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DRAFT REPORT OF THE CONFERENCE OF THE PARTIES ON ITS EIGHTH SESSION

CONTENTS

PART ONE: PROCEEDINGS

	<u>Paragraphs</u>	<u>Page</u>
I. OPENING OF THE SESSION (Agenda item 1)		
A. Statement by the President of the Conference at its seventh session		
B. Election of the President of the Conference at its eighth session		
C. Statement by the President.....		
D. Addresses of welcome		
E. Statement by the Executive Secretary.....		
F. Other statements.....		
II. ORGANIZATIONAL MATTERS (Agenda item 2)		
A. Status of ratification of the Convention and its Kyoto Protocol		
B. Adoption of the rules of procedure		
C. Adoption of the agenda.....		
D. Election of officers other than the President.....		
E. Admission of organizations as observers.....		
F. Organization of work, including the sessions of the subsidiary bodies		
G. Date and venue of the ninth session of the Conference of the Parties.....		
H. Calendar of meetings of Convention bodies, 2003–2007.....		
I. Adoption of the report on credentials		

	J.	Attendance
	K.	Documentation
III.		REPORTS OF THE SUBSIDIARY BODIES AND DECISIONS AND CONCLUSIONS ARISING THEREFROM (Agenda item 3)
	A.	Report of the Subsidiary Body for Scientific and Technological Advice
	B.	Report of the Subsidiary Body for Implementation
IV.		REVIEW OF THE IMPLEMENTATION OF COMMITMENTS AND OF OTHER PROVISIONS OF THE CONVENTION (Agenda item 4)
	A.	Financial mechanism
	1.	Report of the Global Environment Facility
	2.	Funding under the Convention
	3.	Review of the financial mechanism
	4.	Additional guidance to an operating entity of the financial mechanism
	B.	National communications
	1.	National communications from Parties included in Annex I to the Convention
	2.	Greenhouse gas inventories from Parties included in Annex I to the Convention
	3.	National communications from Parties not included in Annex I to the Convention
	C.	Capacity-building
	D.	Development and transfer of technologies
	E.	Implementation of Article 4, paragraphs 8 and 9, of the Convention
	F.	Activities implemented jointly under the pilot phase
V.		FOLLOW-UP TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (Agenda item 5)
VI.		[to be completed] (Agenda item 6)
VII.		REQUEST FROM A GROUP OF COUNTRIES OF CENTRAL ASIA AND THE CAUCASUS, ALBANIA AND THE REPUBLIC OF MOLDOVA REGARDING THEIR STATUS UNDER THE CONVENTION (Agenda item 7)

- VIII. PREPARATIONS FOR THE FIRST SESSION OF THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL (Agenda item 8).....
- A. Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
- B. [to be completed]
- C. [to be completed]
- D. Other matters referred to the Conference of the Parties by the subsidiary bodies.....
- IX. REPORT OF THE EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM (Agenda item 9).....
- X. ADMINISTRATIVE AND FINANCIAL MATTERS (Agenda item 10)
- A. Audited financial statements for the biennium 2000–2001
- B. Income and budget performance in the biennium 2002–2003
- C. Procedure for the appointment of an Executive Secretary
- XI. HIGH-LEVEL SEGMENT ATTENDED BY MINISTERS AND SENIOR OFFICIALS (Agenda item 11).....
- XII. OTHER MATTERS (Agenda item 12)
- XIII. CONCLUSION OF THE SESSION (Agenda item 13).....
- A. Adoption of the report of the Conference of the Parties on its eighth session
- B. Closure of the session

Annexes

[to be completed]

PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES
AT ITS EIGHTH SESSION

[to be completed]

I. OPENING OF THE SESSION

(Agenda item 1)

1. The eighth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, convened pursuant to Article 7.4 of the Convention, was opened at the Vigyan Bhawan Conference Centre, New Delhi, India, on 23 October 2002, by the President of the Conference at its seventh session, Mr. Mohamed Elyazghi, Minister of Territorial Planning, Urban Management, Housing and Environment of Morocco.

A. Statement by the President of the Conference at its seventh session

(Agenda item 1 (a))

2. Recalling the successful outcome of the Conference of the Parties held in Morocco last year, the President of the Conference at its seventh session said that the international community had demonstrated its ability to find concrete and consensus-based solutions to complex problems. That was the path along which delegates should continue with determination in respect of multilateral rules and institutions. However, while delegates had reason to be satisfied with the progress achieved there was also reason for continued concern. With both developed and developing countries being affected almost daily by climate-related natural disasters, climate change was an undeniable reality. The Marrakesh Accords, comprising around forty decisions and focusing on topics of concern particularly to developing countries, were a major step in responding to that challenge. They had set the final seal on the Buenos Aires Plan of Action and had restored confidence in the climate change process.

3. Since the conference in Marrakesh important progress had been made on the way towards entry into force of the Kyoto Protocol following its ratification by a large number of Parties. The Marrakesh Accords symbolized the transition from theory to practice, that is from the elaboration of the rules of the Kyoto Protocol to its implementation.

4. Another result of the Marrakesh conference had been the ministerial declaration looking forward to the Johannesburg Summit, an event which had launched a new phase with regard to both climate change and other areas related to the battle against poverty and for a sustainable development. The summit had also recognized the important role which private investment played in pursuing the objectives of Agenda 21. The flexible mechanisms contained in the Kyoto Protocol constituted concrete examples of such public-private partnership. In this context, the clean development mechanism (CDM) represented an extraordinary opportunity for cooperation since it allowed developed and developing countries, and public and private sectors, to work together towards the reduction of green house gases while pursuing the goal of sustainable development. The Executive Board of the CDM was to be congratulated on having accomplished an immense programme of work since its election at Marrakesh, bringing effective implementation within reach. Committed to fulfil all its obligations and encouraged by the Marrakesh Accords, Morocco had now established its own national authority for the CDM and intended to make the most of that mechanism, together with all countries and institutions which wished to collaborate with Morocco in the context of its strategy for a sustainable development.

5. In conclusion, he expressed his appreciation to the UNFCCC secretariat for its support during his term of office and wished its Executive Secretary every success in carrying out her new function and for her first Conference of the Parties.

B. Election of the President of the Conference at its eighth session

(Agenda item 1 (b))

6. At its 1st plenary meeting, on 23 October, on the proposal of the outgoing President, the Conference of the Parties elected by acclamation Mr. T. R. Baalu, Minister of Environment and Forests of India, as its President. The outgoing President congratulated Mr. Baalu on his election and wished him every success in guiding the work of the Conference at its eighth session.

C. Statement by the President

(Agenda item 1 (c))

7. On assuming office, the President welcomed the delegates and thanked them for electing him as the President of the Conference at its eighth session, thus acknowledging India's commitment to addressing climate change and promoting sustainable development. The leadership provided by his predecessors, Mr. Jan Pronk and Mr. Mohamed Elyazghi as Presidents of the Conference at the resumed sixth and the seventh session, respectively, had helped to bring the entry into force of the Kyoto Protocol within reach. Now it was time to finalize this process without delay. As the institutional issues had by and large been settled, the New Delhi conference could become a milestone in the implementation of the Convention and the promotion of sustainable development.

8. With the negative impacts of climate change beginning to affect physical and biological systems, global grain yields were projected to decrease, and that, in turn, would lead to an increase in hunger and poverty. As those with the least resources were the most vulnerable to the effects of climate change, higher priority should be given to adaptation as a means to promote sustainable development. The World Summit on Sustainable Development and its Plan of Implementation had provided guidance in that regard. The linkages between climate change and sustainable development had highlighted the problems of poverty, land degradation, access to water and food, human health, and the use of energy. The latter played a central role in alleviating poverty and action for the dissemination of innovative technologies in this as well as in other areas was called for. India together with many other countries had undertaken initiatives in a wide range of domains in order to promote the development of sustainable technologies. However, developed countries were required to demonstrate their lead role in modifying longer-term emission trends and were committed specifically to adopting mitigation policies and measures. The key to the entry into force of the Kyoto Protocol lay with the developed countries.

9. Climate change in the context of sustainable development would be addressed in the envisaged Delhi Declaration, which was seen as an important outcome of the present session of the Conference, with the high-level round table discussions providing guidance to the negotiation process. The President stressed that the declaration had to be based on consensus and that he would seek the guidance of all Parties in preparing a draft of this document. The present session of the Conference should be remembered as one that addressed the concerns of the most vulnerable stakeholders such as small farmers, fishermen, livestock owners and others, including the indigenous communities.

D. Addresses of welcome

(Agenda item 1 (d))

[to be completed]

E. Statement by the Executive Secretary

(Agenda item 1 (e))

10. The Executive Secretary welcomed all delegates to the Conference of the Parties at its eighth session and congratulated Minister Baalu on his election as President. She also paid tribute to the President of the Conference at its seventh session for his personal commitment and vision, which had been essential for a successful outcome of the conference held in Marrakesh last year.

11. The present Conference is the first gathering of one of the Rio conventions since the Johannesburg summit, which has broadened the understanding of sustainable development to include especially the linkages between poverty, the environment and the use of natural resources. Such linkages also exist with regard to climate change and are embedded in the Marrakesh Ministerial Declaration. In that context, contributions by developing countries to the management of the risks of climate change should not be seen as a burden but as flowing out of internationally supported development activities from which climate change action could be derived. The current session also marks a transition from negotiations towards implementation. The Declaration adopted recently by the Global Environment Facility (GEF) Assembly underlined the importance of capacity-building for achieving results and improving performance at the country level. Identifying and addressing needs and priorities is a challenge for the Convention. Sharing experiences and information are key to achieving further progress, and the entry into force of the Kyoto Protocol would only increase the demand for reliable and accessible information. If the CDM is to be successful, the information on its rules and procedures have to be easily accessible and straightforward so that all parties interested in engaging in CDM projects would be able to do so.

12. Items on the agenda for the current session include issues that are awaiting finalization, such as those relating to Articles 5, 7 and 8 of the Kyoto Protocol and the guidelines for national communications from non-Annex I countries. The Conference of the Parties would also take stock of what had been achieved, including the performance of the GEF as an operating entity of the financial mechanism of the Convention, good practices in policies and measures or progress in capacity-building. Furthermore, it would look forward by defining the modalities of the first Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and by considering further methodological requirements, particularly with regard to the issues of vulnerability and adaptation. It was in that area that synergies among the conventions could be strengthened, as changes in the climate system would have an impact on land and aquatic resources and the biodiversity that they hold, a message that had been reinforced by the World Summit on Sustainable Development.

F. Other statements

13. At the 1st plenary meeting, on 23 October, general statements were made by the representatives of Switzerland (on behalf of the Environmental Integrity Group); Venezuela (on behalf of the Group of 77 and China); Australia (on behalf of the Umbrella Group); China; Zimbabwe (on behalf of the African Group); and Tonga.

II. ORGANIZATIONAL MATTERS

(Agenda item 2)

A. Status of ratification of the Convention and its Kyoto Protocol

(Agenda item 2 (a))

14. For its consideration of this sub-item at its 1st plenary meeting, on 23 October, the Conference of the Parties had before it an information document on the status of ratification of the United Nations Framework Convention on Climate Change and its Kyoto Protocol (FCCC/CP/2002/INF.1).

15. The Conference of the Parties was informed that, as at 23 October, 185 States and one regional economic integration organization were Parties to the Convention and therefore eligible to participate in decision-making at the session. It was further announced that Afghanistan had deposited its instrument of ratification on 19 September 2002 and that the Convention would enter into force for that State on 18 December 2002. The President took the opportunity to offer a special welcome to Afghanistan as it resumed its place in the international community after a long and difficult period.

16. The Conference of the Parties took note that, as at 23 October 2002, 96 States had ratified, acceded to, approved or accepted the Kyoto Protocol. This includes Annex I Parties accounting for approximately 37.4 per cent of the carbon dioxide emissions of Annex I Parties for 1990. The Conference was further informed that on 31 May 2002, the European Community and its member States had notified the secretariat of their intention to fulfil their commitments under the Kyoto Protocol jointly in accordance with Article 4 of the Protocol. The Conference was referred to document FCCC/CP/2002/2 notifying Parties and signatories to the Convention of the terms of the agreement by the European Community and its member States. The President invited Parties intending to ratify or accede to the Kyoto Protocol to expedite the process so that the Protocol could enter into force early in 2003.

B. Adoption of the rules of procedure

(Agenda item 2 (b))

17. At the 1st plenary meeting, on 23 October, the President informed the Conference of the Parties that the President of the Conference at its seventh session had undertaken consultations with Parties on the draft rules of procedure but that no consensus had been reached. The President announced that he intended to undertake further consultations and to report back to the Conference of the Parties at its ninth session.

18. On the proposal of the President, the Conference of the Parties decided that, in the meantime, as at previous sessions, the draft rules of procedure as contained in document FCCC/CP/1996/2 should continue to be applied, with the exception of draft rule 42.

C. Adoption of the agenda

(Agenda item 2 (c))

19. For its consideration of this sub-item at its 1st plenary meeting, on 23 October, the Conference of the Parties had before it a note by the Executive Secretary containing the provisional agenda and annotations (FCCC/CP/2002/1 and Add.1-2). The provisional agenda had been prepared in agreement with the President of the Conference at its seventh session, taking into account views expressed by Parties during the sixteenth session of the Subsidiary Body for Implementation (SBI) and by members of the Bureau.

20. The President recalled that item 6 of the provisional agenda, "Second review of the adequacy of Article 4, paragraphs 2 (a) and (b), of the Convention", which had been held in abeyance at the seventh session of the Conference, had been included in the agenda in accordance with rules 10 (c) and 16 of the draft rules of procedure being applied. He also stated that the President of the Conference at its seventh session had consulted with Parties on this issue but that no consensus had been reached on how to include it in the agenda. The President announced that he would consider how to proceed in this matter and report to a future plenary meeting.

21. Item 8 (b) of the provisional agenda, "Implementation of Article 2, paragraph 3, of the Kyoto Protocol", had been included at the request of Saudi Arabia, and item 8 (c), "Proposal by Canada for a decision on modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol in relation to cleaner energy exports", had been included at the request of Canada. In this connection, statements were made by representatives of the Parties proposing those items and by representatives speaking on behalf of the Group of 77 and China, and on behalf of the European Community and its member States. Noting that there was no consensus on the inclusion of items 8 (b) and 8 (c) in the agenda and that it was important to use the limited time available in an efficient manner, the President proposed that the provisional agenda as contained in document FCCC/CP/2002/1 be adopted with items 6, 8 (b) and 8 (c) held in abeyance. While holding items in abeyance was not the ideal way to proceed, it would allow Parties to move forward in their work. He would consider how to proceed with regard to those items and report back to the Conference at a future plenary meeting.

22. Following the proposal of the President, the Conference of the Parties adopted the provisional agenda contained in document FCCC/CP/2002/1, on the understanding that items 6, 8 (b) and 8 (c) would be held in abeyance.

23. The agenda as adopted at the eighth session of the Conference of the Parties thus read as follows:

1. Opening of the session:
 - (a) Statement by the President of the Conference at its seventh session;
 - (b) Election of the President of the Conference at its eighth session;
 - (c) Statement by the President;
 - (d) Addresses of welcome;
 - (e) Statement by the Executive Secretary.
2. Organizational matters:
 - (a) Status of ratification of the Convention and its Kyoto Protocol;
 - (b) Adoption of the rules of procedure;
 - (c) Adoption of the agenda;
 - (d) Election of officers other than the President;
 - (e) Admission of organizations as observers;
 - (f) Organization of work, including the sessions of the subsidiary bodies;
 - (g) Date and venue of the ninth session of the Conference of the Parties;
 - (h) Calendar of meetings of Convention bodies, 2003–2007;
 - (i) Adoption of the report on credentials.
3. Reports of the subsidiary bodies and decisions and conclusions arising therefrom:
 - (a) Report of the Subsidiary Body for Scientific and Technological Advice;
 - (b) Report of the Subsidiary Body for Implementation.

4. Review of the implementation of commitments and of other provisions of the Convention:
 - (a) Financial mechanism:
 - (i) Report of the Global Environment Facility;
 - (ii) Funding under the Convention;
 - (iii) Review of the financial mechanism;
 - (iv) Additional guidance to an operating entity of the financial mechanism.
 - (b) National communications:
 - (i) National communications from Parties included in Annex I to the Convention;
 - (ii) Greenhouse gas inventories from Parties included in Annex I to the Convention;
 - (iii) National communications from Parties not included in Annex I to the Convention.
 - (c) Capacity-building;
 - (d) Development and transfer of technologies;
 - (e) Implementation of Article 4, paragraphs 8 and 9, of the Convention;
 - (f) Activities implemented jointly under the pilot phase.
5. Follow-up to the World Summit on Sustainable Development.
6. *Agenda item held in abeyance.*
7. Request from a group of countries of Central Asia and the Caucasus, Albania and the Republic of Moldova regarding their status under the Convention.
8. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol:
 - (a) Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
 - (b) *Agenda item held in abeyance.*
 - (c) *Agenda item held in abeyance.*
 - (d) Other matters referred to the Conference of the Parties by the subsidiary bodies.
9. Report of the executive board of the clean development mechanism.
10. Administrative and financial matters:
 - (a) Audited financial statements for the biennium 2000–2001;
 - (b) Income and budget performance in the biennium 2002–2003;
 - (c) Procedure for the appointment of an Executive Secretary.
11. High-level segment attended by ministers and senior officials.
12. Other matters.

13. Conclusion of the session:

- (a) Adoption of the report of the Conference of the Parties on its eighth session;
- (b) Closure of the session.

[to be completed]

D. Election of officers other than the President

(Agenda item 2 (d))

24. At the 1st plenary meeting, on 23 October, the President informed the Conference of the Parties that Mr. Andrej Kranjc, Vice-President of the Conference at its seventh session, had undertaken consultations on this item during the sixteenth sessions of the subsidiary bodies held in June 2002. However, nominations had not yet been received from the group of Eastern European States and the group of Latin American and Caribbean States (GRULAC). Furthermore, nominations are pending for the posts of the Chair and the Rapporteur of the Subsidiary Body for Implementation (SBI). The President encouraged all Parties concerned to reach an agreement on all outstanding Bureau posts in time for the high-level segment to be held from 30 October until 1 November.

25. On the proposal of the President, the Conference of the Parties decided to postpone the election of the Bureau of the Conference at its eighth session until all nominations were finalized. Mr. Kranjc was invited to continue consultations during the session. Confirmed nominees were invited to attend the meetings of the Bureau pending the election of the Bureau of the Conference at its eighth session at a later stage.

[to be completed]

E. Admission of organizations as observers

(Agenda item 2 (e))

26. For its consideration of this sub-item at its 1st plenary meeting, on 23 October, the Conference of the Parties had before it a note by the secretariat on the admission of organizations as observers (FCCC/CP/2002/5), listing one intergovernmental organization and 34 non-governmental organizations that had requested to be admitted as observers. Pursuant to Article 7, paragraph 6, of the Convention, and following a recommendation by the Bureau of the Conference, which had reviewed the list of applicant organizations, the Conference of the Parties decided to admit those organizations as observers.

27. The President welcomed the newly admitted intergovernmental and non-governmental organizations to the Conference at its eighth session and invited them to play an active role in the Convention process.

F. Organization of work, including the sessions of the subsidiary bodies

(Agenda item 2 (f))

28. In introducing this sub-item at the 1st plenary meeting, on 23 October, the President drew the attention of the Conference of the Parties to the provisional agenda and annotations contained in documents FCCC/CP/2002/1 and Add.1-2. He noted that the subsidiary bodies would be convened following the opening plenary meeting with the aim of developing draft decisions and conclusions for submission to the Conference before the sessions of the subsidiary bodies end on 29 October. No joint meetings of the subsidiary bodies were planned.

29. On the proposal of the President, the Conference of the Parties decided to refer items to the subsidiary bodies for consideration and the presentation of appropriate draft decisions or conclusions, as follows:

Subsidiary Body for Implementation (SBI)

- Item 2 (g) Date and venue of the ninth session of the Conference of the Parties
- Item 2 (h) Calendar of meetings of Convention bodies, 2003–2007
- Item 4 (a) Financial mechanism
- Item 4 (b) (i) National communications from Parties included in Annex I to the Convention
- Item 4 (b) (iii) National communications from Parties not included in Annex I to the Convention
- Item 4 (c) Capacity-building
- Item 4 (e) Implementation of Article 4, paragraphs 8 and 9, of the Convention
- Item 7 Request from a group of countries of Central Asia and the Caucasus, Albania and the Republic of Moldova regarding their status under the Convention
- Item 8 (a) Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
- Item 10 Administrative and financial matters

Subsidiary Body for Scientific and Technological Advice (SBSTA)

- Item 4 (b) (ii) Greenhouse gas inventories from Parties included in Annex I to the Convention
- Item 4 (d) Development and transfer of technologies
- Item 4 (f) Activities implemented jointly under the pilot phase

30. The President announced that, at the 2nd plenary meeting, scheduled for 25 October, the Conference of the Parties would undertake work on item 5 of the agenda, “Follow-up to the World Summit on Sustainable Development”, and item 9 of the agenda, “Report of the executive board of the clean development mechanism”.

31. The President informed the Conference that he had consulted with the members of the Bureau on the high-level segment of the Conference at its eighth session. In that context, he recalled that the Subsidiary Body for Implementation, at its sixteenth session, had endorsed the dates of 30 October to 1 November for the high-level segment. Round-table discussions open to all ministers and heads of delegation had been scheduled to begin in the afternoon of 30 October and conclude in the afternoon of 31 October.

32. The President noted that the general theme of the round-table discussions would be the implementation of the Convention and the Kyoto Protocol. That theme was to be explored in three separate round tables to be held sequentially and focusing on the following topics:

- (a) Taking stock;
- (b) Climate change and sustainable development;
- (c) Wrap-up.

The President announced that he would invite ministers to chair the sessions and request some ministers to lead off the discussions. He also recalled that the round-table discussions were to provide the vehicle for ministers to exchange views and engage in a real dialogue. He therefore invited participants to provide short and focused comments and to refrain from delivering prepared statements.

33. The President further said that the Bureau had noted that a Delhi Declaration would be prepared as an important outcome of the present Conference. He would consult with Parties on such a declaration. In addition, Parties would have an opportunity to exchange views and provide inputs in an informal plenary meeting on 25 October. Following those consultations and inputs, the President would make a text available early in the second week of the session.

34. In conclusion, the President underscored the need to move forward as quickly as possible given the limited time available for discussion and negotiation, and encouraged delegates to make their best efforts to conclude all outstanding issues.

G. Date and venue of the ninth session of the Conference of the Parties

(Agenda item 2 (g))

[to be completed]

H. Calendar of meetings of Convention bodies, 2003–2007

(Agenda item 2 (h))

[to be completed]

I. Adoption of the report on credentials

(Agenda item 2 (i))

[to be completed]

J. Attendance

[to be completed]

K. Documentation

[to be completed]

**III. REPORTS OF THE SUBSIDIARY BODIES AND DECISIONS
AND CONCLUSIONS ARISING THEREFROM**

(Agenda item 3)

A. Report of the Subsidiary Body for Scientific and Technological Advice

(Agenda item 3 (a))

[to be completed]

B. Report of the Subsidiary Body for Implementation

(Agenda item 3 (b))

[to be completed]

**IV. REVIEW OF THE IMPLEMENTATION OF COMMITMENTS
AND OF OTHER PROVISIONS OF THE CONVENTION**

(Agenda item 4)

A. Financial mechanism

(Agenda item 4 (a))

1. Report of the Global Environment Facility

(Agenda item 4 (a) (i))

[to be completed]

2. Funding under the Convention

(Agenda item 4 (a) (ii))

[to be completed]

3. Review of the financial mechanism

(Agenda item 4 (a) (iii))

[to be completed]

4. Additional guidance to an operating entity of the financial mechanism

(Agenda item 4 (a) (iv))

[to be completed]

B. National communications

(Agenda item 4 (b))

1. National communications from Parties included in Annex I to the Convention

(Agenda item 4 (b) (i))

[to be completed]

2. Greenhouse gas inventories from Parties included in Annex I to the Convention

(Agenda item 4 (b) (ii))

[to be completed]

3. National communications from Parties not included in Annex I to the Convention

(Agenda item 4 (b) (iii))

[to be completed]

C. Capacity-building

(Agenda item 4 (c))

[to be completed]

D. Development and transfer of technologies

(Agenda item 4 (d))

[to be completed]

E. Implementation of Article 4, paragraphs 8 and 9, of the Convention

(Agenda item 4 (e))

[to be completed]

F. Activities implemented jointly under the pilot phase

(Agenda item 4 (f))

[to be completed]

V. FOLLOW-UP TO THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

(Agenda item 5)

35. In introducing this item at the 2nd plenary meeting, on 25 October, the President recalled that the Conference at its seventh session had adopted the Marrakesh Ministerial Declaration (decision 1/CP.7) as its input to the World Summit on Sustainable Development (WSSD). The Declaration had requested the President of the Conference at its seventh session and the Executive Secretary to continue to participate actively in the preparatory process for the World Summit, and in the Summit itself, and to report thereon to the Conference at its eighth session.

36. In her oral report, the Executive Secretary highlighted activities undertaken by the secretariat as well as some of the outcomes of the Summit that have direct or indirect links to the Convention. Activities undertaken included: plenary statements delivered by the Executive Secretary and her counterparts of the other two Rio conventions; a joint exhibit of the Rio conventions and a side event on the clean development mechanism (CDM) organized by the secretariat together with the World Business Council for Sustainable Development (WBCSD); and secretariat participation in a high-level round table and in various side events and panels.

37. The main outcomes of the Summit were a reaffirmation of sustainable development as a central element of the international agenda and a broadening of the linkages between poverty, the environment and the use of natural resources. The Plan of Implementation agreed at the Summit recognizes climate change and its adverse effects as a development issue and supports the ratification of the Kyoto Protocol in a timely manner. It also addresses the need for technical and financial support and capacity-building; actions to disseminate innovative technologies, particularly in the energy sector; exchange of scientific data; and promotion of systematic observation of the Earth's atmosphere, land and oceans. In addition, the Plan of Implementation touches on a number of issues that do not directly address climate change but are highly relevant, such as the development of a 10-year framework of programmes to accelerate the shift towards sustainable consumption and production; issues relating to the access to affordable energy, the global increase of renewable energy, and energy efficiency; adaptation and vulnerability; synergy between the three Rio conventions; and corporate responsibility. The concept of public-private partnerships so prominent in Johannesburg is consistent with approaches taken under the Convention and the Protocol.

38. In conclusion, the Executive Secretary expressed her confidence that implementation of the Convention and the Kyoto Protocol would contribute to the implementation of the WSSD agreements.

39. The President congratulated the Executive Secretary and the secretariat on their successful efforts to bring the important message of climate change, and its links to sustainable development, to the WSSD. He further highlighted her participation in joint efforts to promote synergies between the three Rio conventions in Johannesburg.

40. Statements were made under this item by the representatives of two Parties, including one speaking on behalf of the European Community and its member States.

41. At the same meeting, the Conference of the Parties took note of the oral report of the Executive Secretary.

VI. [to be completed]
(Agenda item 6)

**VII. REQUEST FROM A GROUP OF COUNTRIES OF CENTRAL ASIA
AND THE CAUCASUS, ALBANIA AND THE REPUBLIC OF MOLDOVA
REGARDING THEIR STATUS UNDER THE CONVENTION**
(Agenda item 7)

[to be completed]

**VIII. PREPARATIONS FOR THE FIRST SESSION OF THE CONFERENCE
OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES
TO THE KYOTO PROTOCOL**
(Agenda item 8)

[to be completed]

**A. Arrangements for the first session of the Conference of the Parties
serving as the meeting of the Parties to the Kyoto Protocol**
(Agenda item 8 (a))

[to be completed]

B. [to be completed]
(Agenda item 8 (b))

C. [to be completed]
(Agenda item 8 (c))

D. Other matters referred to the Conference of the Parties by the subsidiary bodies
(Agenda item 8 (d))

[to be completed]

IX. REPORT OF THE EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM
(Agenda item 9)

42. For its consideration of this item at its 2nd plenary meeting, on 25 October, the Conference of the Parties had before it document FCCC/CP/2002/3, which contained the report of the Executive Board of

the clean development mechanism (CDM), and FCCC/CP/2002/3/Add.1, which contained the revised draft rules of procedure.

43. The President recalled that the Conference at its seventh session had decided to facilitate the prompt start of the CDM by adopting decision 17/CP.7. In accordance with this decision, the Executive Board, until the entry into force of the Protocol, shall report on its activities to each session of the Conference and the Conference shall review the annual reports of the Executive Board.

44. In introducing the report of the Executive Board, its Chair drew attention to the fact that the accreditation process for the operational entities under the CDM had been launched in August 2002 and that, as of 24 October 2002, submissions by seven applicant operational entities had been received. In this context, he said that the Executive Board was asking the Conference for a mandate to designate, on a provisional basis, accredited operational entities pending their designation by the Conference at its next session. The Chair further brought to the attention of the Conference the Board's recommendations for simplified modalities and procedures for CDM small-scale project activities as contained in Annex II to the Board's report. He also invited the Conference to adopt the revised draft rules of procedure as contained in document FCCC/CP/2003/Add.1. The Chair informed the Conference of the resignation from the Executive Board of Mr. Mohammad Salamat (Islamic Republic of Iran), effective 24 October 2002. In concluding his report, he acknowledged with appreciation the efforts undertaken by the Board and all stakeholders who had contributed to the work of the Board during its first year of operation.

45. Following the report by the Chair, statements were made by the representatives of 15 Parties, including one speaking on behalf of the European Community and its member States.

46. The President asked Mr. Mohammad Barkindo (Nigeria), Vice-President of the Conference at its seventh session, to hold consultations on that item and report back to the Conference.

[to be completed]

X. ADMINISTRATIVE AND FINANCIAL MATTERS

(Agenda item 10)

A. Audited financial statements for the biennium 2000–2001

(Agenda item 10 (a))

[to be completed]

B. Income and budget performance in the biennium 2002–2003

(Agenda item 10 (b))

[to be completed]

C. Procedure for the appointment of an Executive Secretary

(Agenda item 10 (c))

[to be completed]

XI. HIGH-LEVEL SEGMENT ATTENDED BY MINISTERS AND SENIOR OFFICIALS

(Agenda item 11)

[to be completed]

XII. OTHER MATTERS

(Agenda item 12)

[to be completed]

XIII. CONCLUSION OF THE SESSION

(Agenda item 13)

A. Adoption of the report of the Conference of the Parties on its eighth session

(Agenda item 13 (a))

[to be completed]

B. Closure of the session

(Agenda item 13 (b))

[to be completed]

Annexes

[to be completed]

**PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES
AT ITS EIGHTH SESSION**

[to be completed]
