**

*Recalling* Articles 4 and 11 of the Convention,

*Also recalling* decision 1/CP.13, paragraph 1(e),

*Further recalling* decision 1/CP.16, paragraphs 18 and 97–101,

*Welcoming* the fast-start finance provided by developed countries as part of their collective commitment to provide new and additional resources approaching USD 30 billion for the period 2010–2012,

*Recalling* that developed country Parties commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries,

126. *Affirms* the importance of continuing to provide ongoing support beyond 2012;
127. *Decides* to undertake a work programme on long-term finance in 2012, including workshops, to progress on long-term finance in the context of decision 1/CP.16, paragraphs 97-101;
128. *Invites* the President of the Conference of the Parties to appoint two co-chairs, one from a developing country Party and one from a developed country Party, for the work programme mentioned in paragraph 127 above;
129. *Requests* the secretariat, to assist the co-chairs in supporting the workshops mentioned in paragraph 127 above;
130. *Decides* that the aim of the work programme referred to in paragraph 127 above is to contribute to the on-going efforts to scale up the mobilization of climate change finance after 2012; the work programme will analyse options for the mobilization of resources from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources and relevant analytical work on the climate-related financing needs of developing countries; the analysis will draw upon relevant reports including that of the High-level Advisory Group on Climate Financing and the report on mobilizing climate finance for the Group of Twenty and the assessment criteria in the reports, and will also take into account lessons learned from fast-start finance;
131. *Requests* the co-chairs, supported by the secretariat, to prepare a report on the workshops referred to in paragraph 127 above for consideration by the Conference of the Parties at its eighteenth session;
132. *Notes* the information provided by developed country Parties on the fast-start finance they have provided and urges them to continue to enhance the transparency of their reporting on the fulfilment of their fast-start finance commitments;

## V. Technology development and transfer

### Arrangements to make the Technology Mechanism fully operational in 2012

*Recalling* the commitments under the Convention, in particular Article 4, paragraphs 1, 3, 5, 7, 8 and 9,

*Also recalling* decision 1/CP.13, paragraph 1(d), to enhance action on technology development and transfer to support action on mitigation and adaptation,

*Reaffirming* that the objective of enhanced action on technology development and transfer is to support action on mitigation and adaptation in order to achieve the full implementation of the Convention and that, in pursuit of this objective, the identification of technology needs will be based on a country-driven approach and national circumstances and priorities,

*Underlining* the importance of nationally determined technology needs, based on national circumstances and priorities, the setting of appropriate enabling environments to scale up the development and transfer of technologies in developing countries and the need to accelerate action at different stages of the technology cycle,

*Noting* the establishment of a Technology Executive Committee, and a Climate Technology Centre and Network in decision 1 CP/16, and their respective functions,

*Recalling* decision 1/CP.16, paragraph 128, on the work programme for the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on technology development and transfer with a view to the Conference of the Parties taking a decision on, inter alia, a call for proposals to host the Climate Technology Centre and Network and the criteria to be used to evaluate and select a host of the Climate Technology Centre and Network at its seventeenth session in order to make the Technology Mechanism fully operational in 2012,

*Stressing* the importance of making its two components, the Technology Executive Committee and the Climate Technology Centre and Network, fully operational as soon as possible in 2012 in order to promote and enhance the research, development, deployment and diffusion of environmentally sound technologies in support of action on mitigation and adaptation in developing countries, in order to achieve the ultimate objective of the Convention,

*Recalling* that the Climate Technology Centre and Network and the Technology Executive Committee shall relate so as to promote coherence and synergy,

*Reaffirming* that both components of the Technology Mechanism shall facilitate the implementation of the objective set out in decision 1/CP.16, paragraph 113, in line with their respective functions agreed in decision 1/CP.16 and consistent with the mandate of the Technology Executive Committee in decision 1/CP.16, appendix IV, and the terms of reference of the Climate Technology Centre and Network contained in annex VII,

*Recalling* the need to further pursue the implementation of the Technology Mechanism and its two components with a view to making the Technology Mechanism fully operational as early as possible in 2012,

133. *Adopts* the terms of reference of the Climate Technology Centre and Network as contained in annex VII;

134. *Decides* that the Climate Technology Centre and Network shall begin its activities with an achievable scope of work so as to meet the needs of developing countries and be



flexible so that it can learn, adapt and adjust its scope and reach over time in response to the technology needs of developing countries and the demands of the emerging international climate change regime;

135. *Requests* the Climate Technology Centre and Network, once it is operational, to elaborate its modalities and procedures based on the terms of reference of the Climate Technology Centre and Network contained in annex VII and decision 1/CP.16, paragraph 123, and taking into account decision 1/CP.16, paragraph 120, and to report to the Conference of the Parties, through the subsidiary bodies at their thirty-eighth sessions, with a view to making a decision on this matter at the nineteenth session of the Conference of the Parties, including, inter alia, consideration of the following roles of the Climate Technology Centre and Network:

- (a) Identifying currently available climate-friendly technologies for mitigation and adaptation that meet their key low-carbon and climate-resilient development needs;
- (b) Facilitating the preparation of project proposals for the deployment, utilization and financing of existing technologies for mitigation and adaptation;
- (c) Facilitating adaptation and the deployment of currently available technologies to meet local needs and circumstances;
- (d) Facilitating research, development and demonstration of new climate-friendly technologies for mitigation and adaptation, which are required to meet the key objectives of sustainable development;
- (e) Enhancing national and regional human and institutional capacity to manage the technology cycle, and to support the challenges for activities listed in paragraphs 135 (a–d) above;
- (f) Helping to facilitate the financing of the activities listed in paragraphs 135 (a–e) above, through various sources in accordance with paragraph 139 below;

136. *Decides* that the selection process for the host of the Climate Technology Centre shall be launched upon the conclusion of the seventeenth session of the Conference of the Parties and shall be conducted in an open, transparent, fair and neutral manner in accordance with the process outlined in this decision, and informed by United Nations practices, in order to make the Technology Mechanism become fully operational in 2012;

137. *Requests* the secretariat:

- (a) To prepare and issue the call for proposals in accordance with this decision by 16 January 2012, including the preparation of the sample requests as referred to in annex VIII, paragraph 8(c), and invite interested organizations, including consortia of organizations, to submit their proposals in response to the call for proposals by 16 March 2012;
- (b) To provide responses to inquiries from interested organizations in consultation with the evaluation panel referred to in paragraph 137(d) below, as appropriate;
- (c) To compile the executive summaries contained in the submitted proposals and make them available simultaneously on the UNFCCC website;
- (d) To convene an evaluation panel, consisting of three members from Annex I Parties and three from non-Annex I Parties as nominated by the Technology Executive Committee from within its membership, by the end of February 2012:
  - (i) To conduct an assessment of the proposals received based on the methodology described in the criteria to be used to evaluate and select the host of the Climate Technology Centre contained in annex VIII, paragraph 9;

(ii) To prepare an evaluation report with a shortlist ranking up to five proponents, including information on how the criteria for the evaluation have been applied, and make it available for consideration by the Subsidiary Body for Implementation at its thirty-sixth session;

(e) To discuss the key elements of the potential host agreement with the top-ranked proponent, and, if needed, with the second-ranked and third-ranked proponents as agreed by the Subsidiary Body for Implementation at its thirty-sixth session and referred to in paragraph 138(a) below;

(f) To report the outcome of its discussion on the key elements of the potential host agreement to the Subsidiary Body for Implementation at its thirty-seventh session for its consideration, with a view to recommending it for consideration and approval by the Conference of the Parties at its eighteenth session;

138. *Requests* the Subsidiary Body for Implementation:

(a) To agree on, at its thirty-sixth session, a ranked list of up to three proponents based on the outcome of the assessment conducted by the evaluation panel referred to in paragraph 137(d)(i) above;

(b) To recommend the host of the Climate Technology Centre and Network to the Conference of the Parties for approval at its eighteenth session;

(c) To consider, at its thirty-sixth session, the constitution of the advisory board referred to in annex VII, paragraph 7, with a view to making a recommendation to the Conference of the Parties for consideration and adoption at its eighteenth session;

139. *Decides* that the costs associated with the Climate Technology Centre and the mobilization of the services of the Network should be funded from various sources, including the financial mechanism of the Convention, bilateral, multilateral and private-sector channels, philanthropic sources as well as financial and in-kind contributions from the host organization and participants in the Network;

140. *Requests* the Global Environment Facility to support the operationalization and activities of the Climate Technology Centre and Network without prejudging any selection of the host;

141. *Invites* Parties in a position to do so to support the Climate Technology Centre and Network through the provision of financial and other resources;

142. *Requests* the Technology Executive Committee and the Climate Technology Centre to establish procedures for preparing a joint annual report;

143. *Also requests* the secretariat to make available the joint annual report referred to in paragraph 142 above for consideration by the Conference of the Parties through its subsidiary bodies;

## VI. Capacity-building

*Recalling* decisions 2/CP.7, 2/CP.10, 4/CP.12 and 1/CP.16,

*Also recalling* decision 1/CP.16, paragraphs 136 and 137, which request the consideration of ways to further enhance the monitoring and review of the effectiveness of capacity-building, and to further elaborate the modalities regarding institutional arrangements for capacity-building, for consideration by the Conference of the Parties at its seventeenth session,

*Reaffirming* that capacity-building is essential in enabling developing country Parties to participate fully in addressing the challenges of climate change, and to implement effectively their commitments under the Convention,

*Also reaffirming* that capacity-building should be a continuous, progressive and iterative process that is participatory, country-driven and consistent with national priorities and circumstances,

*Further reaffirming* the importance of taking into account gender aspects and acknowledging the role and needs of youth and persons with disabilities in capacity-building activities,

*Acknowledging* that capacity-building is cross-cutting in nature and an integral part of enhanced action on mitigation, adaptation, technology development and transfer, and access to financial resources,

*Noting with appreciation* the progress made across the bodies established under the Convention and the operating entities of the financial mechanism, including those agreed to in decision 1/CP.16, in integrating capacity-building into enhanced action on mitigation, adaptation, technology development and transfer, and access to financial resources,

*Also noting* decision 1/CP.16, paragraph 65, which encourages Parties to develop low-carbon development strategies or plans in the context of sustainable development, welcoming those Parties that have already begun the process of developing these strategies, and noting the important capacity-building outcomes that this process and related partnerships can provide,

*Further noting* that, while progress has been made, gaps still remain in addressing the priority issues identified in the framework for capacity-building in developing countries as contained in decision 2/CP.7,

144. *Requests* the Subsidiary Body for Implementation to further enhance the monitoring and review of the effectiveness of capacity-building by organizing an annual in-session Durban Forum for in-depth discussion on capacity-building with the participation of Parties, representatives of the relevant bodies established under the Convention, and relevant experts and practitioners, with a view to sharing their experiences and exchanging ideas, best practices and lessons learned regarding the implementation of capacity-building activities;

145. *Decides* that the Durban Forum should include as inputs, inter alia, any capacity-building elements contained in the reports prepared since the most recent session of the Durban Forum by the relevant bodies established under the Convention;

146. *Requests* the secretariat to compile and synthesize the reports prepared since the most recent session of the Durban Forum by the relevant bodies established under the Convention;

147. *Also requests* the secretariat to prepare a summary report on the Durban Forum for consideration by the Subsidiary Body for Implementation;

148. *Encourages* Parties to continue to provide information through the appropriate channels, including national communications, on the progress made in enhancing the capacity to address climate change;

149. *Invites* developing country Parties to report on progress made and measures taken in implementing and improving their enabling environments to build national capacity for mitigation and adaptation, and to include the needs relevant to enhancing the progress made on such measures in their communications on capacity-building priorities;

150. *Requests* the secretariat to continue to compile and synthesize the information provided by Annex I Parties and to summarize the information provided by non-Annex I Parties in their national communications and submissions, and to compile and synthesize information on capacity-building activities, including lessons learned, provided by the relevant bodies established under the Convention and by international and regional organizations;

151. *Also requests* the Subsidiary Body for Implementation, in its consideration of the third and subsequent comprehensive reviews of the implementation of the framework for capacity-building in developing countries, to include the reports of relevant bodies established under the Convention, as well as the summary reports on the Durban Forum referred to in paragraph 147 above, as additional inputs to these reviews;

152. *Encourages* the relevant bodies established under the Convention, including, inter alia, the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, the Least Developed Countries Expert Group and the Global Environment Facility as an operating entity of the financial mechanism, to continue to elaborate and carry out work on capacity-building in an integrated manner, as appropriate, within their respective mandates;

153. *Recognizes* that there may be ways to further enhance the monitoring and review of the effectiveness of capacity-building;

154. *Decides* that, in addition to the topics outlined in paragraph 144 above, the first meeting of the Durban Forum, organized during the thirty-sixth session of the Subsidiary Body for Implementation, shall explore potential ways to further enhance monitoring and review of the effectiveness of capacity-building;

155. *Also decides* that the financial resources for enhanced action on capacity-building in developing country Parties should be provided by Parties included in Annex II to the Convention and other Parties in a position to do so through the current and any future operating entities of the financial mechanism, as well as through various bilateral, regional and other multilateral channels, as appropriate;

156. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources;

## **VII. Review: further definition of its scope and development of its modalities**

*Recalling* decision 1/CP.16, paragraphs 4 and 138–140,

157. *Reaffirms* that the review should periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, in accordance with the relevant principles and provisions of the Convention;

158. *Confirms* that the first review should start in 2013 and should be concluded by 2015, when the Conference of the Parties shall take appropriate action based on the review;

159. *Agrees* that Parties will continue working on the scope of the review and considering its further definition, with a view to taking a decision at the Conference of the Parties at its eighteenth session;

160. *Also agrees* that the review should be guided by the principles of equity and common but differentiated responsibilities and respective capabilities and should take into account, inter alia, the following:

- (a) The best available scientific knowledge, including the assessment reports of the Intergovernmental Panel on Climate Change;
- (b) Observed impacts of climate change;
- (c) An assessment of the overall aggregate effect of the steps taken by Parties in order to achieve the ultimate objective of the Convention;
- (d) Consideration of strengthening the long-term global goal, referencing various matters presented by the science, including in relation to temperature rise of 1.5 degrees Celsius;

161. *Further agrees* that the review should be based on information from various sources, including the following:

- (a) The assessment and special reports and technical papers of the Intergovernmental Panel on Climate Change;
- (b) Submissions from Parties, national communications, first biennial update reports from developing country Parties and biennial reports from developed country Parties, national inventories, reports on international consultation and analysis, international analysis and review, and other relevant reports from Parties and processes under the Convention;
- (c) Other relevant reports from United Nations agencies and other international organizations, including reports on emission projections, technology development, access, transfer and deployment, and reports on gross domestic product, including projections;
- (d) Scientific information on the observed impacts of climate change, including that from reports coordinated by relevant regional and subregional agencies;

162. *Decides* that the review referred to in decision 1/CP.16, paragraphs 4 and 138, will be conducted with the assistance of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, and that the work shall be supported by expert consideration of the inputs referred to in paragraph 161 above, inter alia, through workshops and other in-session and intersessional activities, as appropriate;

163. *Agrees* to further define, at its eighteenth session, the expert consideration of inputs referred to in paragraph 162 above, including the possible establishment of a review expert group, to provide technical support to the review;

164. *Decides* that the review should consist of several phases, including information gathering and compilation, technical assessment through the organization of workshops, technical studies and the preparation of synthesis reports;

165. *Requests* the subsidiary bodies to organize workshops, including for the consideration of the information referred to in paragraph 161 above;

166. *Also requests* the subsidiary bodies to report on their considerations and findings to the Conference of the Parties, which should address those considerations and provide any further guidance, as appropriate;

167. *Decides* that subsequent reviews should take place following the adoption of an assessment report of the Intergovernmental Panel on Climate Change or at least every seven years;

## VIII. Other matters

### A. Matters related to Parties included in Annex I to the Convention undergoing the process of transition to a market economy

*Taking into account* that Annex I Parties undergoing the process of transition to a market economy are still lacking the appropriate means, knowledge and experience to develop and perform their national low-carbon development strategies with a view to achieving their quantified economy-wide emission reduction objectives as well as to implement their national action plans on adaptation,

*Recognizing* that the Parties, in spite of the consequences of the severe socio-economic crisis in the early 1990s, have made significant efforts through their targeted policies and measures to fully implement their commitments under the Convention and its Kyoto Protocol,

*Acknowledging* also that these Parties made their initial pledges with regard to green-house gas emission reduction levels to be achieved in the post-2012 period in the context of a comprehensive climate change framework,

168. *Invites* Annex I Parties that are in a position to do so, through multilateral agencies, including through the Global Environment Facility within its mandate, bilateral agencies and the private sector or through any further arrangements, as appropriate, to make available the capacity- building, financial, technical and technology transfer assistance for Annex I Parties undergoing the process of transition to a market economy in order to assist these Parties in the development and implementation of their national low-carbon development strategies and action plans consistent with their national priorities and with their emission reduction targets;

169. *Also invites* multilateral and bilateral agencies to coordinate their activities in support of the implementation of this assistance;

### B. Matters related to Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties

*Recalling* decision 26/CP.7 and decision 1/CP.16, which recognized that Turkey is in a situation different from that of other Annex I Parties,

170. *Agrees* to continue with the discussion on modalities for the provision of support for mitigation, adaptation, technology development and transfer, capacity-building and finance to Parties whose special circumstances are recognized by the Conference of the Parties in order to assist these Parties in the implementation of the Convention;

171. *Requests* that the actions of the secretariat called for in paragraphs 1–170 above be undertaken subject to the availability of financial resources.

## Annex I

### UNFCCC biennial reporting guidelines for developed country Parties

#### I. Objectives

1. The objectives of these guidelines for preparing the biennial reports are the following:

(a) To assist Parties included in Annex I to the Convention (Annex I Parties) in meeting their commitments for reporting under Articles 4 and 12 of the Convention enhanced by decision 1/CP.16;

(b) To ensure the provision of consistent, transparent, comparable, accurate and complete information by developed country Parties;

(c) To ensure that the biennial reports include information on the progress made by Annex I Parties in achieving their quantified economy-wide emission reduction targets, projected emissions, and the provision of financial, technological and capacity-building support to Parties not included in Annex I to the Convention (non-Annex I Parties);

(d) To facilitate the international assessment of emissions and removals related to progress towards the achievement of the quantified economy-wide emission reduction targets;<sup>1</sup>

(e) To facilitate reporting by Annex I Parties of information on any economic and social consequences of response measures.

#### II. Information on greenhouse gas emissions and trends

2. Summary information from the national greenhouse gas (GHG) inventory on emissions and emission trends prepared according to the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories” (hereinafter referred to as the UNFCCC Annex I inventory reporting guidelines) shall be prepared for the period from 1990 to the latest year in the most recent inventory submission available. The information provided in the biennial report should be consistent with that provided in the most recent annual inventory submission, and any differences should be fully explained.

3. Annex I Parties shall provide summary information on their national inventory arrangements in accordance with the reporting requirements related to national inventory arrangements contained in the UNFCCC Annex I inventory reporting guidelines, and on the changes to these national inventory arrangements since their last national communication or biennial report.

#### III. Quantified economy-wide emission reduction target

4. Each Annex I Party shall describe its quantified economy-wide emission reduction target, including any conditions or assumptions that are relevant to the attainment of that

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<sup>1</sup> Decision 1/CP.16, paragraph 44.

target, as communicated to the secretariat and contained in document FCCC/SB/2011/INF.1/Rev.1 or any update to that document.

5. The description of the Party's economy-wide emission reduction target shall include the following information, taking into consideration any relevant decisions of the Conference of the Parties (COP):

- (a) Base year;
- (b) Gases and sectors covered;
- (c) Global warming potential values as established by the relevant decisions adopted by the COP;
- (d) Approach to counting emissions and removals from the land use, land-use change and forestry (LULUCF) sector, taking into consideration any relevant decisions adopted by the COP;
- (e) Use of international market-based mechanisms in achieving its emission reduction target, taking into consideration any relevant decisions adopted by the COP, including a description of each source of international units and/or allowances from market-based mechanisms and the possible scale of the contributions of each;
- (f) Any other information, including relevant accounting rules, taking into consideration any relevant decisions of the COP, where appropriate.

#### **IV. Progress in achievement of quantified economy-wide emission reduction targets and relevant information**

##### **A. Mitigation actions and their effects**

6. Each Annex I Party shall provide information on its mitigation actions, including on the policies and measures it has implemented or plans to implement since its last national communication or biennial report to achieve its economy-wide emission reduction target. To the extent appropriate, Parties shall organize the reporting of mitigation actions by sector (energy, industrial processes and product use, agriculture, LULUCF, waste and other sectors) and by gas (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride).

7. Each Annex I Party shall provide information on changes in its domestic institutional arrangements, including institutional, legal, administrative and procedural arrangements used for domestic compliance, monitoring, reporting, archiving of information and evaluation of the progress towards its economy-wide emission reduction target.

8. Each Annex I Party is encouraged to provide, to the extent possible, detailed information on the assessment of the economic and social consequences of response measures.

##### **B. Estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry activities**

9. For the base year, information reported on the emission reduction target shall include the following:



- (a) Total GHG emissions, excluding emissions and removals from the LULUCF sector;
  - (b) Emissions and/or removals from the LULUCF sector based on the accounting approach applied taking into consideration any relevant decisions of the COP and the activities and/or lands that will be accounted for;
  - (c) Total GHG emissions, including emissions and removals from the LULUCF sector;
10. For each reported year, information reported on progress made towards the emission reduction targets shall include, in addition to the information noted in paragraph 9(a–c) above, information on the use of units from market-based mechanisms.

## **V. Projections**

11. Each Annex I Party shall report the updated projections for 2020 and 2030 consistent with the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications” (hereinafter referred to as the UNFCCC Annex I reporting guidelines on national communications).
12. Each Annex I Party should report on the changes since its most recent national communication in the model or methodologies used for the preparation of projections and should provide supporting documentation.

## **VI. Provision of financial, technological and capacity-building support to developing country Parties**

13. Parties included in Annex II to the Convention (Annex II Parties) shall provide information on the provision of financial, technological and capacity-building support to non-Annex I Parties consistent with the requirements contained in section VIII of the UNFCCC Annex I reporting guidelines on national communications following common reporting formats,<sup>2</sup> including information to show how this support is new and additional. In reporting such information, Parties should distinguish, to the extent possible, between support provided to non-Annex I Parties for mitigation and adaptation activities, noting the capacity-building elements of such activities, where relevant. For activities with multiple objectives, the funding could be reported as a contribution allocated partially to the other relevant objectives.
14. Each Annex II Party shall provide a description of its national approach for tracking of the provision of financial, technological and capacity-building support to non-Annex I Parties, if appropriate. This description shall also include information on indicators and delivery mechanisms used and allocation channels tracked. If this information was already reported in the national communication, the biennial report should only report changes to this information.
15. In reporting information in accordance with paragraphs 17 and 18 below, Annex II Parties shall use any methodology to be developed under the Convention, taking into account international experience. Annex II Parties shall describe the methodology used in their biennial reports. Annex II Parties shall report in a rigorous, robust and transparent

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<sup>2</sup> To be developed.

manner the underlying assumptions and methodologies used to produce information on finance.

## **A. Finance**

16. Each Annex II Party shall describe, to the extent possible, how it seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to climate change adaptation and mitigation.

17. Each Annex II Party shall provide information on the financial support it has provided, committed and/or pledged for the purpose of assisting non-Annex I Parties to mitigate GHG emissions and adapt to the adverse effects of climate change and any economic and social consequences of response measures, and for capacity-building and technology transfer in the areas of mitigation and adaptation, where appropriate. To that end, each Annex II Party shall provide summary information in a textual and tabular format on allocation channels and annual contributions for the previous two calendar or financial years without overlapping with the previous reporting periods, including, as appropriate, the following:

- (a) The Global Environment Facility, the Least Developed Countries Fund, the Special Climate Change Fund, the Adaptation Fund, the Green Climate Fund and the Trust Fund for Supplementary Activities;
- (b) Other multilateral climate change funds;
- (c) Multilateral financial institutions, including regional development banks;
- (d) Specialized United Nations bodies;
- (e) Contributions through bilateral, regional and other channels;

18. Each Annex II Party shall provide the summary information, referred to in paragraph 17 above, for the previous two calendar or financial years in a textual and tabular format on the annual financial support that it has provided for the purpose of assisting non-Annex I Parties, including the following:

- (a) The amount of financial resources (including the amount in original currency and its equivalent in United States dollars/international currency);
- (b) The type of support (for mitigation and adaptation activities);
- (c) The source of funding;
- (d) The financial instrument;
- (e) The sector;
- (f) An indication of what new and additional financial resources they have provided pursuant to Article 4, paragraph 3, of the Convention; Parties shall clarify how they have determined that such resources are new and additional;

19. Recognizing that the goal of mobilizing the financial resources referred to in decision 1/CP.16, paragraph 98, includes private financial sources, Annex II Parties should report, to the extent possible, on private financial flows leveraged by bilateral climate finance towards mitigation and adaptation activities in non-Annex I Parties, and should report on policies and measures that promote the scaling up of private investment in mitigation and adaptation activities in developing country Parties.

20. Annex II Parties should specify the types of instruments used in the provision of their assistance, such as grants and concessional loans.

## **B. Technology development and transfer**

21. Each Annex II Party shall provide information on measures taken to promote, facilitate and finance the transfer of, access to and the deployment of climate-friendly technologies for the benefit of non-Annex I Parties, and for the support of the development and enhancement of endogenous capacities and technologies of non-Annex I Parties. Parties may also provide information on success and failure stories.

22. Each Annex II Party shall provide, in textual and tabular formats, information on measures and activities related to technology transfer implemented or planned since its last national communication or biennial report. In reporting such measures and activities, Annex II Parties shall, to the extent possible, provide information on the recipient country, the target area of mitigation or adaptation, the sector involved and the sources of technology transfer from the public or private sectors, and shall distinguish between activities undertaken by the public and private sectors.

## **C. Capacity-building**

23. Each Annex II Party shall provide information, to the extent possible, on how it has provided capacity-building support that responds to the existing and emerging capacity-building needs identified by non-Annex I Parties in the areas of mitigation, adaptation, and technology development and transfer. Information should be reported in a textual and tabular format as a description of individual measures and activities.

## **VII. Other reporting matters**

24. Annex I Parties are encouraged to report, to the extent possible, on the domestic arrangements established for the process of the self-assessment of compliance with emission reductions in comparison with emission reduction commitments or the level of emission reduction that is required by science. Annex I Parties are encouraged to report, to the extent possible, on the progress made in the establishment of national rules for taking local action against domestic non-compliance with emission reduction targets.

25. Annex I Parties are encouraged to report any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its biennial report.

## **VIII. Reporting**

26. The information identified in these guidelines shall be communicated electronically by Annex I Parties to the secretariat and shall be in one of the official languages of the United Nations. Parties are encouraged to submit an English translation of the biennial report to facilitate its use in the review process.

## **IX. Updating of the guidelines**

27. These guidelines shall be revised, as appropriate, taking into consideration any relevant decisions of the COP.

## **Annex II**

### **Modalities and procedures for international assessment and review**

#### **I. Objectives of the international assessment and review process**

1. The overall objectives of the international assessment and review (IAR) process are to review the progress made in achieving emission reductions and assess the provision of financial, technological, and capacity-building support to developing country Parties, and to assess emissions and removals related to quantified economy-wide emission reduction targets under the Subsidiary Body for Implementation (SBI), taking into account national circumstances, in a rigorous, robust and transparent manner, with a view to promoting comparability and building confidence.
2. In addition, the IAR process aims at assessing the implementation of methodological and reporting requirements.

#### **II. Process and scope**

##### **A. Process**

3. The IAR process will be conducted in the following steps:
  - (a) A technical review of biennial reports, where relevant in conjunction with the annual greenhouse gas (GHG) inventories, and national communications of developed country Parties, which will result in an individual review report for each developed country Party;
  - (b) A multilateral assessment of developed country Parties' progress in implementation towards the achievement of emission reductions and removals related to their quantified economy-wide emission reduction targets.

##### **B. Scope**

4. Building upon relevant elements of the existing review process under the Convention, for each developed country Party, the following will be reviewed:
  - (a) All emissions and removals related to its quantified economy-wide emission reduction target;
  - (b) Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target;
  - (c) Progress towards the achievement of its quantified economy-wide emission reduction target;
  - (d) Its provision of financial, technological and capacity-building support to developing country Parties;
5. For each developed country Party the following elements will be multilaterally assessed:

- (a) All emissions and removals related to its quantified economy-wide emission reduction target;
- (b) Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target;
- (c) Progress towards the achievement of its quantified economy-wide emission reduction target.

### **III. Technical review**

6. Each developed country Party's biennial report will be reviewed, where relevant in conjunction with the annual GHG inventory and national communication review processes, as follows:

- (a) The technical review will be conducted in accordance with existing and revised guidelines and procedures under the Convention;
- (b) The technical expert review will examine the consistency of the annual GHG inventory with the biennial report and national communication but will not include in-depth examination of the inventory itself;
- (c) The Party concerned can respond to the questions or suggestions of the expert review team as well as propose and share any additional information or views;
- (d) In addition to the tasks set forth in decisions 2/CP.1, 9/CP.2, 6/CP.3 and 33/CP.7 and their related annexes, the expert review teams should also review progress in emission reductions and removals related to the quantified economy-wide emission reduction target. Additional experts may be added to the review team where necessary;

7. The output of the technical review will be a technical review report building on existing reporting standards and including an examination of the Party's progress in achieving its economy-wide emission reduction target.

### **IV. Multilateral assessment**

8. The multilateral assessment will be carried out for each developed country Party on the basis of the following:

- (a) The technical review report referred to in paragraph 7 above and any other relevant review reports of the annual GHG inventory and national communication;
- (b) The biennial report, the national GHG inventory, including the national inventory report, and the national communication;
- (c) Supplementary information on the achievement of the Party's quantified economy-wide emission reduction target, including on the role of land use, land-use change and forestry, and carbon credits from market-based mechanisms;

9. Each developed country Party will be assessed during an SBI session.

10. The multilateral assessment should entail the following:

- (a) Any Party may submit electronically through the secretariat written questions to the Party concerned in advance of the international assessment;
- (b) The Party under assessment should endeavour to respond to those questions, through the secretariat, within two months. The secretariat will compile the questions and answers and publish them on the UNFCCC website;

(c) During the SBI session, developed country Parties will undergo the assessment with the participation of all Parties. The Party under review may make a brief oral presentation, which will be followed by oral questions by Parties and responses by the Party under review.

11. The outputs of the international assessment for each Party will include the following: a record prepared by the secretariat which includes in-depth review reports, the summary report of the SBI, questions submitted by Parties and responses provided, and any other observations by the Party under review that are submitted within two months of the working group session of the SBI.

12. The SBI will forward conclusions based on the record referred to in paragraph 11 above to relevant bodies under the Convention as appropriate.

## Annex III

### **UNFCCC biennial update reporting guidelines for Parties not included in Annex I to the Convention**

#### **I. Objectives**

1. The objectives of the guidelines for the preparation of the biennial update reports from Parties not included in Annex I to the Convention (non-Annex I Parties) are as follows:

(a) To assist non-Annex I Parties in meeting their reporting requirements under Article 4, paragraph 1(a), and Article 12 of the Convention and decision 1/CP.16;

(b) To encourage the presentation of information in a consistent, transparent, complete, accurate and timely manner, taking into account specific national and domestic circumstances;

(c) To enable enhanced reporting by non-Annex I Parties on mitigation actions and their effects, needs and support received, in accordance with their national circumstances, capacities and respective capabilities, and the availability of support;

(d) To provide policy guidance to an operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of preparing their biennial update reports;

(e) To facilitate the presentation of information on finance, technology and capacity-building support needed and received, including for the preparation of biennial update reports;

(f) To facilitate reporting by non-Annex I Parties, to the extent possible, on any economic and social consequences of response measures;

#### **II. Scope**

2. The scope of biennial update reports is to provide an update to the most recently submitted national communication in the following areas:

(a) Information on national circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis;

(b) The national inventory of anthropogenic emissions by sources and removal by sinks of all greenhouse gases (GHGs) not controlled by the Montreal Protocol, including a national inventory report;

(c) Information on mitigation actions and their effects, including associated methodologies and assumptions;

(d) Constraints and gaps, and related financial, technical and capacity needs, including a description of support needed and received;

(e) Information on the level of support received to enable the preparation and submission of biennial update reports;

(f) Information on domestic measurement reporting and verification;

(g) Any other information that the non-Annex I Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its biennial update report.

### **III. National greenhouse gas inventory**

3. Non-Annex I Parties should submit updates of national GHG inventories according to paragraphs 8–24 in the “Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention” (hereinafter referred to as the UNFCCC guidelines for the preparation of national communications from non-Annex I Parties) as contained in the annex to decision 17/CP.8. The scope of the updates on national GHG inventories should be consistent with capacities, time constraints, data availabilities and the level of support provided by developed countries Parties for biennial update reporting.

4. Non-Annex I Parties should use the methodologies established by the latest UNFCCC guidelines for the preparation of national communications from non-Annex I Parties approved by the Conference of the Parties (COP) or those determined by any future decision of the COP on this matter.

5. The updates of the sections on the national inventories of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol should contain updated data on activity levels based on the best information available using the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* (hereinafter referred to as the Revised 1996 IPCC Guidelines), the *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, and the *Good Practice Guidance for Land Use, Land-Use Change and Forestry* (hereinafter referred to as the IPCC good practice guidance for LULUCF); any change to the emission factor may be made in the subsequent full national communication.

6. Non-Annex I Parties are encouraged to include, as appropriate and to the extent that capacities permit, in the inventory section of the biennial update report, tables included in annex 3A.2 to the IPCC good practice guidance for LULUCF and the sectoral report tables annexed to the Revised 1996 IPCC Guidelines.

7. Each non-Annex I Party is encouraged to provide a consistent time series back to the years reported in the previous national communications.

8. Non-Annex I Parties which have previously reported on their national GHG inventories contained in their national communications are encouraged to submit summary information tables of inventories for previous submission years (e.g. for 1994 and 2000).

9. The inventory section of the biennial update report should consist of a national inventory report as a summary or as an update of the information contained in chapter III (National greenhouse gas inventories) of the annex to decision 17/CP.8, including table 1, on “National greenhouse gas inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol and greenhouse gas precursors”, and table 2, on “National greenhouse gas inventory of anthropogenic emissions of HFCs, PFCs and SF<sub>6</sub>”.

10. Additional or supporting information, including sector-specific information, may be supplied in a technical annex.



## **IV. Mitigation actions**

11. Non-Annex I Parties should provide information, in a tabular format, on actions to mitigate climate change, by addressing anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol.

12. For each mitigation action or groups of mitigation actions including, as appropriate, those listed in document FCCC/AWGLCA/2011/INF.1, developing country Parties shall provide the following information to the extent possible:

(a) Name and description of the mitigation action, including information on the nature of the action, coverage (i.e. sectors and gases), quantitative goals and progress indicators;

(b) Information on methodologies and assumptions;

(c) Objectives of the action and steps taken or envisaged to achieve that action;

(d) Information on the progress of implementation of the mitigation actions and the underlying steps taken or envisaged, and the results achieved, such as estimated outcomes (metrics depending on type of action) and estimated emission reductions, to the extent possible;

(e) Information on international market mechanisms.

13. Parties should provide information on the description of domestic measurement, reporting and verification arrangements.

## **V. Finance, technology and capacity-building needs and support received**

14. Non-Annex I Parties should provide updated information on constraints and gaps, and related financial, technical and capacity-building needs.

15. Non-Annex I Parties should also provide updated information on financial resources, technology transfer, capacity-building and technical support received from the Global Environment Facility, Parties included in Annex II to the Convention and other developed country Parties, the Green Climate Fund and multilateral institutions for activities relating to climate change, including for the preparation of the current biennial update report.

16. With regard to the development and transfer of technology, non-Annex I Parties should provide information on technology needs, which must be nationally determined, and on technology support received.

## **VI. Submission**

17. The information provided in accordance with these guidelines should be communicated by each non-Annex I Party to the COP, through the secretariat, in a single document, in electronic format.

18. Non-Annex I Parties should submit their biennial update reports in English or any one of the official United Nations languages.

19. Additional or supporting information may be supplied through other documents, such as a technical annex.

## **VII. Updating the guidelines**

20. These guidelines should be reviewed and revised, as appropriate, in accordance with decisions of the COP.

## Annex IV

### Modalities and guidelines for international consultation and analysis

#### I. Objectives

1. International consultation and analysis (ICA) of biennial update reports under the Subsidiary Body for Implementation (SBI) will be conducted in a manner that is non-intrusive, non-punitive and respectful of national sovereignty; ICA will aim to increase the transparency of mitigation actions and their effects, through analysis by technical experts in consultation with the Party concerned and through a facilitative sharing of views, and will result in a summary report.
2. Discussion on the appropriateness of such domestic policies and measures is not part of the process.

#### II. Scope and process

3. The ICA process will consist of the following two steps:
  - (a) A technical analysis of the biennial update reports submitted by Parties not included in Annex I to the Convention either, as a summary of parts of their national communication in the year in which the national communication is presented or as a stand-alone update report, by a team of technical experts in consultation with the Party, and will result in a summary report. The information considered should include the national greenhouse gas inventory report, information on mitigation actions, including a description of such actions, an analysis of their impacts and the associated methodologies and assumptions, the progress made in their implementation and information on domestic measurement, reporting and verification, and on support received.
  - (b) A facilitative sharing of views, which will have as input the biennial update report and summary report referred to in paragraph 3(a) above.
4. The information referred to in paragraph 3(a) above shall be the input for the technical analysis by a team of technical experts. Additional technical information may be provided by the Party concerned. Prior to finalizing the report, the draft summary report prepared by the team of technical experts will be shared with the Party concerned for review and comment over the following three months, in order to respond to and incorporate Party comments in the report. The summary report, incorporating comments from the Party, shall be finalized in consultation with the Party concerned and be presented to the SBI.
5. The summary report referred to in paragraph 4 above will be noted by the SBI in its conclusions and shall be made publicly available on the UNFCCC website.
6. The SBI shall, at regular intervals, convene a workshop for the facilitative exchange of views, open to all Parties, for all Parties for which there is a biennial update report and a final summary report. Parties will be allowed to submit written questions in advance.
7. The facilitative exchange of views among Parties will consist of a one- to three-hour session for each Party or group of Parties. Parties may request to go individually or in a group of up to five Parties. The session will consist of a brief presentation by the Party or Parties concerned on their biennial update report, followed by oral questions and answers among Parties.

8. The outcome of the ICA will be a summary report and a record of the facilitative sharing of views.

## Annex V

### Indicative list of activities for the Adaptation Committee

1. Considering relevant information and providing recommendations to the Conference of the Parties on ways to rationalize and strengthen coherence among adaptation bodies, programmes and activities under the Convention.
2. Preparing an overview of the capacities of regional centres and networks working on aspects related to adaptation to the adverse effects of climate change, drawing on relevant information, and making recommendations to the Parties on ways to enhance the role of regional centres and networks in supporting adaptation at the regional and national levels.
3. Identifying the process for and scope of overview and other periodic reports on adaptation issues relevant to the work of the Adaptation Committee.
4. Preparing periodic overview reports synthesizing information and knowledge relating to, *inter alia*, the implementation of adaptation actions and good adaptation practices, observed trends, lessons learned, gaps and needs, including in the provision of support, and areas requiring further attention, for consideration by the Conference of the Parties, drawing on information from Parties and on other relevant reports and documents, including those of other bodies under the Convention.
5. Upon request, considering technical support and guidance to the Parties as they develop national adaptation plans.
6. Also upon request, considering work in support of the work programme on loss and damage.
7. Exchanging information with relevant Convention bodies and others, including the Standing Committee and the Technology Executive Committee, on means to incentivize the implementation of adaptation actions, including finance, technology, and capacity-building, with a view to identifying opportunities and further actions for consideration by the Conference of the Parties.
8. Upon the request of the Parties, providing advice on adaptation-related matters to relevant Convention bodies, including to the operating entities of the financial mechanism, as appropriate.
9. Compiling a roster of experts on adaptation issues, building on the existing UNFCCC rosters.

## Annex VI

### Composition and working modalities of the Standing Committee

1. The Standing Committee shall be composed of the following:
  - (a) Ten members from Parties included in Annex I to the Convention (Annex I Parties);
  - (b) Ten members from Parties not included in Annex I to the Convention (non-Annex I Parties), including two members each from the African, Asia-Pacific, and the Latin America and Caribbean States, one member from a small island developing State and one member from a least developed country Party.
2. The Standing Committee shall be composed of members nominated by Parties for approval by the Conference of the Parties, who shall have the necessary experience and skills, notably in the areas of climate change, development and finance, taking into account the need to achieve gender balance in accordance with decision 36/CP.7.
3. Standing Committee members shall serve for a term of two years, with the option of seeking additional terms.
4. The Standing Committee shall elect annually a chair and a vice-chair from among its members for a term of one year each, with one being a member from a non-Annex I Party and the other being a member from an Annex I Party. The positions of chair and vice-chair shall alternate annually between a member from a developed country Party and a member from a developing country Party.
5. The Standing Committee shall develop further modalities for the participation of observers from the operating entities of the financial mechanism of the Convention, from funding entities (multilateral, bilateral and regional) involved in climate finance and from observer organizations from the private sector and civil society admitted to the Convention.
6. The Standing Committee shall draw upon additional expertise as it may deem necessary.
7. The Standing Committee shall meet at least twice a year, or more if necessary, and its first meeting shall take place prior to the thirty-sixth session of the Subsidiary Body for Implementation.
8. The Standing Committee shall reach its conclusions by consensus.
9. The secretariat shall provide administrative support for the work of the Standing Committee.
10. The Conference of the Parties will conduct a review of the functions of the Standing Committee in 2015.

## Annex VII

### Terms of reference of the Climate Technology Centre and Network

#### I. Mission

1. The mission of the Climate Technology Centre and Network is to stimulate technology cooperation and to enhance the development and transfer of technologies and to assist developing country Parties at their request, consistent with their respective capabilities and national circumstances and priorities, in order to build or strengthen their capacity to identify technology needs, to facilitate the preparation and implementation of technology projects and strategies taking into account gender considerations to support action on mitigation and adaptation and enhance low emissions and climate-resilient development.

#### II Functions

2. The Climate Technology Centre and Network shall perform the functions designated by the Conference of the Parties as contained in decision 1/CP.16, paragraph 123.

#### III. Architecture

3. The Climate Technology Centre and Network will consist of the following:

- (a) A Climate Technology Centre;
- (b) A Network with the participation of the relevant institutions capable of responding to requests from developing country Parties related to technology development and transfer, including national technology centres and institutions; regional climate technology centres and networks; intergovernmental, international, regional and sectoral organizations, partnerships and initiatives that may contribute to technology deployment and transfer; and research, academic, financial, non-governmental, private-sector and public-sector organizations, partnerships and initiatives.

#### IV. Roles and responsibilities

##### *Climate Technology Centre*

4. The Climate Technology Centre shall manage the process of receiving and responding to requests from developing country Parties and shall work with the Network to respond to such requests. The Climate Technology Centre will receive these requests from developing country Parties through the national entity designated for this purpose under decision 4/CP.13.

5. The Climate Technology Centre would respond to requests by developing country Parties either by itself or by identifying the appropriate organizations in the Network in consultation with the requesting developing country Party. The Centre will:

- (a) Receive and assess requests and refine and prioritize those requests in conjunction with the nationally designated entity with the aim of establishing its technical feasibility;

(b) Respond to requests, through either the Centre or the Network, based on the use of the most appropriate capacity and expertise in accordance with its approved modalities and procedures.

*Network*

6. The members of the Network will undertake the substantive work to address requests made to the Climate Technology Centre by developing country Parties.

## **V. Governance of the Climate Technology Centre and Network**

7. The Climate Technology Centre and Network shall operate within its terms of reference and be accountable to, and under the guidance of, the Conference of the Parties through an advisory board.

8. That advisory board will determine its operational modalities and rules of procedure based on the functions outlined in decision 1/CP.16, paragraph 123.

9. The advisory board of the Climate Technology Centre and Network will:

(a) Provide guidance on:

(i) The report of the Climate Technology Centre and Network;

(ii) Prioritization criteria, taking into account the strategic considerations and recommendations provided by the Technology Executive Committee in relation to decision 1/CP.16, paragraph 120;

(b) Approve:

(i) The report of the Climate Technology Centre and Network;

(ii) Prioritization criteria for responding to requests from developing country Parties;

(iii) Criteria regarding the structure of the Network and the designation of organizations as members of the Network;

(iv) The programme of work (e.g. business plan and annual operating plan);

(c) Endorse:

(i) The appointment of the director;

(ii) The budget;

(iii) The financial statement;

(d) Ensure the application of fiduciary standards, and legal and ethical integrity;

(e) Monitor, assess and evaluate the timeliness and appropriateness of the responses of the Climate Technology Centre and Network to requests;

10. The Climate Technology Centre shall provide an annual report on the activities of the Climate Technology Centre and Network in order to facilitate the preparation of a joint annual report by the Technology Executive Committee and the Climate Technology Centre and Network on the activities of the Technology Mechanism, consisting of the report of the Climate Technology Centre and Network and the report of the Technology Executive Committee in accordance with their respective functions.

11. The constitution of the advisory board will be recommended by the subsidiary bodies to the Conference of the Parties at its eighteenth session.



12. The director of the Climate Technology Centre and Network shall be the secretary of the advisory board.
13. The host organization will provide the necessary administrative and infrastructural support for the effective functioning of the Climate Technology Centre and Network.

## **VI. Organizational structure of the Climate Technology Centre**

14. The organizational structure of the Climate Technology Centre will be designed and managed to maximize the effectiveness and efficiency of its operations.
15. The Climate Technology Centre shall have a lean cost-efficient organizational structure, within an existing institution, led by a director who will manage a small core team of professional and administrative staff, as required, to be appointed by and responsible to the host organization's governance structure in order to meet its responsibilities and to efficiently and effectively perform its functions.
16. The director will be approved by and accountable to the host governing body for the effectiveness and efficiency of the Climate Technology Centre in carrying out its functions.
17. As soon as practicable after appointment, the director will facilitate the timely recruitment of the staff of the Climate Technology Centre.

## **VII. Reporting and review**

18. The Climate Technology Centre shall provide an annual report on its activities and those of the Network and on the performance of their respective functions in accordance with decision 1/CP. 16, paragraph 126, and paragraph 10 above.
19. The report will contain all the information necessary to meet the principles of accountability and transparency required by the Convention and shall also include information on requests received and activities carried out by the Climate Technology Centre and Network, information on efficiency and effectiveness in responding to these requests, and information on ongoing work as well as lessons learned and best practices gained from that work.
20. The secretariat, subject to the availability of resources, shall commission an independent review of the effective implementation of the Climate Technology Centre and Network four years after its inception. The findings of the review, including any recommendations regarding enhancing the performance of the Climate Technology Centre and Network, will be considered by the Conference of the Parties. Subsequently, periodic independent reviews of the effectiveness of the Climate Technology Centre and Network will be conducted every four years.

## **VIII. Term of agreement**

21. The initial term of agreement to host the Climate Technology Centre will be for five years, with two four-year renewal periods, if so decided by the Conference of the Parties.
22. The renewal of agreement is subject to the host organization fulfilling its functions laid out in paragraph 2 above and its responsiveness to the direction given to it in paragraphs 4–6 above as identified in the findings of the independent review.
23. The Climate Technology Centre shall operate for initial terms until 2026, at which time the Conference of the Parties will review its functions and decide whether to extend its term.

## Annex VIII

### **Criteria to be used to evaluate and select the host of the Climate Technology Centre and Network and information required to be included in the proposals**

#### **I. Criteria to be used to evaluate and select the host of the Climate Technology Centre<sup>1</sup>**

1. The proposals will be evaluated against the following criteria in accordance with the methodology given in chapter II.

##### **A. Technical capabilities**

2. The prospective host's technical capabilities will be scored based on the following sub criteria, which are of equal importance:

(a) The proponent's comprehensive understanding of the development and transfer of technologies including in the context of the Convention, in particular the challenges and opportunities within developing countries as well as the understanding of regional, sub-regional and sectoral issues and differences regarding specific technologies;

(b) The breadth and depth of expertise as it relates to the subject areas, activities and roles and responsibilities of the Climate Technology Centre as referred to in the terms of reference of the Climate Technology Centre and Network contained in annex VII and the functions of the Climate Technology Centre contained in decision 1/CP.16, paragraph 123;

(c) Demonstrated capability to build capacity and facilitate the transfer of technology and technology diffusion in developing countries;

(d) Demonstrated capability in international multi-stakeholder cooperation, including the capability to involve the private sector (e.g. industrial enterprises) in order to maximize their contributions to Network activities in the development and transfer of environmentally sound technologies for adaptation and mitigation and the facilitation of networks.

##### **B. Technical approach**

3. The prospective host's technical approach will be scored based on the following sub criteria, which are of equal importance:

(a) The overall vision, organizational and administrative structure of the Climate Technology Centre and its ability to prioritize and respond to a high volume of requests from Parties which will have potentially broad content, in an effective and efficient manner;

(b) Demonstrated long-term commitment to host the Climate Technology Centre;

(c) Feasibility of the proposed approach and methodology for establishing and structuring the Network in order to accommodate regional and sub-regional issues, also

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<sup>1</sup> In this annex, research and development, demonstration, deployment, diffusion and transfer of technologies are referred to as technology development and transfer.

including the involvement of a wide range of relevant organizations, centres, networks, initiatives and private-sector entities;

(d) Feasibility of how the Climate Technology Centre will engage with the Network to create and maintain relationships with developing countries in order to ensure effective and efficient lines of communication and of how it will coordinate with relevant organizations to minimize redundancy;

(e) The extent to which the approach focuses on the objective of building capacity in requesting developing countries over the life of a programme.

### **C. Existing governance and management structures**

4. The prospective host's existing governance and management structures will be scored based on the following sub criteria, which are of equal importance:

(a) The effectiveness of the governance structure and the system of the proponent institution to ensure the evaluation of operational performance against the following elements: integrity; transparency; fiduciary and ethical standards, consistent with the principles of the United Nations; and reporting and accountability;

(b) Demonstrated capability to ensure fair and open international tendering for the procurement of services in line with the fiduciary and ethical standards of the United Nations;

(c) Effectiveness of the current management structure of the host organization to ensure gender sensitivity, transparency, responsiveness, flexibility, financial management, auditing and reporting functions, and the ability to provide high-quality administrative, infrastructural and logistic arrangements, and accessibility to developing country Parties, including the least developed country Parties;

(d) The ability to simultaneously manage and administer multiple and complex projects in developing countries in a timely manner, including the ability to work effectively with different clients and interest groups towards shared and complementary objectives; and the ability to evaluate the operational performance of project management and to take measures to enhance its effectiveness.

### **D. Climate Technology Centre and Network management plan**

5. The prospective host's Climate Technology Centre and Network management plan will be scored based on the following sub criteria, which are of equal importance:

(a) The feasibility of the plan and the schedule for initiating the rapid operational start-up of the Centre and the Network;

(b) The strength of the institutional management plan and the effectiveness of the management structure to ensure legal capacity, transparency, responsiveness, flexibility, and the identification and management of risks, including legal risks;

(c) The ability to evaluate the operational performance, to take measures in order to enhance its effectiveness, and to promote an independent and accountable relationship to the Conference of the Parties and to its related bodies as delegated;

(d) The quality of respective proposed key personnel as demonstrated by the extent and the appropriateness of their relevant supervisory and management experience, and their technical qualifications and experience with regard to technology transfer and diffusion in developing countries;

(e) The transparency and feasibility of the approach on how the proponent plans to engage with and coordinate the Network members to respond to requests from Parties.

## **E. Past performance**

6. The prospective host's past performance will be scored based on the following sub-criteria, which are of equal importance:

(a) The quality of the product or service, including: consistency in meeting goals and targets; cooperation and effectiveness in solving and learning from problems; timeliness of performance, including adherence to contract schedules and other time-sensitive project conditions; and effectiveness of the management at making prompt decisions and ensuring the efficient operation of tasks;

(b) A proven track record of cost control, including forecasting costs as well as accuracy in financial reporting;

(c) Experience in assembling technical assistance teams, including cross-sectoral teams of experts, in-country contractors, private-sector entities and subcontractors, placing them in the field in a timely manner and providing them with all necessary support;

(d) Demonstrated broad regional coverage, including at both the national and the local level, and the capacity in relation to technology development and transfer to respond to requests of developing countries in an expeditious manner;

(e) Experience, as it relates to the functions identified in decision 1/CP.16, paragraph 123;

(f) Demonstrated experience of setting up, organizing, coordinating and managing a network.

## **F. Budget proposal for Climate Technology Centre and Network**

7. The prospective host's budget proposal for the Climate Technology Centre and Network will be scored based on the following sub-criteria, which are of equal importance:

(a) The budget proposal should be balanced, manageable, comprehensive and scalable while providing specifics on how it will maintain fiduciary standards and legal and ethical integrity that is in line with the principles of the United Nations;

(b) The level of resource contributions to be provided in the execution of the mandate contained in the terms of reference, such as financial and in-kind contributions, including the total sum in monetary terms;

(c) The business model for the Climate Technology Centre and Network to enable cost-efficiency and financial sustainability.

## **G. Examples**

8. The prospective host's examples will be scored based on the following sub-criteria, which are of equal importance. The two scenarios in paragraphs 8(a) and (b) below are only illustrative, and do not, in any way, prejudice the actual operating budget of the Climate Technology Centre and Network:

*Example budget scenarios for the Climate Technology Centre and Network*

(a) Prospective hosts will provide two hypothetical scenarios in their proposals: one for a total annual budget of USD 10 million per year, and a second for an annual budget of USD 30 million per year. For each scenario, the proposal should detail the nature, scope and quantity of services that could be provided so as to meet requests that are in line with the functions of the Climate Technology Centre and Network as defined in decision 1/CP.16, and the terms of reference as defined in annex VII;

(b) The percentage of the overall operating budget under the hypothetical total budget scenarios of USD 10 million and USD 30 million per year to be used for administrative costs, such as infrastructure, budgetary support, human resources and overheads; proposals with lower percentages of the operative costs will be given higher scores;

*Example activities of the Climate Technology Centre and Network:*

(c) The feasibility and cost-effectiveness of the prospective host's approach to responding to the two sample requests, including management and implementation plans and a description of detailed activities required to achieve the objective of the two sample requests, accompanied by a budget.

## II. Methodology

9. The criteria listed above are presented by major category, so that prospective hosts will know which areas require emphasis in the preparation of information. These criteria serve as the standard against which all information will be evaluated, and serve to identify the significant matters which prospective hosts should address. The evaluation criteria, which contain sub criteria, and their evaluation weights are shown in the table below:

### **Evaluation criteria and associated weights**

<i>Major category</i>	<i>Weight</i>
Technical capabilities	20
Technical approach	20
Existing governance and management structures	13
Climate Technology Centre and Network management plan	15
Past performance	10
Budget proposal for the Climate Technology Centre and Network	10
Examples	12

10. Value for money: the criteria above will be used to assess the value for money of each proposal according to the following methodology. Proposals need to score a minimum of 50 per cent for each category, and 60 per cent overall. Best value for money will be calculated as follows: for the proposals, at, or above, the minimum levels, the total number of points scored will be divided by the overall budget proposal from the proponent as referred to in paragraph 7(a) above, for the delivery of the assigned functions of the Climate Technology Centre and Network, and the ratio will be used as input for the selection process, where the higher the ratio the more favourable the proposal will be considered.

11. All other criteria being equal, preference shall be given to a host organization located in a developing country.

### **III. Information required to be included in the proposals**

12. Prospective hosts of the Climate Technology Centre must provide information in their proposals demonstrating how they will implement the terms of reference. The proposal should be organized so as to respond to the outline of the evaluation criteria in a concise manner. Failure to include all information as specified may result in the rejection of the proposal as being non-responsive. The information required includes the following:

- (a) An executive summary;
- (b) A main proposal with relevant information organized in accordance with the evaluation and selection criteria contained in paragraphs 1–8 above;
- (c) A proposed organizational chart of the Climate Technology Centre with brief descriptions of key positions;
- (d) An outline of the terms of reference of the director of the Climate Technology Centre;
- (e) A cost sheet;
- (f) A schedule for the start-up of the Climate Technology Centre and Network;
- (g) Resumes of key staff of the proponent organization proposed to be assigned to the Climate Technology Centre and Network;
- (h) A response to the sample requests as referred to in paragraph 8(c) above;
- (i) Statements of work of past activities relevant to the functions of the Climate Technology Centre and Network, including a matrix of past performance and associated references;
- (j) Audited financial reports of the past three fiscal years;
- (k) Other relevant material (e.g. annual reports, social responsibility reports).

*10<sup>th</sup> plenary  
11 December 2011*

## Decision 3/CP.17

### Launching the Green Climate Fund

*The Conference of the Parties,*

*Recalling* decision 1/CP.16,

1. *Welcomes* the report of the Transitional Committee (FCCC/CP/2011/6 and Add.1), taking note with appreciation of the work of the Transitional Committee in responding to its mandate given in decision 1/CP.16, paragraph 109;
2. *Approves* the governing instrument for the Green Climate Fund annexed to this decision;
3. *Decides* to designate the Green Climate Fund as an operating entity of the financial mechanism of the Convention, in accordance with Article 11 of the Convention, with arrangements to be concluded between the Conference of the Parties and the Fund at the eighteenth session of the Conference of the Parties to ensure that it is accountable to and functions under the guidance of the Conference of the Parties to support projects, programmes, policies and other activities in developing country Parties;
4. *Notes* that the Green Climate Fund will be guided by the principles and provisions of the Convention;
5. *Decides* to provide guidance to the Board of the Green Climate Fund, including on matters related to policies, programme priorities and eligibility criteria and matters related thereto, taking into account the Board's annual reports to the Conference of the Parties on its activities;
6. *Requests* the Board to operationalize the Fund in an expedited manner;
7. *Also requests* the Board to develop a transparent no-objection procedure to be conducted through national designated authorities referred to in paragraph 46 of the governing instrument annexed to this decision, in order to ensure consistency with national climate strategies and plans and a country driven approach and to provide for effective direct and indirect public and private sector financing by the Green Climate Fund. Further requests the Board to determine this procedure prior to approval of funding proposals by the Fund;
8. *Requests* the Board to balance the allocation of the Green Climate Fund resources between adaptation and mitigation activities;
9. *Stresses* the need to secure funding for the Green Climate Fund, taking into account paragraphs 29 and 30 of the governing instrument, to facilitate its expeditious operationalization, and requests the Board to establish the necessary policies and procedures, which will enable an early and adequate replenishment process;
10. *Invites* Parties, through their regional groupings and constituencies, to submit their nominations for the members of the Board to the interim secretariat by 31 March 2012, in accordance with paragraph 11 of the governing instrument for the Green Climate Fund, with the 12 seats for developing country Parties to be distributed as follows:
  - (a) Three members and alternate members from the Asia-Pacific States;
  - (b) Three members and alternate members from the African States;
  - (c) Three members and alternate members from the Latin American and the Caribbean States;

- (d) One member and alternate member from small island developing States;
  - (e) One member and alternate member from least developed country Parties;
  - (f) One member from developing country Parties not included in the regional groups and constituencies above and one alternate member to rotate between developing country Parties included in the groups and constituencies listed above;
11. *Decides* that the Green Climate Fund be conferred juridical personality and legal capacity and shall enjoy such privileges and immunities related to the discharge and fulfilment of its functions, in accordance with paragraphs 7 and 8 of the governing instrument;
12. *Invites* Parties, in line with the objectives set forth in paragraph 12 above, to submit to the Board expressions of interest for hosting the Green Climate Fund by 15 April 2012, based on the following criteria:
- (a) The ability to confer and/or recognize juridical personality and legal capacity to the Fund for the protection of its interests and the exercise of its functions, to give effect to paragraphs 7 and 8 of the governing instrument, including but not limited to the ability to contract, acquire and dispose of immovable and movable property, and to institute legal proceedings;
  - (b) The ability to provide privileges and immunities to the Fund as are necessary for the fulfilment of its purposes, and to the officials of the Fund as are necessary for the independent exercise of their official functions in connection with the Fund;
  - (c) Financial arrangements, administrative and logistical support to the Fund;
  - (d) Any other information that the host country wishes to provide;
13. *Requests* the Board, following the receipt of expressions of interest, to conduct an open and transparent process for the selection of the host country, and to decide on a host country for endorsement by the Conference of the Parties at its eighteenth session, in accordance with paragraph 22 of the governing instrument;
14. *Also requests* the Board and the host country of the Green Climate Fund to develop, in accordance with paragraphs 7 and 8 of the governing instrument, the legal and administrative arrangements for hosting the Fund, and to ensure that juridical personality and legal capacity are conferred to the Fund, and privileges and immunities as are necessary are granted to the Fund and its officials in an expeditious manner;
15. *Further requests* the Board to establish the independent secretariat of the Green Climate Fund in the host country in an expedited manner as soon as possible, in accordance with paragraph 19 of the governing instrument;
16. *Invites* the Board to select the trustee of the Green Climate Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services;
17. *Requests* the Board to initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate;
18. *Recognizes* the need to facilitate the immediate functioning of the Green Climate Fund and ensure its independence, requests the UNFCCC secretariat jointly with the Global Environment Facility secretariat to take the necessary administrative steps to set up the interim secretariat of the Green Climate Fund as an autonomous unit within the UNFCCC secretariat premises without undue delay after the seventeenth session of the Conference of



the Parties so that the interim secretariat can provide technical, administrative and logistical support to the Board until the independent secretariat of the Green Climate Fund is established;

19. *Decides* that the interim arrangements should terminate no later than the nineteenth session of the Conference of the Parties;
20. *Also decides* that the interim secretariat shall be fully accountable to the Board and shall function under its guidance and authority, and that its head shall report to the Board;
21. *Urges* the Board to move promptly to appoint the head of the interim secretariat;
22. *Decides* that the criteria for the selection of the head of the interim secretariat shall include, inter alia, expertise in the design or management of funds, relevant administrative and management experience, experience in or working with developing countries, and policy expertise;
23. *Requests* the interim secretariat to make arrangements for convening the first Board meeting by 30 April 2012;
24. *Welcomes* the offers made by Switzerland and the Republic of Korea to host the first and second meetings of the Board respectively, and invites Parties to host subsequent meetings;
25. *Invites* Parties to make financial contributions for the start-up of the Green Climate Fund, including administrative costs of the Board and its interim secretariat;
26. *Welcomes* the generous offers of the Republic of Korea, Germany and Denmark to contribute to the start-up cost of the Green Climate Fund.

## Annex

### **Governing instrument for the Green Climate Fund**

The Green Climate Fund (hereinafter the “Fund”) is hereby established and will operate in accordance with the following provisions:

#### **I. Objectives and guiding principles**

1. Given the urgency and seriousness of climate change, the purpose of the Fund is to make a significant and ambitious contribution to the global efforts towards attaining the goals set by the international community to combat climate change.
2. The Fund will contribute to the achievement of the ultimate objective of the United Nations Framework Convention on Climate Change (UNFCCC). In the context of sustainable development, the Fund will promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into account the needs of those developing countries particularly vulnerable to the adverse effects of climate change.
3. The Fund will be guided by the principles and provisions of the Convention. The Fund will operate in a transparent and accountable manner guided by efficiency and effectiveness. The Fund will play a key role in channelling new, additional, adequate and predictable financial resources to developing countries and will catalyse climate finance, both public and private, and at the international and national levels. The Fund will pursue a country-driven approach and promote and strengthen engagement at the country level through effective involvement of relevant institutions and stakeholders. The Fund will be scalable and flexible and will be a continuously learning institution guided by processes for monitoring and evaluation. The Fund will strive to maximize the impact of its funding for adaptation and mitigation, and seek a balance between the two, while promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach.

#### **II. Governance and institutional arrangements**

##### **A. Relationship to the Conference of the Parties**

4. The Fund will be designated as an operating entity of the financial mechanism under Article 11 of the Convention and will be accountable to and function under the guidance of the Conference of the Parties (COP).
5. The Fund will be governed and supervised by a Board that will have full responsibility for funding decisions.
6. Arrangements will be concluded between the COP and the Fund, consistent with Article 11 of the Convention, to ensure that the Fund is accountable to and functions under the guidance of the COP. In order to ensure accountability to the COP, pursuant to Article 11, paragraph 3, the Board will:
  - (a) Receive guidance from the COP, including on matters related to policies, programme priorities and eligibility criteria, and matters related thereto;

- (b) Take appropriate action in response to the guidance received;
- (c) Submit annual reports to the COP for its consideration and receive further guidance.

## **B. Legal status**

7. In order to operate effectively internationally, the Fund will possess juridical personality and will have such legal capacity as is necessary for the exercise of its functions and the protection of its interests.

8. The Fund will enjoy such privileges and immunities as are necessary for the fulfilment of its purposes. The officials of the Fund will similarly enjoy such privileges and immunities as are necessary for the independent exercise of their official functions in connection with the Fund.

## **C. Rules of procedure of the Board**

### **1. Composition**

9. The Board will have 24 members, composed of an equal number of members from developing and developed country Parties. Representation from developing country Parties will include representatives of relevant United Nations regional groupings and representatives from small island developing States (SIDS) and least developed countries (LDCs).

10. Each Board member will have an alternate member, with alternate members entitled to participate in the meetings of the Board only through the principal member, without the right to vote, unless they are serving as the member. During the absence of the member from all or part of a meeting of the Board, his or her alternate will serve as the member.

### **2. Selection of Board members**

11. The members of the Board and their alternates will be selected by their respective constituency or regional group within a constituency. Members of the Board will have the necessary experience and skills, notably in the areas of climate change and development finance, with due consideration given to gender balance.

### **3. Term of membership**

12. Members and alternate members will serve for a term of three years and be eligible to serve additional terms as determined by their constituency.

### **4. Chairmanship**

13. Two co-chairs of the Board will be elected by the Board members from within their membership to serve for a period of one year, with one being a member from a developed country Party and the other being a member from a developing country Party.

### **5. Decision-making**

14. Decisions of the Board will be taken by consensus of the Board members. The Board will develop procedures for adopting decisions in the event that all efforts at reaching consensus have been exhausted.

**6. Quorum**

15. A two-thirds majority of Board members must be present at a meeting to constitute a quorum.

**7. Observers**

16. The Board will make arrangements, including developing and operating accreditation processes, to allow for effective participation by accredited observers in its meetings. The Board will invite, to participate as active observers: two civil society representatives, one each from developing and developed countries, and two private sector representatives, one each from developing and developed countries.

**8. Additional rules of procedure**

17. Additional rules of procedures will be developed by the Board.

**D. Role and functions of the Board**

18. The Board of the Fund will:

- (a) Oversee the operation of all relevant components of the Fund;
- (b) Approve operational modalities, access modalities and funding structures;
- (c) Approve specific operational policies and guidelines, including for programming, project cycle, administration, and financial management;
- (d) Approve funding in line with the Fund's principles, criteria, modalities, policies and programmes;
- (e) Develop environmental and social safeguards and fiduciary principles and standards that are internationally accepted;
- (f) Develop criteria and application processes for the accreditation of implementing entities of the Fund and accredit implementing entities and withdraw such accreditation;
- (g) Establish subcommittees and panels and define their terms of reference, as appropriate;
- (h) Establish additional thematic windows and/or substructures to address specific activities, as appropriate;
- (i) Establish a framework for the monitoring and evaluation of performance and the financial accountability of activities supported by the Fund and any necessary external audits;
- (j) Review and approve the administrative budget of the Fund and arrange for performance reviews and audits;
- (k) Appoint the Executive Director of the secretariat;
- (l) Appoint the head of the evaluation unit and the heads of all accountability units;
- (m) Receive guidance and take action in response to any guidance from the COP and prepare annual reports to the COP on its activities;
- (n) Develop working and coordination arrangements with other relevant bodies under the Convention and other relevant international institutions;

- (o) Select, appoint and enter into legal and administrative arrangements with the trustee;
- (p) Exercise such other functions as may be appropriate to fulfil the objectives of the Fund.

## **E. Secretariat**

### **1. Establishment of the secretariat**

19. The Fund will establish a secretariat, which will be fully independent. The secretariat will service and be accountable to the Board. It will have effective management capabilities to execute the day-to-day operations of the Fund.

20. The secretariat will be headed by an Executive Director with the necessary experiences and skills, who will be appointed by and be accountable to the Board. The Board will approve the job description and qualifications for the Executive Director. The Executive Director will be selected through a merit-based, open and transparent process.

21. The secretariat will be staffed with professional staff with relevant experience. The staff selection will be managed by the Executive Director and will be open, transparent and based on merit, taking into account geographical and gender balance.

22. The selection of the host country of the Fund will be an open and transparent process. The selection of the host country will be endorsed by the COP.

### **2. Functions**

23. The secretariat will be responsible for the day-to-day operations of the Fund, providing administrative, legal and financial expertise. In particular, the secretariat will:

- (a) Organize and execute all administrative duties;
- (b) Report information on the Fund's activities;
- (c) Liaise with members, implementing entities, and cooperating bilateral and multilateral institutions and agencies;
- (d) Prepare performance reports on the implementation of activities under the Fund;
- (e) Develop the work programme and annual administrative budget of the secretariat and trustee and submit them for approval by the Board;
- (f) Operationalize the project and programme cycle processes;
- (g) Prepare financial agreements related to the specific financing instrument to be concluded with an implementing entity;
- (h) Monitor the financial risks of the outstanding portfolio;
- (i) Work with the trustee to support the Board to enable it to carry out its responsibilities;
- (j) Carry out monitoring and evaluation functions;
- (k) Support the Board in arranging replenishment processes;
- (l) Establish and run effective knowledge management practices;
- (m) Perform any other functions assigned by the Board.

## **F. Trustee**

24. The Fund will have a trustee with administrative competence to manage the financial assets of the Fund. The trustee will maintain appropriate financial records and will prepare financial statements and other reports required by the Board, in accordance with internationally accepted fiduciary standards.

25. The trustee will administer the assets of the Fund only for the purpose of, and in accordance with, the relevant decisions of the Board. The trustee will hold the assets of the Fund separate and apart from the assets of the trustee, but may commingle them for administrative and investment purposes with other assets maintained by the trustee. The trustee will establish and maintain separate records and accounts in order to identify the assets of the Fund.

26. The World Bank will serve as interim trustee for the Fund, subject to a review three years after the operationalization of the Fund.

27. The trustee will be accountable to the Board for the performance of its responsibilities as trustee for the Fund.

## **III. Administrative costs**

28. The Fund will finance the operating costs of the Board, secretariat and trustee.

## **IV. Financial inputs**

29. The Fund will receive financial inputs from developed country Parties to the Convention.

30. The Fund may also receive financial inputs from a variety of other sources, public and private, including alternative sources.

## **V. Operational modalities**

31. The Fund will provide simplified and improved access to funding, including direct access, basing its activities on a country-driven approach and will encourage the involvement of relevant stakeholders, including vulnerable groups and addressing gender aspects.

32. The Board will steer the Fund's operations so that they evolve with the Fund's scale and maturity and will exercise flexibility to allow the Fund to evolve over time and become the main global fund for climate change finance.

### **A. Complementarity and coherence**

33. The Fund shall operate in the context of appropriate arrangements between itself and other existing funds under the Convention, and between itself and other funds, entities, and channels of climate change financing outside the Fund.

34. The Board will develop methods to enhance complementarity between the activities of the Fund and the activities of other relevant bilateral, regional and global funding mechanisms and institutions, to better mobilize the full range of financial and technical capacities. The Fund will promote coherence in programming at the national level through

appropriate mechanisms. The Fund will also initiate discussions on coherence in climate finance delivery with other relevant multilateral entities.

## **B. Eligibility**

35. All developing country Parties to the Convention are eligible to receive resources from the Fund. The Fund will finance agreed full and agreed incremental costs for activities to enable and support enhanced action on adaptation, mitigation (including REDD-plus),<sup>1</sup> technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing countries.

36. The Fund will support developing countries in pursuing project-based and programmatic approaches in accordance with climate change strategies and plans, such as low-emission development strategies or plans, nationally appropriate mitigation actions (NAMAs), national adaptation plans of action (NAPAs), national adaptation plans (NAPs) and other related activities.

## **C. Funding windows and fund structure**

37. The Fund will have thematic funding windows. Initially, the Fund will have windows for adaptation and mitigation. An integrated approach to funding mitigation and adaptation will be used to allow for cross-cutting projects and programmes.

38. The Board shall also ensure adequate resources for capacity-building and technology development and transfer. The Fund will also provide resources for innovative and replicable approaches.

39. The Board will consider the need for additional windows. The Board will have the authority to add, modify and remove additional windows and substructures or facilities as appropriate.

### **1. Readiness and preparatory support**

40. The Fund will provide resources for readiness and preparatory activities and technical assistance, such as the preparation or strengthening of low-emission development strategies or plans, NAMAs, NAPs, NAPAs and for in-country institutional strengthening, including the strengthening of capacities for country coordination and to meet fiduciary principles and standards and environmental and social safeguards, in order to enable countries to directly access the Fund.

### **2. Private sector**

41. The Fund will have a private sector facility that enables it to directly and indirectly finance private sector mitigation and adaptation activities at the national, regional and international levels.

42. The operation of the facility will be consistent with a country-driven approach.

43. The facility will promote the participation of private sector actors in developing countries, in particular local actors, including small- and medium-sized enterprises and local financial intermediaries. The facility will also support activities to enable private sector involvement in SIDS and LDCs.

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<sup>1</sup> Reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

44. The Board will develop the necessary arrangements, including access modalities, to operationalize the facility.

#### **D. Access modalities and accreditation**

45. Access to Fund resources will be through national, regional and international implementing entities accredited by the Board. Recipient countries will determine the mode of access and both modalities can be used simultaneously.

46. Recipient countries may designate a national authority. This national designated authority will recommend to the Board funding proposals in the context of national climate strategies and plans, including through consultation processes. The national designated authorities will be consulted on other funding proposals for consideration prior to submission to the Fund, to ensure consistency with national climate strategies and plans.

##### **1. Direct access**

47. Recipient countries will nominate competent subnational, national and regional implementing entities for accreditation to receive funding. The Board will consider additional modalities that further enhance direct access, including through funding entities with a view to enhancing country ownership of projects and programmes.

##### **2. International access**

48. Recipient countries will also be able to access the Fund through accredited international entities, including United Nations agencies, multilateral development banks, international financial institutions and regional institutions.

##### **3. Accreditation**

49. The Board will develop, manage and oversee an accreditation process for all implementing entities based on specific accreditation criteria that reflect the Fund's fiduciary principles and standards and environmental and social safeguards.

#### **E. Allocation**

50. The Board will balance the allocation of resources between adaptation and mitigation activities under the Fund and ensure appropriate allocation of resources for other activities.

51. A results-based approach will be an important criterion for allocating resources.

52. In allocating resources for adaptation, the Board will take into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, including LDCs, SIDS and African States, using minimum allocation floors for these countries as appropriate. The Board will aim for appropriate geographical balance.

#### **F. Programming and approval processes**

53. The Fund will have a streamlined programming and approval process to enable timely disbursement. The Board will develop simplified processes for the approval of proposals for certain activities, in particular small-scale activities.



## **VI. Financial instruments**

54. The Fund will provide financing in the form of grants and concessional lending, and through other modalities, instruments or facilities as may be approved by the Board. Financing will be tailored to cover the identifiable additional costs of the investment necessary to make the project viable. The Fund will seek to catalyse additional public and private finance through its activities at the national and international levels.

55. The Fund may employ results-based financing approaches, including, in particular for incentivizing mitigation actions, payment for verified results, where appropriate.

56. Financial management practices and financing agreements will be in keeping with the Fund's fiduciary principles and standards and environmental and social safeguards to be adopted by the Board. The Board will develop an appropriate risk management policy for funding and financial instruments.

## **VII. Monitoring**

57. The programmes and projects, as well as other activities, funded by the Fund will be regularly monitored for impact, efficiency and effectiveness in line with rules and procedures established by the Board. The use of participatory monitoring involving stakeholders will be encouraged.

58. A results measurement framework with guidelines and appropriate performance indicators will be approved by the Board. Performance against these indicators will be reviewed periodically in order to support the continuous improvement of the Fund's impact, effectiveness and operational performance.

## **VIII. Evaluation**

59. There will be periodic independent evaluations of the performance of the Fund in order to provide an objective assessment of the results of the Fund, including its funded activities and its effectiveness and efficiency. The purpose of these independent evaluations is to inform decision-making by the Board and to identify and disseminate lessons learned. The results of the periodic evaluations will be published.

60. To this end, the Board will establish an operationally independent evaluation unit as part of the core structure of the Fund. The head of the unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit in agreement with the Board.

61. Reports of the Fund's independent evaluation unit will be provided to the COP for purposes of periodic reviews of the financial mechanism of the Convention.

62. The COP may commission an independent assessment of the overall performance of the Fund, including Board performance.

## **IX. Fiduciary standards**

63. The Board will agree on, adopt, and ensure the application of best practice fiduciary principles and standards to the Fund's entities, the trustee's function related to the Fund, and to all operations, projects and programmes financed by the Fund, including the implementing entities.

64. The Fund will support the strengthening of capacities in recipient countries, where needed, to be able to meet the Fund's fiduciary principles and standards, based on modalities that will be established by the Board.

## **X. Environmental and social safeguards**

65. The Board will agree on and adopt best practice environmental and social safeguards, which shall be applied to all programmes and projects financed using the resources of the Fund.

66. The Fund will support the strengthening of capacities in recipient countries, where needed, to enable them to meet the Fund's environmental and social safeguards, based on modalities that shall be developed by the Board.

## **XI. Accountability mechanisms**

67. The Fund's operations will be subject to an information disclosure policy that will be developed by the Board.

68. The Board will establish an independent integrity unit, to work with the secretariat and report to the Board, to investigate allegations of fraud and corruption in coordination with relevant counterpart authorities.

69. The Board will establish an independent redress mechanism that will report to the Board. The mechanism will receive complaints related to the operation of the Fund and will evaluate and make recommendations.

## **XII. Expert and technical advice**

70. In carrying out its functions the Board will develop mechanisms to draw on appropriate expert and technical advice, including from the relevant thematic bodies established under the Convention, as appropriate.

## **XIII. Stakeholder input and participation**

71. The Board will develop mechanisms to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund.

## **XIV. Termination of the Fund**

72. Termination of the Fund will be approved by the COP based on a recommendation of the Board.

*10<sup>th</sup> plenary meeting  
11 December 2011*

## Decision 4/CP.17

### Technology Executive Committee – modalities and procedures

*The Conference of the Parties,*

*Recalling* the relevant provisions of the Convention, in particular Article 4, paragraphs 1, 3, 5, 7, 8 and 9,

*Also recalling* decision 1/CP.16 on the establishment of a Technology Mechanism, comprising a Technology Executive Committee and a Climate Technology Centre and Network, with the objective of enhancing action on technology development and transfer to support action on mitigation and adaptation in order to achieve the full implementation of the Convention,

*Further recalling* that the Technology Executive Committee shall report, on an interim basis, to the Conference of the Parties, through the subsidiary bodies, on its activities and the performance of its functions,

1. *Welcomes* the report on modalities and procedures of the Technology Executive Committee,<sup>1</sup> for consideration by the Conference of the Parties at its seventeenth session, as requested by decision 1/CP.16;
2. *Adopts* the modalities of the Technology Executive Committee as contained in annex I to this decision;
3. *Also adopts* the rules of procedure of the Technology Executive Committee as contained in annex II to this decision;
4. *Notes* that the modalities elaborated by the Technology Executive Committee, which are based on the functions of the Technology Executive Committee as listed in decision 1/CP.16, include the following six key elements:
  - (a) Analysis and synthesis;
  - (b) Policy recommendations;
  - (c) Facilitation and catalysing;
  - (d) Linkage with other institutional arrangements;
  - (e) Engagement of stakeholders;
  - (f) Information and knowledge sharing;
5. *Stresses* the importance of engaging a broad range of stakeholders at the international, regional, national and subnational levels, including public institutions, the business community, academia and non-governmental organizations, in conducting its work, and that its work may require the establishment of institutional interfaces and communication channels at different levels, which would allow the Technology Executive Committee to mobilize and leverage a wider range of expertise and resources;
6. *Requests* the Technology Executive Committee to further elaborate its modalities on linkages with other relevant institutional arrangements under and outside the Convention, in the light of the agreed outcome of the seventeenth session of the Conference of the Parties,

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<sup>1</sup> FCCC/CP/2011/8.

and to provide such modalities for consideration by the subsidiary bodies at their thirty-sixth sessions, with a view to recommending the modalities for adoption by the Conference of the Parties at its eighteenth session;

## **Activities and performance of the Technology Executive Committee for 2011**

7. *Welcomes* the elected members of the Technology Executive Committee<sup>2</sup> and the election of Mr. Gabriel Blanco (Argentina) as chair and Mr. Antonio Pflüger (Germany) as vice-chair of the Technology Executive Committee for 2012 and acknowledges that Mr. Blanco and Mr. Pflüger acted as co-chairs of the first meeting of the Technology Executive Committee in 2011;

8. *Welcomes with appreciation* the report of the Technology Executive Committee on its activities and performance for 2011,<sup>3</sup> including on the outcomes of the group's first meeting, and the timely delivery of its report on modalities and procedures,<sup>4</sup> for consideration by the Conference of the Parties at its seventeenth session, as requested by decision 1/CP.16;

9. *Acknowledges* the late nomination of the members of the Technology Executive Committee for 2011 and agrees, on an exceptional basis and without setting a precedent, that the term of office of the members of the Technology Executive Committee currently in office will end immediately before the first meeting of the Technology Executive Committee in 2014 for those members serving a term of two years and immediately before the first meeting of the Technology Executive Committee in 2015 for those members serving a term of three years, as recommended by the Technology Executive Committee at its first meeting;<sup>5</sup>

10. *Also acknowledges* that the Technology Executive Committee expects to develop its rolling workplan for 2012–2013 during its next meeting, in February 2012, and requests that it make such workplan available in its report to the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation<sup>6</sup> at their thirty-sixth sessions;

11. *Encourages* Parties and relevant organizations in a position to do so to supplement the financial resources made available through the UNFCCC core budget for the implementation of the activities of the Technology Executive Committee.

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<sup>2</sup> FCCC/SB/2011/2, annex.

<sup>3</sup> FCCC/SB/2011/2.

<sup>4</sup> FCCC/CP/2011/8.

<sup>5</sup> FCCC/CP/2011/8, paragraph 13.

<sup>6</sup> Decision 1/CP.16, paragraph 126.

## Annex I

### Modalities of the Technology Executive Committee

#### I. Definitions

1. For the purpose of the modalities and procedures of the Technology Executive Committee (TEC):

(a) The “Convention” means the United Nations Framework Convention on Climate Change (UNFCCC);

(b) The “COP” means the Conference of the Parties to the Convention;

(c) “Parties” means Parties to the Convention;

(d) “Stakeholders” means the entities who have a role in the implementation of the functions of the TEC, or who may affect or be affected by the recommendations and actions of the TEC;

(e) “National communications” means national communications submitted by Parties in accordance with Articles 4 and 12 of the Convention;

(f) “TEC” means the Technology Executive Committee;

(g) “Technology needs assessments” means the technology needs assessments conducted under the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention adopted by decision 4/CP.7 and enhanced by decision 3/CP.13;

(h) “National adaptation programmes of action” means national adaptation programmes of action referred to in decision 5/CP.7, paragraph 11(c);

(i) “Nationally appropriate mitigation actions” means nationally appropriate mitigation actions referred to in decision 1/CP.16, chapter III.B;

(j) “National adaptation plans” means national adaptation plans referred to in decision 1/CP.16, paragraph 15;

(k) “CTCN” means the Climate Technology Centre and Network referred to in decision 1/CP.16, paragraph 117(b);

(l) “Observers” means the observers to the meetings of the TEC referred to in paragraphs 47 and 49 of the rules of procedure of the TEC, as referred in annex II to this decision;

(m) “Expert advisers” means the expert advisers to the meetings of the TEC referred to in paragraph 44 of the rules of procedure of the TEC;

(n) “TT:CLEAR” means the technology transfer information clearing house developed under the technology transfer framework;

(o) “IPCC” means the Intergovernmental Panel on Climate Change.

#### II. Analysis and synthesis

2. For performing the functions as contained in decision 1/CP.16, paragraph 121(a), with regard to analysis and synthesis, the modalities will include, inter alia, the following:

(a) Producing periodic technology outlooks; collating, collecting and synthesizing a range of information on technology research and development and other technology-related activities from various sources, including, but not limited to, national communications, nationally determined technology needs and technology needs assessments, national adaptation programmes of action, nationally appropriate mitigation actions, national adaptation plans, and technology road maps and action plans; and examining the policy implications and opportunities for advancing technology development and transfer;

(b) Producing a series of technical papers on specific policies and technical issues, including those arising from technology needs assessments;

(c) Conducting a regular overview of existing technology development, transfer initiatives, activities and programmes with a view to identifying key achievements and gaps, good practices and lessons learned;

3. The TEC should aim to produce concise documents including executive summaries that can be useful for high-level policymakers, wherever possible.

4. The TEC should draw upon the best available expertise, liaise with existing organizations and institutions, and produce analysis that is broad-based, in order to ensure the credibility and legitimacy of its recommendations.

5. The TEC should also seek collaboration and, where appropriate, co-produce specific analysis and synthesis reports with relevant expert organizations. As a general option, the TEC could create institutional interfaces to seek inputs from relevant stakeholders in carrying out this function, which could include workshops, dialogues, ad hoc working groups and a designated website. It should also take advantage of possible institutional interfaces established with other constituted bodies under the Convention.

### III. Policy recommendations

6. To perform the functions as contained in decision 1/CP.16, paragraph 121(b), (c) and (e), with regard to policy recommendations, the modalities will include, inter alia, the following:

(a) Recommending to the COP, or other relevant bodies under the Convention, actions to promote technology development and transfer and to address barriers;

(b) Recommending guidance on policies and programme priorities related to technology development and transfer, with special consideration given to least developed country Parties;

7. The TEC may engage stakeholders in formulating the TEC recommendations for action. The stakeholders may include Parties, the COP, other relevant bodies/entities, including the CTCN, operating entities of the financial mechanism of the Convention as well as a range of individual entities that will be affected by the implementation of the recommendations.

8. The TEC could establish working groups or panels composed of relevant experts on certain matters, which could include the members of the TEC, outside experts or both, to advise the TEC in formulating its policy recommendations consistent with the rules of procedure of the TEC.

## **IV. Facilitation and catalysing**

9. For performing the functions as contained in decision 1/CP.16, paragraph 121(d), (f) and (g), with regard to facilitating and catalysing actions, the modalities will include, inter alia, the following:

(a) Promoting and collaborating with relevant organizations, resources permitting, in organizing workshops and forums to increase the opportunities for sharing experience with experts in developing and implementing technology road maps and action plans as well as other technology-related activities;

(b) Establishing an inventory of existing collaboration activities and a regular review process, with a view to identifying key achievements and gaps, good practices and lessons learned;

(c) Making recommendations on actions to promote collaboration;

(d) Making recommendations on best practices and relevant tools to develop technology road maps and action plans;

(e) Establishing an inventory of technology road maps and action plans;

(f) Making recommendations on concrete actions, such as an international process for the development of technology road maps and action plans as well as support required to enhance the development of these items, and in particular capacity-building programmes that may be appropriate;

10. The TEC should identify stakeholders for each technology area, taking into consideration that the CTCN, intergovernmental organizations and other technology actors at the national level would be important partners in undertaking the function of developing technology road maps, while general technology cooperation would be an area where international organizations, the private sector, non-governmental organizations and research communities could have an important role to play.

11. The TEC should establish a procedure to involve stakeholders with regard to providing information on cooperative activities including experiences shared, lessons learned and opportunities for collaboration in facilitating and catalysing specific issues on the development and transfer of technologies. The TEC could consider establishing a permanent or issue-based interface with relevant organizations with expertise on climate technologies for the sake of efficiency and effectiveness.

## **V. Linkage with other institutional arrangements**

12. The TEC acknowledged the need to achieve coherence and maintain interactions with other relevant institutional arrangements under and outside of the Convention as requested by decision 1/CP.16, paragraph 125. Without prejudicing the outcome of the negotiations between Parties on the possible relationships and linkages between the TEC and the CTCN, the financial mechanism and other institutional arrangements under the Convention being negotiated under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, the TEC agreed to reconsider its modalities on these matters at its first meeting to be held in 2012, in the light of an expected agreed outcome in this regard at the seventeenth session of the COP.

## **VI. Engagement of stakeholders**

13. The TEC should engage a broad range of stakeholders at the international, regional and national levels, including public institutions, the business community, academia and non-governmental organizations, in conducting its work. Stakeholder engagement would be issue-based and would be channelled through work programmes, and may require the establishment of institutional interfaces and communication channels at different levels, which would allow the TEC to mobilize and leverage a wider range of expertise and resources.

14. The TEC could engage relevant stakeholders through, inter alia, the following:

(a) Offering participation in the TEC meetings as observers or expert advisers, where applicable;

(b) Engaging stakeholders through other models that the TEC may consider establishing, such as consultative groups, stakeholder forums and technical task forces.

## **VII. Information and knowledge sharing**

15. The TEC should disseminate its outputs and facilitate knowledge sharing through a well-functioning information platform that responds to the information and knowledge service requirements of its potential users, including Parties and a wide range of technology actors, experts and stakeholders.

16. The platform would be a tool used to promote the collaboration between various actors and to seek cooperation with relevant international organizations and initiatives. It would support the efforts of the TEC in the following ways: exploring opportunities for information sharing, establishing links with existing knowledge platforms and implementing joint initiatives and programmes.

17. The TEC should consider upgrading TT:CLEAR with an expanded and more strategic focus, tailored to the functions of the TEC, and building on existing technology information networks.



## Annex II

### Rules of procedure of the Technology Executive Committee

#### I. Scope

1. These rules of procedure shall apply to the Technology Executive Committee (TEC) in accordance with decision 1/CP.16, paragraph 125, and appendix IV to that decision on the composition and mandate of the TEC, as well as with any other relevant decisions of the Conference of the Parties.

#### II. Definitions

2. For the purpose of these rules:

(a) The “Convention” means the United Nations Framework Convention on Climate Change (UNFCCC);

(b) The “COP” means the Conference of the Parties to the Convention;

(c) “CTCN” means the Climate Technology Centre and Network;

(d) “Chair” means the member of the TEC elected as chair of the TEC;

(e) “Vice-chair” means the member of the TEC elected as vice-chair of the TEC;

(f) “Observers” means observers to the meetings of the TEC;

(g) “Stakeholders” means the entities that have a role in the implementation of the functions of the TEC, or that may affect or be affected by the recommendations and actions of the TEC;

(h) “Secretariat” means the secretariat referred to in Article 8 of the Convention;

(i) “TEC” means the Technology Executive Committee.

#### III. Members

3. The COP, by decision 1/CP.16, decided that the TEC shall have the mandate and composition as contained in appendix IV to that decision.

4. The TEC shall comprise 20 expert members, elected by the COP, serving in their personal capacity and nominated by Parties with the aim of achieving a fair and balanced representation, as follows:

(a) Nine members from Parties included in Annex I to the Convention (Annex I Parties);

(b) Three members from each of the three regions of the Parties not included in Annex I to the Convention (non-Annex I Parties), namely Africa, Asia and the Pacific, and Latin America and the Caribbean; one member from a small island developing State; and one member from a least developed country Party;<sup>1</sup>

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<sup>1</sup> Decision 1/CP.16, appendix IV, paragraph 1.



























