

# A GUIDE TO THE CLIMATE CHANGE CONVENTION PROCESS



**Preliminary 2<sup>nd</sup> edition**  
**Issued for informational purposes only**

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**A GUIDE TO THE CLIMATE CHANGE PROCESS**

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## INTRODUCTION

On 9 May 1992, the world's governments adopted the UN Framework Convention on Climate Change. In doing so, they took the first step in addressing one of the most urgent environmental problems facing humankind. Five years later, on 11 December 1997, governments took a further step forwards and adopted the landmark Kyoto Protocol. Building on the framework of the Convention, the Kyoto Protocol broke new ground with its legally-binding constraints on greenhouse gas emissions and innovative "mechanisms" aimed at cutting the cost of curbing emissions. Today, 186 countries (including the European Community) are Parties to the Convention, more than most any other environmental treaty, and the entry into force of the Kyoto Protocol is expected soon.

This guide, prepared in the tenth anniversary year of the adoption of the Convention, provides an overview of the international climate change process as of May 2002. It focuses on the institutions and procedures of the Convention and the Protocol, the participants in the climate change process, and on how the on-going negotiations are conducted.

The guide is complemented by the *Guide to the Climate Change Convention and its Kyoto Protocol*, which provides a more in-depth explanation of the commitments under the Convention and the Protocol, along with the "rulebooks" for their implementation.

These two guides have been prepared for information purposes only, and do not constitute the official negotiated texts agreed by governments. These may be found on the UNFCCC web site (<http://unfccc.int>), which also contains databases and links to other relevant web pages and sites.

## LIST OF ABBREVIATIONS

AAU	Assigned amount unit (exchanged through emissions trading)
AG13	Ad Hoc Group on Article 13 (1995-98)
AGBM	Ad Hoc Group on the Berlin Mandate (1995-97)
AOSIS	Alliance of Small Island States
CACAM	Central Asia, Caucasus, Albania and Moldova (negotiating coalition)
CBD	Convention on Biological Diversity
CDM	Clean development mechanism
CER	Certified emission reduction (generated through the CDM)
CGE	Consultative Group of Experts on National Communications from Non-Annex I Parties
CG-11	Central Group 11 (negotiating coalition)
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
EIT	Economy in transition (countries of the former Soviet Union and Central and Eastern Europe)
ERU	Emission reduction unit (generated through joint implementation projects)
GCOS	Global Climate Observing System
GEF	Global Environment Facility
GRULAC	Group of Latin America and the Caribbean states (UN regional group)
HFC	Hydrofluorocarbon
IEA	International Energy Agency
IGO	Intergovernmental organization
INC	Intergovernmental Negotiating Committee for the UNFCCC (1990-95)
IPCC	Intergovernmental Panel on Climate Change
JLG	Joint Liaison Group (between the UNFCCC, CBD and UNCCD secretariats)
LDC	Least developed country
LULUCF	Land use, land-use change and forestry
NGO	Non-governmental organization
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
PFC	Perfluorocarbon
RMU	Removal unit (generated by LULUCF projects that absorb carbon dioxide)
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SF <sub>6</sub>	Sulphur hexafluoride
UNCCD	United Nations Convention to Combat Desertification
UNCED	United Nations Conference on Environment and Development (Rio de Janeiro, Brazil, 1992)
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
WEOG	Western European and Others Group (UN regional group)
WMO	World Meteorological Organization

## **THE CONVENTION AND THE KYOTO PROTOCOL: AN OVERVIEW**

### **THE CONVENTION**

While the world's climate has always varied naturally, the vast majority of scientists now believe that rising concentrations of "greenhouse gases" in the earth's atmosphere, resulting from economic and demographic growth over the last two centuries since the industrial revolution, are overriding this natural variability and leading to potentially irreversible climate change. The 1992 United Nations Framework Convention on Climate Change provides the foundation for intergovernmental efforts to address this problem.

#### **The negotiation of the Convention and its rulebook**

Increasing scientific evidence of human interference with the climate system, coupled with growing public concern over global environmental issues, began to push climate change onto the political agenda in the mid-1980s. Recognising the needs of policy-makers for authoritative and up-to-date scientific information, the World Meteorological Organization (WMO) and the UN Environment Programme (UNEP) established the Intergovernmental Panel on Climate Change (IPCC) in 1988 (see "Institutions" below). That same year, following a proposal by Malta, the United Nations General Assembly took up the issue of climate change for the first time and adopted resolution 43/53 on the "Protection of global climate for present and future generations". In 1990, the IPCC issued its First Assessment Report, confirming that human-induced climate change was indeed a threat and calling for a global treaty to address the problem. This call was echoed by the Ministerial Declaration of the Second World Climate Conference, held in Geneva in October/November of that year. The UN General Assembly responded to these calls in December of 1990, formally launching negotiations on a framework convention on climate change by its resolution 45/212. These negotiations were conducted by an Intergovernmental Negotiating Committee (INC), chaired by Jean Ripert (France).

The INC met for the first time in February 1991. After just 15 months, on 9 May 1992, the INC adopted by consensus the United Nations Framework Convention on Climate Change. The Convention was opened for signature at the UN Conference on Environment and Development (UNCED), the so-called "Earth Summit", in Rio de Janeiro, Brazil, on 4 June 1992, and came into force on 21 March 1994. A decade after its adoption, 186 governments (including the European Community) are now Parties to the Convention and it is approaching universal membership.

Since the Convention's entry into force, Parties have met annually in the Conference of the Parties (COP) to monitor its implementation and continue talks on how best to

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tackle climate change. The many decisions taken by the COP at its annual sessions now make up a detailed rulebook for the effective implementation of the Convention. The landmark Marrakesh Accords adopted at COP 7 (Marrakesh, October/November 2001) were especially important in elaborating the Convention's rulebook on issues of particular concern to developing countries. As explained below, the Accords also set out a detailed rulebook for the implementation of the Kyoto Protocol.

### **The provisions of the Convention and its rulebook**

The Convention sets an *ultimate objective* of stabilizing atmospheric concentrations of greenhouse gases at levels that would prevent “dangerous” human interference with the climate system. Such levels, which the Convention does not quantify, should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. To achieve this objective, all Parties to the Convention – those countries that have ratified, accepted, approved, or acceded to, the treaty – are subject to an important set of general commitments which place a fundamental obligation on both industrialized and developing countries to respond to climate change.

The Convention divides countries into two main groups: those that are listed in its Annex I, known as *Annex I Parties*, and those that are not, known as *non-Annex I Parties*. Some Annex I Parties are also listed in the Convention's Annex II, and are known as *Annex II Parties*.

The Convention currently lists 41 *Annex I Parties*. These are the industrialized countries who have historically contributed the most to climate change. They include both the relatively wealthy industrialized countries that were members of the Organisation for Economic Co-operation and Development (OECD) in 1992, plus countries with economies in transition (the EITs), including the Russian Federation, the Baltic States, and several Central and Eastern European States.

The per capita emissions of Annex I Parties are higher than those of most developing countries and they have greater financial and institutional capacity to address climate change. The principles of equity and “common but differentiated responsibilities” enshrined in the Convention therefore require these Parties to take the lead in modifying longer-term trends in emissions. To this end, Annex I Parties are committed to adopting national policies and measures with the non-legally binding aim that they should have returned their greenhouse gas emissions to 1990 levels by the year 2000.

The Convention grants EITs “a certain degree of flexibility”, on account of the economic and political upheavals recently experienced in those countries. Several EITs

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have exercised this flexibility to select a baseline for their specific commitment other than 1990, that is, prior to the economic changes that led to big cuts in their emissions.

Annex I Parties must submit regular reports, known as *national communications*, detailing their climate change policies and measures. Most Annex I Parties have now submitted two national communications. The third national communications were due on 30 November 2001, and many are still coming in. In addition, Annex I Parties must submit an *annual inventory* of their greenhouse gas emissions, including data for their base year (1990 except for some EITs) and up to the last but one year prior to submission. Inventories due in April 2002, for example, should contain emissions data up to the year 2000. National communications are subject to an individual *in-depth review* by teams of experts, including in-country visits. Since 2000, annual inventories have also been subject to a *technical review*, during a trial period to be evaluated by COP 8 in 2002.

The OECD members of Annex I are also listed in the Convention's Annex II (see table below). These *Annex II Parties*, of which there are currently 24, have a special obligation to provide "new and additional financial resources" to developing countries to help them tackle climate change, as well as to facilitate the transfer of climate-friendly technologies to both developing countries and EITs.

Although the emissions data needed to assess whether Annex I Parties have succeeded in returning their emissions to 1990 levels by 2000 is not yet complete, preliminary indications suggest that, although Annex I Parties as a whole will probably have met this goal, that achievement masks great variations among the Parties. While emissions in the EITs have declined steeply (by over 40% between 1990 and 1999), emissions in most Annex II Parties have continued to rise (by 6.6% between 1990 and 1999), with some experiencing percentage increases in double figures.

**Countries included in Annex I to the Convention**

<b>Australia</b>	<b>Austria</b>	Belarus*
<b>Belgium</b>	Bulgaria*	<b>Canada</b>
<u>Croatia</u> *	<u>Czech Republic</u> *	<b>Denmark</b>
Estonia*	<b>European Community</b>	<b>Finland</b>
<b>France</b>	<b>Germany</b>	<b>Greece</b>
<u>Hungary</u> *	<b>Iceland</b>	<b>Ireland</b>
<b>Italy</b>	<b>Japan</b>	Latvia*
<u>Liechtenstein</u>	Lithuania*	<b>Luxembourg</b>
<u>Monaco</u>	<b>Netherlands</b>	<b>New Zealand</b>
<b>Norway</b>	Poland*	<b>Portugal</b>
Romania*	Russian Federation*	<u>Slovakia</u> *
<u>Slovenia</u> *	<b>Spain</b>	<b>Sweden</b>
<b>Switzerland</b>	<i>Turkey</i>	Ukraine*
<b>United Kingdom</b>	<b>United States of America</b>	

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\* Countries with economies in transition; **Bold** denotes countries also included in Annex II; Underline denotes countries added to Annex I at COP 3 in 1997.

*Turkey* has not yet ratified the Convention. A decision taken at COP 7 deleted its name from Annex II and invited Parties to recognize its special circumstances, which will place Turkey in a different situation from that of other Annex I Parties when it becomes a Party.

Note: Kazakhstan has announced its intention to be bound by the commitments of Annex I Parties, but is not formally classified as an Annex I Party under the Convention. It will, however, be considered an Annex I Party under the Kyoto Protocol, once it enters into force.

All remaining countries, basically, the developing countries, make up the group of ***non-Annex I Parties***, currently numbering 145. These Parties must report in more general terms on their actions to address climate change and adapt to its effects. The time frame for the submission of their initial national communications, including their emission inventories, is less tight than for Annex I Parties and is contingent on the receipt of funding. Because of this, non-Annex I Parties started to submit their national communications later than Annex I Parties. Some 80 non-Annex I Parties have now sent in their initial national communications. Mexico has already submitted its second communication and some other non-Annex I Parties have also started working on theirs. Non-Annex I Parties are not obliged to submit an annual emission inventory, nor are their national communications subject to in-depth review. In order to help developing countries improve the preparation of their national communications, a ***Consultative Group of Experts on National Communications from Non-Annex I Parties*** was established by COP 5 in 1999 (see “Institutions” below).

Financial assistance and technology transfer, along with support for capacity building, are critical to enabling non-Annex I Parties to address climate change and adapt to its effects, in the context of their sustainable development. Funding provided by Annex II Parties, is mostly channelled through the Convention’s financial mechanism, operated by the Global Environment Facility (GEF) (see “Institutions” below).

Particularly vulnerable developing countries have specific needs and concerns in this regard. Some developing countries, such as low-lying island nations, face high risks from the adverse effects of climate change itself, while others, such as oil exporting states, feel more threatened by the potential economic repercussions of response measures. The Convention recognizes both these dimensions of vulnerability, along with the special circumstances of the 48 countries defined as least developed countries (LDCs) by the United Nations.

The 2001 Marrakesh Accords took some important steps forwards on these key issues. The scope of activities eligible for funding under the GEF was extended, notably in the area of adaptation to climate change and capacity building. Two new Convention funds, to be managed by the GEF, were also established (plus one operating under the Kyoto Protocol, discussed below):

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- A ***special climate change fund*** will finance projects relating to: capacity building; adaptation; technology transfer; climate change mitigation; and economic diversification for countries highly dependent on income from fossil fuels; and
- A ***least developed countries*** fund will support a special work programme to assist LDCs, including the preparation of national adaptation programmes of action to respond to their urgent adaptation needs. A new ***least developed country expert group*** (see “Institutions” below) will advise on the preparation and implementation of these programmes.

The Marrakesh Accords also launched a new ***expert group on technology transfer*** (see “Institutions” below) as part of a broader “framework for meaningful and effective actions” aimed at boosting the development and transfer of climate-friendly technologies. Similar frameworks were adopted to enhance capacity building in both developing countries and EITs.

A more in-depth description of the Convention and its rulebook may be found in the *Guide to the Climate Change Convention and its Kyoto Protocol*.

## **THE KYOTO PROTOCOL**

### **The negotiation of the Kyoto Protocol and its rulebook**

When they adopted the Convention, governments knew that its commitments would not be sufficient to seriously tackle climate change. At COP 1 (Berlin, March/April 1995), in a decision known as the Berlin Mandate, Parties therefore launched a new round of talks to decide on stronger and more detailed commitments for industrialized countries. After two and a half years of intense negotiations, the Kyoto Protocol was adopted at COP 3 in Kyoto, Japan, on 11 December 1997.

The complexity of the negotiations, however, meant that considerable “unfinished business” remained even after the Kyoto Protocol itself was adopted. The Protocol sketched out the basic features of its “mechanisms” and compliance system, for example, but did not flesh out the all-important rules of how they would operate. Although 84 countries signed the Protocol indicating that they intended to ratify, many were reluctant to actually do so and bring the Protocol into force before having a clearer picture of the treaty’s rulebook.

A new round of negotiations was therefore launched to flesh out the Kyoto Protocol’s rulebook, conducted in parallel with negotiations on ongoing issues under the Convention. This round finally culminated at COP 7 with the adoption of the Marrakesh Accords, setting out detailed rules for the implementation of the Kyoto Protocol. As discussed above, the Marrakesh Accords also took some important steps forwards regarding the implementation of the Convention.

### **The provisions of the Kyoto Protocol and its rulebook**

The 1997 Kyoto Protocol shares the Convention’s objective, principles and institutions, but significantly strengthens the Convention by committing Annex I Parties to individual, legally-binding targets to limit or reduce their greenhouse gas emissions. Only Parties to the Convention that have also become Parties to the Protocol, however (that is, by ratifying, accepting, approving, or acceding to it), will be bound by the Protocol’s commitments, once it comes into force (see “The road ahead” below).

The individual targets for Annex I Parties are listed in the Kyoto Protocol’s Annex B. These add up to a total cut of at least 5% from 1990 levels in the *commitment period* 2008-2012.

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**Countries included in Annex B to the Kyoto Protocol and their emissions targets**

Country	Target (1990** - 2008/2012)
EU-15*, Bulgaria, Czech Republic, Estonia, Latvia, Liechtenstein, Lithuania, Monaco, Romania, Slovakia, Slovenia, Switzerland	-8%
US***	-7%
Canada, Hungary, Japan, Poland	-6%
Croatia	-5%
New Zealand, Russian Federation, Ukraine	0
Norway	+1%
Australia	+8%
Iceland	+10%

\* The EU's 15 member States will redistribute their targets among themselves, taking advantage of a scheme under the Protocol known as a "bubble". The EU has already reached agreement on how its targets will be redistributed.

\*\* Some EITs have a baseline other than 1990.

\*\*\* The US has indicated its intention not to ratify the Kyoto Protocol.

Note: Although they are listed in the Convention's Annex I, *Belarus* and *Turkey* are not included in the Protocol's Annex B as they were not Parties to the Convention when the Protocol was adopted.

Upon entry into force, *Kazakhstan*, which has declared that it wishes to be bound by the commitments of Annex I Parties under the Convention, will become an Annex I Party under the Protocol. As it had not made this declaration when the Protocol was adopted, Kazakhstan does not have an emissions target listed for it in Annex B.

The targets cover emissions of the six main greenhouse gases, namely:

- Carbon dioxide (CO<sub>2</sub>);
- Methane (CH<sub>4</sub>);
- Nitrous oxide (N<sub>2</sub>O);
- Hydrofluorocarbons (HFCs);
- Perfluorocarbons (PFCs); and
- Sulphur hexafluoride (SF<sub>6</sub>)

The maximum amount of emissions (measured as the equivalent in carbon dioxide) that a Party may emit over the commitment period in order to comply with its emissions target is known as a Party's *assigned amount*.

The Protocol includes provisions for the review of its commitments, so that these can be strengthened over time. Negotiations on targets for the second commitment period are due to start in 2005, by which time Annex I Parties must have made "demonstrable progress" in meeting their commitments under the Protocol. The whole Protocol will be reviewed at the second session of the COP, which will serve as the "meeting of the Parties" to the Protocol (the so-called *COP/MOP*), after the Protocol has entered into force.

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To achieve their targets, Annex I Parties must put in place ***domestic policies and measures***. The Protocol provides an indicative list of policies and measures that might help mitigate climate change and promote sustainable development.

Parties may offset their emissions by increasing the amount of greenhouse gases removed from the atmosphere by so-called carbon “sinks” in the land use, land-use change and forestry (LULUCF) sector. However, only certain activities in this sector are eligible. These are ***afforestation, reforestation*** and ***deforestation*** (defined as eligible by the Kyoto Protocol) and ***forest management, cropland management, grazing land management*** and ***revegetation*** (added to the list of eligible activities by the Marrakesh Accords). Greenhouse gases removed from the atmosphere through eligible sink activities generate credits known as ***removal units*** (RMUs). Any greenhouse gas *emissions* from eligible activities, in turn, must be offset by greater emission cuts or removals elsewhere.

Additional detailed rules govern the extent to which emissions and removals from the LULUCF sector can be counted under the Protocol. The amount of credit that can be claimed through forest management, for example, is subject to an individual cap for each Party, which is listed in the Marrakesh Accords.

The Protocol also establishes three innovative “mechanisms” known as ***joint implementation***, the ***clean development mechanism*** and ***emissions trading***. These are designed to help Annex I Parties cut the cost of meeting their emissions targets by taking advantage of opportunities to reduce emissions, or increase greenhouse gas removals, that cost less in other countries than at home.

Any Annex I Party that has ratified the Protocol may use the mechanisms to help meet its emissions target, provided that it is complying with its methodological and reporting obligations under the Protocol. However, Parties must provide evidence that their use of the mechanisms is “supplemental to domestic action”, which must constitute “a significant element” of their efforts in meeting their commitments. Businesses, environmental NGOs and other “legal entities” may participate in the mechanisms, albeit under the responsibility of their governments.

Under ***joint implementation***, an Annex I Party may implement a project that reduces emissions (e.g. an energy efficiency scheme) or increases removals by sinks (e.g. a reforestation project) in the territory of another Annex I Party, and count the resulting ***emission reduction units*** (ERUs) against its own target. While the term “joint implementation” does not appear in Article 6 of the Protocol where this mechanism is defined, it is often used as convenient shorthand. In practice, joint implementation

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projects are most likely to take place in EITs, where there tends to be more scope for cutting emissions at low cost.

An **Article 6 supervisory committee** (see “Institutions” below) will be set up by the COP/MOP when it meets for the first time. This committee will oversee a verification procedure for joint implementation projects hosted by Parties that do not meet all the eligibility requirements related to the Protocol’s methodological and reporting obligations.

Under the **clean development mechanism** (CDM), Annex I Parties may implement projects in non-Annex I Parties that reduce emissions and use the resulting **certified emission reductions** (CERs) to help meet their own targets. The CDM also aims to help non-Annex I Parties achieve sustainable development and contribute to the ultimate objective of the Convention.

The rulebook for the CDM set forth in the Marrakesh Accords focuses on projects that reduce emissions. Rules are being developed, however, for adoption at COP 9 in 2003, for including afforestation and reforestation activities in the CDM for the first commitment period. These rules include a limit on the extent to which Annex I Parties may use CERs from such sink projects towards their targets.

Accredited independent organizations, known as **operational entities**, will play an important role in the CDM project cycle, including in the validation of proposed projects and certification of emission reductions and removals. A levy from each CDM project – known as a “share of the proceeds” – will help finance adaptation activities in particularly vulnerable developing countries and cover administrative expenses.

The Protocol envisages a prompt start to the CDM, allowing CERs to accrue from projects from the year 2000 onwards. This prompt start was put into effect at COP 7, with the establishment of the CDM’s **executive board** (see “Institutions” below).

Under **emissions trading**, an Annex I Party may transfer some of the emissions under its assigned amount, known as **assigned amount units** (AAUs), to another Annex I Party that finds it relatively more difficult to meet its emissions target. It may also transfer CERs, ERUs or RMUs that it has acquired through the CDM, joint implementation or sink activities in the same way. In order to address the concern that some countries could “over-sell” and then be unable to meet their own targets, the Protocol rulebook requires Annex I Parties to hold a minimum level of AAUs, CERs, ERUs and/or RMUs in a **commitment period reserve** that cannot be traded.

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The Protocol mirrors the Convention in recognizing the specific needs and concerns of developing countries, especially the most vulnerable among them. Annex I Parties must thus provide information on how they are striving to meet their emissions targets while minimizing adverse impacts on developing countries. The Marrakesh Accords list a series of measures that industrialized countries should prioritize in order to reduce such impacts, such as removing subsidies associated with environmentally-unfriendly technologies, and technological development of non-energy uses of fossil fuels.

A new *adaptation fund* was also established by the Marrakesh Accords to manage the funds raised by the adaptation levy on the CDM, as well as contributions from other sources. The fund will be administered by the GEF, as the operating entity of the Convention and Kyoto Protocol's financial mechanism.

Annex I Parties will submit *annual emission inventories* and regular *national communications* under the Protocol, both of which will be subject to *in-depth review* by expert review teams. Expert review teams have the mandate to highlight potential compliance problems – known as *questions of implementation* – that they find, and to refer these to the Compliance Committee if Parties fail to address them.

Parties must also establish and maintain a *national registry* to track and record transactions under the mechanisms. As an added monitoring tool, the secretariat will keep an independent *transaction log* to ensure that accurate records are maintained. It will also publish an annual *compilation and accounting report* of each Party's emissions and its transactions over the year. All information, except that designated as confidential, will be made available to the public. (There are safeguards in place to limit what type of information may be designated as confidential.)

The Protocol's compliance system, agreed as part of the Marrakesh Accords, gives "teeth" to its commitments. It consists of a *Compliance Committee*, composed of a *plenary*, a *bureau*, and two branches: a *facilitative branch* and an *enforcement branch* (see "Institutions" below). As their names suggest, the facilitative branch aims to provide advice and assistance to Parties, including "early-warning" that a Party may be in danger of not complying, whereas the enforcement branch has the power to apply certain consequences on Parties not meeting their commitments.

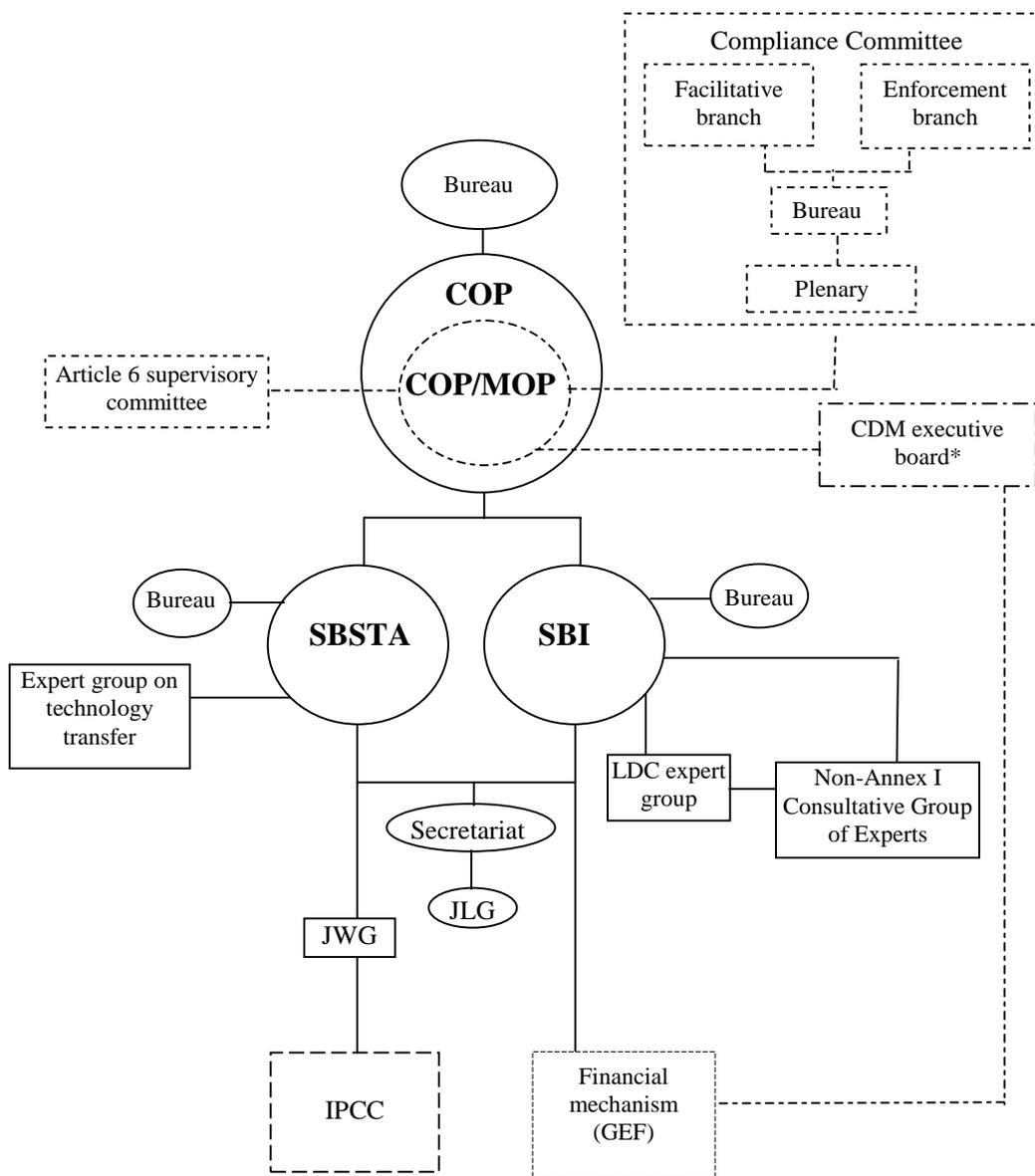
If a Party fails to meet its emissions target, it must make up the difference in the second commitment period, plus a penalty of 30%. It must also develop a *compliance action plan*, and its eligibility to "sell" under emissions trading will be suspended. The Protocol rulebook sets out detailed procedures for considering cases of potential non-compliance, along with an expedited procedure for reviewing cases concerning eligibility to participate in the mechanisms.

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A more in-depth description of the Kyoto Protocol and its rulebook may be found in the *Guide to the Climate Change Convention and its Kyoto Protocol*.

## THE INSTITUTIONS

The institutions of the Convention and the future institutions of the Protocol, including those newly established by the Marrakesh Accords, are shown in the following figure. Each is explained in more detail below.



- Kyoto Protocol bodies
- Independent bodies that provide services to the climate change
- JWG Joint Working Group (SBSTA/IPCC)
- JLG Joint Liaison Group (UNFCCC, CBD & UNCCD)

\* The CDM Executive Board is already in operation.

### **Conference of the Parties**

The Conference of the Parties (COP) is the “supreme body” of the Convention, that is, its highest decision-making authority. It is an association of all the countries that are Parties to the Convention.

The COP is responsible for keeping international efforts to address climate change on track. It reviews the implementation of the Convention and examines the commitments of Parties in light of the Convention’s objective, new scientific findings and experience gained in implementing climate change policies. A key task for the COP is to review the national communications and emission inventories submitted by Parties. Based on this information, the COP assesses the effects of the measures taken by Parties and the progress made in achieving the ultimate objective of the Convention.

The COP meets every year, unless the Parties decide otherwise. The COP meets in Bonn, the seat of the secretariat, unless a Party offers to host the session. Just as the COP Presidency rotates among the five recognized UN regions - that is, Africa, Asia, Latin America and the Caribbean, Central and Eastern Europe and Western Europe and Others – there is a tendency for the venue of the COP to also shift among these groups.

### **Dates, venues and Presidents for COP sessions held to date**

<b>COP</b>	<b>Dates</b>	<b>Venue</b>	<b>President (all of ministerial rank)</b>
COP 1	28 Mar - 7 April 1995	Berlin	Angela Merkel (Germany)
COP 2	8 – 19 July 1996	Geneva	Chen Chimutengwende (Zimbabwe)
COP 3	1 – 11 Dec 1997	Kyoto	Hiroshi Ohki (Japan)
COP 4	2 – 14 Nov 1998	Buenos Aires	Maria Julia Alsogaray (Argentina)
COP 5	25 Oct - 5 Nov 1999	Bonn	Jan Szyszko (Poland)
COP 6	13 – 24 Nov 2000	The Hague	Jan Pronk (Netherlands)
COP 6	13 – 27 July 2001	Bonn	
COP 7	29 Oct – 9 Nov 2001	Marrakesh	Mohamed Elyazghi (Morocco)
<i>COP 8</i>	<i>23 Oct – 1 Nov 2002</i>	<i>New Delhi</i>	<i>To be elected</i>

The COP will serve as the meeting of the Parties to the Kyoto Protocol when it enters into force. This body, the COP/MOP, will meet during the same period as the COP. Parties to the Convention that are not Parties to the Protocol will be able to participate in the COP/MOP as observers, but without the right to take decisions.

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The functions of the COP/MOP relating to the Protocol are similar to those carried out by the COP for the Convention.

### **Subsidiary bodies**

The Convention established two permanent subsidiary bodies: the *Subsidiary Body for Scientific and Technological Advice* (SBSTA) and the *Subsidiary Body for Implementation* (SBI). These bodies give advice to the COP and each has a specific mandate. They are both open to participation by any Party and governments often send representatives who are experts in the fields of the respective bodies.

As its name suggests, the SBSTA's task is to provide the COP with advice on scientific, technological and methodological matters. Two key areas of work in this regard are promoting the development and transfer of environmentally-friendly technologies, and conducting technical work to improve the guidelines for preparing national communications and emission inventories. The SBSTA also carries out methodological work in specific areas, such as the LULUCF sector, HFCs and PFCs, and adaptation and vulnerability. In addition, the SBSTA plays an important role as the link between the scientific information provided by expert sources such as the IPCC on the one hand, and the policy-oriented needs of the COP on the other. It works closely with the IPCC, sometimes requesting specific information or reports from it, and also collaborates with other relevant international organizations that share the common objective of sustainable development.

The SBI gives advice to the COP on all matters concerning the implementation of the Convention. A particularly important task in this respect is to examine the information in the national communications and emission inventories submitted by Parties in order to assess the Convention's overall effectiveness. The SBI reviews the financial assistance given to non-Annex I Parties to help them implement their Convention commitments, and provides advice to the COP on guidance to the financial mechanism (operated by the GEF). The SBI also advises the COP on budgetary and administrative matters.

The SBSTA and SBI work together on cross-cutting issues that touch on both their areas of expertise. These include capacity building, the vulnerability of developing countries to climate change and response measures, and the Kyoto Protocol mechanisms.

The SBSTA and the SBI have traditionally met in parallel, at least twice a year. When they are not meeting in conjunction with the COP, the subsidiary bodies usually convene at the seat of the secretariat. The Chairpersons of the subsidiary bodies that have served to date are listed in the table below.

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**Past and present Chairpersons of the SBSTA and the SBI**

<b>Term of office</b>	<b>SBSTA</b>	<b>SBI</b>
Elected at COP 1 Served SB 1 - 7	Tibor Farago (Hungary)	Mahmoud Ould El Ghaouth (Mauritania)
Elected at COP 3 Served SB 8 - 10	Chow Kok Kee (Malaysia)	Bakary Kanté (Senegal)
Elected at COP 5 Served SB 11 - 15	Harald Dovland (Norway)	John Ashe (Antigua and Barbuda)
Elected at COP 7	Halldor Thorgeirsson (Iceland)	Raúl Estrada-Oyuela (Argentina)

In addition to the SBSTA and the SBI, the COP may establish additional bodies as needed. Thus far, it has established two:

The *Ad hoc Group on the Berlin Mandate* (AGBM) was set up at COP 1 to conduct the talks that led to the adoption of the Kyoto Protocol. It met eight times, plus a resumed eighth session on the eve of COP 3, under the chairmanship of Raúl Estrada-Oyuela (Argentina).

The *Ad hoc Group on Article 13* (AG13) was also launched by COP 1 to explore how to implement Article 13 of the Convention. Article 13 calls for the establishment of a “multilateral consultative process” to help governments overcome difficulties they may experience in meeting their commitments. The AG13 met six times, under the chairmanship of Patrick Széll (UK), and made its final report to COP 4 in 1998. Although it was able to agree on almost all elements of a multilateral consultative process, there is still no consensus over the composition of the committee that would run this process.

In addition, COP 4 established a *joint working group* under the SBSTA and SBI to develop the compliance system outlined in the Protocol. The joint working group met in parallel with the SBSTA and SBI and reported to the COP through the subsidiary bodies. It was not, therefore, a subsidiary body itself. The joint working group held its final meeting at COP 6 in 2000. It was co-chaired by Harald Dovland (Norway) and Tuiloma Neroni Slade (Samoa), who replaced Espen Ronneberg (Marshall Islands) after COP 5.

The Kyoto Protocol will make use of the same permanent subsidiary bodies as the Convention, but only Parties to the Protocol will have the right to take decisions on Protocol matters. The COP/MOP will also be able to establish its own subsidiary bodies, if needed.

**Bureaux**

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The work of the COP and each subsidiary body is guided by a Bureau, elected by Parties to the Convention usually at the start of each session of the COP. To ensure continuity, the elected Bureaux serve not only at sessions of the COP and subsidiary bodies but during inter-sessional periods as well.

The COP Bureau consists of 11 members: two are nominated by each of the five UN regional groups and one place is reserved for a representative of small island developing states. The members include the COP President, seven Vice-Presidents, the Chairpersons of the two subsidiary bodies, and a Rapporteur.

The position of COP President is typically held at ministerial level. He or she is responsible for presiding over the work of the COP and facilitating agreement among Parties. The Vice-Presidents provide support to the President and may be called upon to consult on specific issues. The Rapporteur is responsible for the report on the session.

The positions of the President and the Rapporteur are formally required to rotate among the five UN regional groups, while the positions of the subsidiary body Chairpersons are subject to an informal rotation. The Bureau is elected for one year, although its members may be re-elected for a second term.

The Bureaux of the SBSTA and the SBI consist of a Chairperson, a Vice-Chairperson and a Rapporteur, who perform similar functions to their counterparts on the COP Bureau and usually serve for two years.

The COP, SBSTA and SBI Bureaux will also serve the Protocol, but only members representing Parties to the Protocol will be able to sit on the Bureaux when Protocol issues are being discussed.

### **Convention bodies**

#### ***Consultative Group of Experts***

The Consultative Group of Experts on National Communications from Non-Annex I Parties (CGE) was set up by COP 5 in 1999 to help improve the process of preparing national communications from non-Annex I Parties under the Convention. It meets twice a year, in conjunction with sessions of the subsidiary bodies, and also holds workshops to gather regional expertise. It is composed of five experts from each of the developing country UN regions (Africa, Asia, and Latin America and the Caribbean), six experts from Annex I Parties, and three experts from organizations with relevant experience.

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At COP 7, the CGE was given an additional mandate to look at technical problems and constraints that have affected the preparation of initial national communications by those non-Annex I Parties that have not yet completed them. It was also asked to provide input to the on-going review and improvement of the guidelines for the preparation of non-Annex I Party national communications. The CGE reports to the SBI; its mandate and terms of reference will be reviewed again by COP 8.

### ***Least developed country expert group***

The objective of the least developed country expert group, established as part of the Marrakesh Accords, is to provide advice to LDCs on the preparation and implementation of national adaptation programmes of action. It is composed of 12 experts, including five from African LDC Parties, two from Asian LDC Parties, two from small island LDC Parties, and three from Annex II Parties. In order to ensure linkages between the LDC expert group and the CGE on adaptation issues, at least one member of the LDC expert group from an LDC and one from an Annex II Party are also members of the CGE. The LDC expert group meets twice a year. It reports to the SBI, and its work will be reviewed by COP 9.

### ***Expert group on technology transfer***

The central task of the expert group on technology transfer, launched by the Marrakesh Accords, is to provide scientific and technical advice to advance the development and transfer of environmentally friendly technologies under the Convention. The expert group comprises 20 experts, including three developing country members each from Africa, Asia and the Pacific, and Latin America and the Caribbean, one member from the small island developing states, seven from Annex I Parties and three from relevant international organizations. The expert group meets twice a year, in conjunction with the subsidiary bodies, and reports to the SBSTA. The work of the group will be reviewed by COP 12 in 2006.

## **Kyoto Protocol bodies**

### ***CDM executive board***

The CDM executive board supervises the CDM under the Kyoto Protocol and prepares decisions for the COP/MOP (the COP will assume the COP/MOP's functions until the Protocol's entry into force). It undertakes a variety of tasks relating to the day-to-day operation of the CDM, including the accreditation of operational entities, pending their formal designation by the COP/MOP.

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The CDM's executive board is made up of ten members, including one from each of the five official UN regions, one from the small island developing states, and two members each from Annex I and non-Annex I Parties. When the Protocol enters into force, representatives from countries that have not become Parties to the Kyoto Protocol will be replaced. Each member of the executive board is accompanied by an alternate, from the same constituency. The executive board was elected at COP 7, and held its first meeting after the close of the session on 11 November 2001.

### *Article 6 supervisory committee*

The Kyoto Protocol's Article 6 supervisory committee will be established by COP/MOP 1. It will oversee a verification procedure for ERUs generated by joint implementation projects in host countries that are not fully meeting eligibility requirements relating to methodological and reporting obligations. The supervisory committee is composed of ten members, each accompanied by an alternate, including three from the EITs, three from Annex I Parties that are not EITs, three from non-Annex I Parties and one from the small island developing States.

### *Compliance Committee*

The Compliance Committee for the Kyoto Protocol will begin operation after the Protocol's entry into force. It will function through a plenary, a bureau, a facilitative branch and an enforcement branch. The committee is made up of twenty members, with ten serving in the facilitative branch and ten in the enforcement branch, each with an alternate. The composition of each branch is the same as the CDM executive board, that is, one member from each of the five official UN regions, one from the small island developing states, and two members each from Annex I and non-Annex I Parties.

The plenary consists of the members of the two branches, with the Chairperson and Vice-Chairperson of each branch making up the Bureau. The plenary reports on the activities of the Committee to the COP/MOP, submits proposals on administrative and budgetary matters, and applies general policy guidance received from the COP/MOP. The Committee will meet at least twice a year.

### *Procedural rules*

The procedural rules of the three Kyoto Protocol bodies – the CDM executive board, the Article 6 supervisory committee, and the Compliance Committee – are all similar. Members are elected for two years, and may serve for up to two consecutive terms. The positions of Chairperson and Vice-Chairperson are held on annual rotation by an Annex I and a non-Annex I Party (in the case of the Compliance Committee, both

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groups will hold the position of Chair for one of the two branches). Decisions are taken by consensus, although a three-fourths majority vote may be taken if all efforts at achieving consensus have been exhausted; in the case of the enforcement branch, a double majority of both Annex I and non-Annex I Parties is also needed. Members of the CDM executive board and the Article 6 supervisory committee must not have any financial interest in CDM or joint implementation projects.

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**Composition of limited membership bodies in the climate change process**

Body	Total	UN regional group					Small island	Annex I			Non-Annex I	IO
		Africa	Asia	LAC	CEE	WEOG		AI	AII	EIT		
COP Bureau	11	2	2	2	2	2	1					
SB Bureaux	3	Informal rotation										
<i>Convention bodies</i>												
CGE	24	5	5	5				6				3
LDC Expert Group	12	5	2				2		3			
Expt Gp Tech Transfer	20	3	3	3			1	7				3
<i>Kyoto Protocol bodies</i>												
CDM Executive Board	10 <sup>+</sup>	1	1	1	1	1	1	2			2	
Art. 6 Sup. Committee	10 <sup>+</sup>						1		3*	3	3	
Compl. Comm.	Facilitative	10 <sup>+</sup> each	1	1	1	1	1	1	2			2
	Enforcement											

\* Plus alternates; \* Including all Parties that are in Annex I, but are not EITs (e.g. Monaco).

LAC - Group of Latin America and the Caribbean states; WEOG - Western Europe and Others; CEE - Central and Eastern Europe; AI – Annex I; AII - Annex II; EIT - Economies in transition; IO - international organizations.

**Financial mechanism: The Global Environment Facility**

The multi-billion-dollar GEF was established by the World Bank, UNEP and the UN Development Programme (UNDP) in 1991 (with a pilot phase up to 1994) to fund certain developing country projects that have global environmental benefits, not only in the area of climate change, but also in biodiversity, protection of the ozone layer and international waters.

The Convention assigned the role of operating its financial mechanism to the GEF on an interim basis and, in 1996, COP 2 adopted a memorandum of understanding with the GEF on their respective roles and responsibilities. In 1998, COP 4 entrusted the GEF with this role on an on-going basis, subject to review every four years.

Since 1991, approximately US\$ 1.3 billion has been provided in grants from the GEF Trust Fund for climate change activities. An additional US\$ 6.9 billion was contributed through co-financing from bilateral agencies, recipient countries and the private sector, making a total of US\$ 8.2 billion. Over the most recent reporting period (July 2000 to June 2001), total project financing for climate change activities exceeded US\$ 817 million, of which the GEF provided US\$ 197 million in grant financing.

The financial mechanism is accountable to the COP, which decides on its climate change policies, programme priorities and eligibility criteria for funding. The COP therefore provides regular policy guidance to the financial mechanism on its climate change work, based on advice from the SBI. The Kyoto Protocol will use the same financial mechanism. The GEF will also manage the three funds – the special climate

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change fund, the least developed countries fund and the adaptation fund – established by the Marrakesh Accords.

### **Intergovernmental Panel on Climate Change**

The IPCC, established by UNEP and WMO in 1988, is not an institution of the Convention but it provides important scientific input to the climate change process. The current structure of the IPCC consists of three Working Groups: Working Group I addresses the science of climate change; Working Group II deals with impacts, vulnerability and adaptation; and Working Group III with mitigation. In addition to the three Working Groups, the IPCC also includes a Task Force on National Greenhouse Gas Inventories.

The IPCC is best known for its comprehensive assessment reports, incorporating findings from all three Working Groups, which are widely recognized as the most credible sources of information on climate change. The First Assessment Report in 1990 helped launch negotiations on the Convention. The 1995 Second Assessment Report, in particular its statement that “the balance of evidence suggests ... a discernible human influence on global climate”, galvanized many governments into intensifying negotiations on what was to become the Kyoto Protocol. The Third Assessment Report, released in 2001, confirmed the findings of the Second Assessment Report, providing new and stronger evidence of a warming world. A Fourth Assessment Report is currently being planned.

The IPCC also produces shorter Technical Papers and Special Reports on specific issues, a number of them at the specific request of the COP or the SBSTA. The IPCC recently produced a *Special Report on Land Use, Land-Use Change and Forestry* (2000), for example, which served as input into negotiations on the Kyoto Protocol rulebook for the LULUCF sector. A technical paper on interlinkages between the UNFCCC, the Convention on Biological Diversity (CBD) and the UN Convention to Combat Desertification (UNCCD) is currently under preparation by the IPCC, at the request of the CBD and with the endorsement of the UNFCCC.

The IPCC also carries out important work on methodologies for estimating and reporting greenhouse gas emissions through its Task Force on Inventories. The *IPCC 1996 Revised Guidelines for National Greenhouse Gas Inventories*, for example, are used by Parties to prepare their annual emission inventories. In addition, the IPCC has developed “good practice guidance” to help Parties deal with data uncertainties and support the use of good practice in the management of emission inventories. Good practice guidance is currently being developed specifically for the LULUCF sector. A contribution is made to the costs of the IPCC from the Convention’s Programme Budget.

### **Joint Working Group and Joint Liaison Group**

A *Joint Working Group* of the Bureaux of the SBSTA and the IPCC meets regularly to ensure coordination and exchange information on the activities of the two bodies.

A *Joint Liaison Group (JLG)* of the UNFCCC, CBD and UNCCD secretariats was established in 2001 with the aim of enhancing collaboration between the three conventions. Through the JLG, the three secretariats share information on the work of their conventions and identify possible joint activities and any potential conflicts. One of the first activities of the JLG, for example, will be to hold a joint workshop on forests and forestry, an area of common interest to the three conventions.

### **Secretariat**

A secretariat staffed by international civil servants provides support to all the institutions of the climate change process. The role, structure and activities of the secretariat are discussed in more detail in a separate section below.

## THE PARTICIPANTS

### Parties

Each Party to the Convention is represented at sessions of the Convention bodies by a national delegation consisting of one or more officials who are empowered to represent and negotiate on behalf of their government.

Based on the tradition of the UN, Parties are organized into five regional groups, mainly for the purposes of electing the Bureaux, namely: Africa, Asia, Central and Eastern Europe, Latin America and the Caribbean states, and the Western Europe and Others Group (the “Others” include Australia, Canada, Iceland, New Zealand, Norway, Switzerland and the US, but not Japan, which is in the Asian Group).

The five regional groups, however, are not usually used to present the substantive interests of Parties and several other groupings are more important to the climate negotiations.

Developing countries generally work through the *Group of 77 and China* to establish common negotiating positions. The G-77 was founded in 1964 in the context of the UN Conference on Trade and Development (UNCTAD) and now functions throughout the UN system, comprising over 130 members. The country holding the Chair of the G-77 in New York (which rotates every year) often speaks for the G-77 and China as a whole. However, because the G-77 and China is a diverse group with differing interests on climate change issues, individual developing countries also intervene in debates, as do groups within the G-77, such as the African UN regional Group, the Alliance of Small Island States and the group of Least Developed Countries.

The *Alliance of Small Island States* (AOSIS) is a coalition of some 43 low-lying and small island countries, most of which are members of the G-77, that are particularly vulnerable to sea-level rise. The AOSIS countries are united by the threat that climate change poses to their survival, and frequently adopt a common stance in negotiations. They were the first to propose a draft text during the Kyoto Protocol negotiations, calling for cuts in carbon dioxide emissions of 20% from 1990 levels by 2005.

The 48 countries defined as *Least Developed Countries* by the UN regularly work together in the wider UN system. They have now become increasingly active also in the climate change process, often working together to defend their particular interests, for example, with regard to vulnerability and adaptation to climate change.

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The 15 members of the *European Union* meet in private to agree on common positions for the negotiations. The country that holds the EU Presidency - a position that rotates every six months - then speaks for the European Community and its 15 member states. As a regional economic integration organization, the European Community itself can be, and is, a Party to the Convention. However, it does not have a separate vote from its members.

The *Umbrella Group* is a loose coalition of non-EU developed countries, which formed following the adoption of the Kyoto Protocol. Although there is no formal list, the Group is usually made up of Australia, Canada, Iceland, Japan, New Zealand, Norway, the Russian Federation, Ukraine and the US. The Umbrella Group evolved from the *JUSSCANNZ* group, which was active during the Kyoto Protocol negotiations (JUSSCANNZ is an acronym for Japan, the US, Switzerland, Canada, Australia, Norway and New Zealand).

The *Environmental Integrity Group* (EIG) is a recently formed coalition, comprising Mexico, the Republic of Korea and Switzerland.

Another recent coalition is the *Central Group-11* (CG-11), which brings together most EITs included in Annex I.

A number of countries in Asia and Central and Eastern Europe who are not included in Annex I have joined together as a group of countries of *Central Asia, Caucasus, Albania and Moldova* (CACAM) group. Although these countries are not included in Annex I, some do not consider themselves to be developing countries and are not members of the G-77. The CACAM group has requested the COP to clarify their status.

Several other groups also work together in the climate change process, including countries from the Organization of Petroleum Exporting Countries (OPEC). States that are not Parties to the Convention (of which there are now only a few) may attend sessions of the COP and subsidiary bodies as observers.

### **Observer organizations**

Several categories of observer organizations also attend sessions of the COP and its subsidiary bodies. These include representatives of United Nations secretariat units and bodies, such as UNDP, UNEP and UNCTAD, as well as its specialized agencies and related organizations, such as the GEF and WMO. Observer organizations also include intergovernmental organizations (IGOs), such as the OECD and its International Energy Agency (IEA), along with non-governmental organizations (NGOs).

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Currently, 510 NGOs and 48 IGOs are accredited as observers. In order to be accredited, NGOs must be legally constituted entities, “not for profit”, and competent in matters related to the Convention. A broad spectrum of NGOs represent different interests, including environmental groups, business and industry associations, local governments and municipal authorities, research and academic institutes, parliamentarians, labour organizations and religious bodies. Constituency groupings have emerged to facilitate interaction, namely: environmental groups; business and industry groups; and local governments and municipal authorities, with indigenous peoples recently recognized by the COP Bureau as a fourth constituency.

Observers may attend meetings of the COP and subsidiary bodies without the right to vote, unless at least one-third of Parties object. At COP 4, it was formally decided to allow observers to also attend open-ended contact groups (see “The climate change process at work” below), subject to the same proviso. However, the contact group Chairperson may close the group to observers at any time, and informal closed meetings are not open to observers. Observers may make interventions during meetings, subject to the approval of the Chairperson. An opportunity is also extended to NGOs (as well as IGOs) to address the COP and subsidiary bodies in plenary meetings. These statements are encouraged to be on behalf of a broad constituency.

Under the Marrakesh Accords, NGOs are permitted to observe meetings of the CDM executive board and the Article 6 supervisory committee, unless their members decide otherwise. Meetings of the CDM executive board are currently broadcast on the Internet.

A tradition of informal “special events” and “exhibits” has developed on the margins of the official meetings, organized mostly by the NGO community, but also by IGOs, UN bodies, the secretariat and Parties. At COP 6, for example, there were over 120 special events and 100 exhibits. The special events, including workshops and seminars, provide a forum for the organizers to showcase their activities, as well as to voice their concerns, proposals and ideas on issues in the negotiations. The exhibits provide participants with a variety of climate related products and information, including new technologies, scientific information, activities related to climate change mitigation or adaptation, project results, videos, and a host of other materials.

### **The media**

Accredited representatives of the media may also attend sessions of the COP and subsidiary bodies as observers. The number of media representatives varies, depending on the profile of the session; at COP 3, for example, some 3,500 media

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representatives were present to cover the final stages of the Kyoto Protocol negotiations, while only 530 or so attended COP 5.

A special press centre is usually set up at each COP to cater for the high media presence, and a wide range of media products are made available, including regular press releases, video news releases and live web casts of many negotiating meetings and special events. Dozens of press briefings are also called, by Parties, NGOs and the secretariat. Sessions of the COP, especially the higher profile ones, typically attract widespread coverage on the world's television networks, radio, and in the printed press. The secretariat has encouraged the attendance of journalists from developing countries at negotiating sessions in order to promote media coverage in these countries where awareness of the climate change process is often low.

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## **THE PROCEDURES**

The proceedings of the COP and its subsidiary bodies are governed by written rules of procedure. However, the COP has not yet formally adopted its rules of procedure, owing to differences in opinion over the voting rule. Discussions are continuing to try to find a compromise. Because all the other rules are agreed, the draft rules of procedure are “applied” at each session, with the exception of the rule on voting.

As there is no agreed voting rule, almost all decisions must be adopted by consensus. Consensus is usually interpreted to mean that there is no stated objection to a decision, and is not quite the same as unanimity. For example, a Party may choose not to object formally to a decision, but to ask for its concerns to be taken note of in the report on the session.

The Convention text, however, may be amended by a three-fourths majority vote if it proves impossible to reach consensus. This is because the Convention itself includes this rule. Once an amendment has been adopted, it must be ratified by three-fourths of the Parties before it enters into force. No amendment to the Convention text has yet been adopted.

The procedure is similar for the amendment of annexes to the Convention. However, these amendments do not need to be ratified and come into force automatically, except for Parties that lodge a written objection. Annex I was amended at COP 3, by consensus, to add the names of Croatia, Liechtenstein, Monaco and Slovenia, and to replace Czechoslovakia with the Czech Republic and Slovakia. The amendment came into force on 13 August 1998. Annex II was similarly amended, at COP 7, to delete the name of Turkey. In addition, any non-Annex I Party can make a declaration to the UN Secretary-General that it intends to be bound by the commitments of Annex I Parties under the Convention. Kazakhstan took such action in 2000.

There is no stated rule in the Convention for the adoption of protocols. Therefore, in the absence of an agreed voting rule, these must be adopted by consensus and define their own entry into force procedures. The Kyoto Protocol was adopted in this way at COP 3.

The draft rules of procedure set out general rules for debating and negotiating. An important rule is that proceedings of formal meetings must be interpreted into all six languages of the UN (Arabic, Chinese, English, French, Russian and Spanish). Delegates may only speak when they are given the floor by the President or Chairperson, and a quorum of two-thirds of Parties must be present for a decision to be taken. The rules also cover the drafting and adoption of agendas and the participation of observers.

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The Kyoto Protocol will apply the Convention's rules of procedure, unless its Parties decide otherwise by consensus. Like the Convention, the Protocol states that amendments to it can be adopted by a three-fourths majority vote if consensus is not possible. Unlike the Convention, however, amendments to the Protocol's Annexes A and B (listing greenhouse gases covered by the Protocol and the emissions targets of Parties, respectively) can only come into force after ratification by three-fourths of Parties. Furthermore, any changes to the list of Parties in Annex B must be approved in writing by the Party concerned.

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## **THE SECRETARIAT**

The COP, subsidiary bodies and Bureaux are serviced by a secretariat, whose mandate is laid out in general terms in Article 8 of the Convention. The main functions of the secretariat are to make practical arrangements for sessions of the Convention bodies, to assist Parties in implementing their commitments, to provide support to on-going negotiations and to coordinate with the secretariats of other relevant international bodies, notably the GEF and its implementing agencies (UNDP, UNEP and the World Bank), the IPCC and other relevant conventions. Specific tasks of the secretariat include the preparation of official documents for the COP and subsidiary bodies, the coordination of in-depth reviews of Annex I Party national communications and the compilation of greenhouse gas inventory data. The greater technical work needed since the adoption of the Kyoto Protocol (e.g. on reporting guidelines and the LULUCF sector) is leading to a trend of increased technical expertise within the secretariat. The Convention secretariat will also serve the Kyoto Protocol and its bodies.

The secretariat is institutionally linked to the United Nations and administered under United Nations Rules and Regulations. It now employs over 150 staff, including short-term staff and consultants, from all over the world. Its head, the Executive Secretary, is appointed by the Secretary-General of the United Nations in consultation with the COP through its Bureau, and currently holds the rank of Assistant-Secretary-General. The Executive Secretary reports to the Secretary-General through the Under-Secretary-General heading the Department of Management on administrative and financial matters, and through the Under-Secretary-General heading the Department for Economic and Social Affairs on other matters. The current Executive Secretary is Joke Waller-Hunter (The Netherlands). She succeeded the first Executive Secretary, Michael Zammit Cutajar (Malta), who headed the secretariat since it was set up in 1991 and retired in January 2002.

As an impartial body of international civil servants, the secretariat is accountable, through the Executive Secretary, to the COP and subsidiary bodies and carries out those tasks that fall under its mandate in the Convention and Programme Budget. The COP and subsidiary bodies will often request a specific assignment from the secretariat within this mandate, for example, to prepare a background study on a particular issue. The secretariat is guided in its work by the Bureaux of the Convention bodies.

Since August 1996, the secretariat has been located in Bonn, Germany. It moved from its previous location in Geneva, Switzerland, following an offer from Germany to host the secretariat, which was accepted by COP 1.

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Every two years, the Executive Secretary proposes a programme budget, setting out the main tasks to be performed by the secretariat in the coming biennium and the funding needed to carry out this work. This proposal is considered in the SBI, which then recommends a programme budget for approval by the COP. For the biennium 2002-2003, the programme budget adopted by COP 7 stands at just over US\$16 million for 2002 and around US\$16.7 million for 2003. The programme budget is funded by contributions from Parties, their shares being based on the UN scale of assessment. US\$5 million from the unspent balances of previous financial periods will be used to cover part of the budget. The Government of Germany (the host country of the secretariat) provides a further annual contribution to offset planned expenditures, currently amounting to around US\$0.67 million, as well as an annual contribution of approximately US\$1.57 million to support the costs of conference and meeting facilities and related requirements for events in Bonn (the "Bonn Fund"). Additional voluntary contributions fund participation by developing countries (approximately US\$1.65 million a year) and supplementary activities (averaging around US\$3.65 million a year). Around US\$6.8 million of additional contributions will also be needed during the biennium to support the prompt start of the CDM.

The secretariat's structure is kept under review to ensure that it responds to the changing needs of the climate change process. A revised structure for the biennium 2002-2003 was adopted at COP 7, reflecting developments in the climate change process and lessons learned in implementation. This structure consists of three programme clusters:

- Executive Direction;
- Technical Programmes; and
- Support Services.

***Executive Direction*** comprises the functions and staff of the Executive Secretary, the Deputy Executive Secretary and the Secretary of the COP. These three officials are responsible for promoting the overall coherence of the secretariat's work and its responsiveness to the needs of the Convention bodies. They chair internal management processes that advance these aims and facilitate the effective management of the secretariat. They also provide advice and support to the President and Bureau of the COP, undertake analysis of emerging policy issues, coordinate the secretariat's representational and outreach activities and oversee the work of the Support Services cluster. The Executive Direction cluster is composed of two programmes: Executive Direction and Management, covering tasks undertaken under the direct supervision of the Executive Secretary and the Deputy Executive Secretary, and the Office of the Secretary of the COP.

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The ***Technical Programmes*** carry out mandates assigned by the COP and its subsidiary bodies. They comprise four programmes: Methods, Inventories and Science; Implementation; Sustainable Development and Cooperative Mechanisms.

- ***Methods, Inventories and Science (MIS)***: MIS provides secretariat services to the SBSTA. In doing so, it carries forward the secretariat's methodological work, including on the land use, land-use change and forestry sector, emission projections, HFCs and PFCs, and vulnerability and adaptation. It coordinates the development of guidelines for reporting greenhouse gas emissions and removals and for the technical review of emission inventories, while organizing these reviews and archiving inventory data. In addition, MIS ensures linkages with international scientific bodies, notably the IPCC and the Global Climate Observing System (GCOS). It also facilitates cooperation with the scientific and technical work of other relevant international organizations, such as the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), the CBD and the UNCCD.
- ***Sustainable Development (SD)***: SD groups activities related to the integration of climate change concerns into the sustainable development priorities and programmes of developing country Parties. It includes support for intergovernmental work on the transfer of technology, adaptation strategies (including national adaptation programmes of action for LDCs) and work on education, training and public awareness (under Article 6 of the Convention).
- ***Cooperative Mechanisms (COOP)***: COOP works on joint implementation, the clean development mechanism and emissions trading under the Kyoto Protocol. It also collects information on activities implemented jointly under the Convention.
- ***Implementation (IMP)***: IMP provides secretariat services to the SBI. In doing so, it conducts work on guidelines for national communications by both Annex I and non-Annex I Parties. It also carries out the compilation and synthesis of information provided in communications, and provides support for the in-depth review of Annex I Party communications and the Consultative Group of Experts on non-Annex I Party communications. This programme also ensures liaison with the GEF and facilitates capacity-building activities.

***Support Services***, which enable the secretariat and the intergovernmental process to function effectively, include three sub-programmes: Administrative Services, Conference Affairs Services, and Information Services.

- ***Administrative Services (AS)***: AS carries out the overall administration of the secretariat; develops policies and guidance for the management of financial and

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human resources; manages procurement activities and secretariat-wide operating costs funded from the core budget; and monitors administrative transactions undertaken by administrative teams in individual programmes.

- *Conference Affairs Services (CAS)*: CAS is responsible for providing conference facilities and services for all sessions of the Convention bodies and workshops. CAS liaises with Parties and observers, registers participants to sessions of Convention bodies and provides funding and travel arrangements for eligible Parties. CAS is also responsible for planning, editing and coordinating the production and dissemination of official documents.
- *Information Services (IS)*: IS is responsible for information technology support to Parties at sessions of the Convention bodies and workshops, as well as to the secretariat. A key task for the programme is ensuring that Parties have access to official documents and other information over the Internet, and maintaining the secretariat's web site, [www.unfccc.int](http://www.unfccc.int). IS also maintains key databases needed for registration and document distribution, and supports secretariat work through the library. It arranges for the participation of the media in the Convention process and, in cooperation with UNEP and other organizations, publishes information products on the Convention and its process.

## THE CLIMATE CHANGE PROCESS AT WORK

### Sessions of the Conference of the Parties

The climate change process revolves around the annual sessions of the COP, usually held over two weeks, and often in parallel with sessions of the SBSTA and the SBI. A few thousand participants attend these sessions, including government delegates and observers. The attendance record so far was at COP 3, with some 10,000 participants, including around 2,500 Party delegates, 4,000 observer organizations, and 3,500 media representatives. Some 7,000 people attended COP 6 part I, while COP 5, COP 6 part II, and COP 7 all attracted over 4,000 participants.

Plenary meetings of the COP, that is, formal meetings of all the Parties, usually take place in three-hour timeslots, from 10 a.m. to 1 p.m. and from 3 p.m. to 6 p.m. Meetings can also be held in the evening, sometimes going on all night when a deadline is looming. The timing and length of plenary meetings is restricted by the availability of interpretation services.

The COP President, with advice from the Bureau and the secretariat, must decide how to structure the work of the session. Because of the formal nature of the COP, most of its work is usually referred to the SBSTA and SBI, which try to broker agreement and forward draft decisions to the COP. This frees the COP President to consult informally behind the scenes on the most controversial issues, often at ministerial level.

Other approaches may be used. For example, the COP may delegate work to a group known as a *Committee of the Whole*, with its own Chairperson, to conduct negotiations and report back to the COP. Alternatively, the COP may convene a small number of *negotiating groups* to deal with related issues, usually led by Bureau members.

Smaller informal groups are often convened within this larger structure to take up specific issues. Sometimes these are *open-ended contact groups* that are attended by all interested delegates and, subject to the approval of Parties, observers. Sometimes they are *drafting groups* that involve a smaller but representative number of delegates and are closed to observers. Sometimes they are *informal consultations*, where a delegate is charged with contacting other delegations on an informal basis to see how agreement could be reached, often through conversation “in the corridors” rather than an official meeting. These smaller groups can help to move talks forwards by allowing delegates to talk more freely in a more informal atmosphere. However, efforts are made to convene no more than two meetings at any one time, because of difficulties

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faced by small delegations in covering a multiplicity of events. These informal groups do not take decisions, but forward proposals to their convening body.

In addition, the COP President may invite a small group of delegates representing the main interest groups, to meet as *Friends of the President* to give advice on the most tricky issues under negotiation. The President may also invite one or two trusted colleagues, usually at ministerial level, to convene consultations on some of the key political questions.

Thus far, sessions of the COP have included a *high-level segment* with ministerial participation. This often, but not always, takes place during the last few days of the session, so that the political weight of ministers can be brought to bear on the final and most difficult decisions. Ministers typically participate in a traditional “debate”, making brief policy statements to the COP Plenary, as well as the negotiations themselves. Sometimes, a roundtable discussion may be organized to promote an informal exchange of views among ministers and other heads of delegation.

The aim of these different negotiating mechanisms is to forge agreement on decisions that reflect the consensus view of Parties. Draft text that is under discussion but not yet agreed is placed in square brackets. As agreement is reached, the brackets are said to be “lifted”.

Once a draft decision is agreed in an informal group it may then be discussed and approved by the subsidiary bodies, the Committee of the Whole or negotiating groups. It is then forwarded for final adoption (or further negotiation, if disagreement remains) to the COP plenary. If there are no objections, the President will bang his or her gavel on the table and declare that the decision is adopted, using the time-honoured formula “it is so decided”. The decision cannot normally be reopened, though explanatory statements may be made after adoption.

The COP has adopted some 20 decisions at most of its sessions so far – the record was at COP 7, where 39 decisions were adopted. These decisions are included in the formal COP reports. Decisions are known by their number (e.g. decision 4/CP.3 is decision number four taken at COP 3). Key decisions are sometimes given a more high-profile title. For example, decision 1/CP.1, which launched negotiations on the Kyoto Protocol, is known as the “Berlin Mandate”, while the programme of work adopted by decision 1/CP.4 is termed the “Buenos Aires Plan of Action”.

In addition to decisions, the COP can produce other outcomes, such as declarations or resolutions. These are non-binding political statements intended to guide the work of the Convention or express the will of the COP. For example, the Geneva Ministerial Declaration, which was taken note of (but not adopted) at COP 2, gave new

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momentum to the Kyoto Protocol negotiations. Similarly, at COP 4 and COP 6, Parties adopted resolutions of solidarity with, respectively, Central America and Southern African countries especially Mozambique, following devastating extreme weather events in those regions.

### **Sessions of the subsidiary bodies**

The SBSTA and the SBI are the main working bodies of the Convention and usually meet twice a year, once in conjunction with sessions of the COP. The sessions of the subsidiary bodies held outside of the annual COP are important events in the climate change process. However, given the more technical nature of their work, they tend to attract technical specialists rather than high-level political negotiators, and somewhat fewer participants (around 1,500). The organization of work of the SBSTA and SBI, including the use of contact groups, drafting groups and informal consultations, are similar to those described above for the COP.

As the “supreme body” of the Convention, however, only the COP takes decisions. The main products of the SBSTA and SBI are therefore recommendations for draft decisions, which are then forwarded to the COP for consideration and adoption. In addition, the subsidiary bodies adopt conclusions, which are included in their reports. These are often procedural in nature, for example, setting out a schedule of work, convening a workshop, or requesting a background document from the secretariat. The subsidiary bodies frequently invite Parties to submit views or proposals on particular issues in between sessions, in order to move talks forward when they are in session.

## DOCUMENTS

Documents are the engine of the negotiation process. It is through documents that proposals from Parties are circulated, information is disseminated, and draft text is negotiated and adopted. There are various types of documents in the climate change process bearing different symbols that can be mystifying for newcomers – or even old timers!

All document symbols start with the letters FCCC, indicating that the document comes from the climate change process. The symbol then shows the body for which the document is intended and the year of publication, followed by an acronym indicating the document type (if it is not a regular document) and the document number. Document FCCC/CP/2001/MISC.2, for example, is the second (2) miscellaneous (MISC) document prepared for the COP (CP) in 2001. The main document types are outlined in the table below.

### Document types

Document type	Typical content	Acronym	Usual language
Regular	Session reports, provisional agendas, most secretariat background documents.	-	All 6 UN languages
Information	Practical data (e.g. list of participants at a COP session), more substantive information (e.g. a scoping study), or workshop reports	INF	English
Miscellaneous	Proposals or views submitted by Parties (or occasionally observer organizations). No formal editing.	MISC	Language of submission (usually English)
Technical papers	Detailed background papers on technical issues.	TP	English
Limited distribution	Draft decisions or conclusions presented to the COP or subsidiary bodies for adoption.	L	All 6 UN languages
Conference room papers	New proposals or text prepared during a negotiation session to reflect the status of discussion on a particular issue.	CRP	English
In-depth review report	Report on the in-depth review of an Annex I Party national communication.	IDR	English
Addendum	Addition to any of the above documents.	Add	According to the original document.
Revision	Revision to any of the above documents.	Rev	
Corrigendum	Correction to any of the above documents.	Corr	

A new practice for the climate change process is the production of *Web documents*, that is, documents that are issued only on the official secretariat web site (hard copies for people without access to the internet may be obtained from the secretariat on request). This innovation responds to the growing demand for documents containing continuously updated information, for example, status reports on the annual emission inventories of Annex I Parties and the status of preparation of national

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communications by non-Annex I Parties. These documents are typically posted on the web in English only.

In addition to official documents, *non-papers* are often produced during negotiation sessions. Non-papers typically contain proposals or position papers from Parties and, faced with the need for fast dissemination, they are simply photocopied on blank paper without an official symbol. The secretariat usually keeps a record of important non-papers.

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## **IN BETWEEN SESSIONS**

The climate change process does not stop when the COP and subsidiary bodies are not in session. Parties continue their efforts to tackle climate change at home and work on their negotiating positions for the next sessions. If they were requested to do so by the subsidiary bodies at the last session, they submit written views or proposals to the secretariat on particular topics. The secretariat prepares background papers, compiles submissions from Parties, and makes arrangements for the next sessions.

The COP Bureau usually meets at least once between COP sessions, while the COP President may also choose to convene high-level informal consultations to pave the way for maximum progress at the next session. The CDM executive board meets at least three times a year (six meetings are scheduled for 2002), while the Article 6 supervisory committee and the Compliance Committee will also meet intersessionally, once the Kyoto Protocol comes into force.

A practice that is becoming more common is to convene informal workshops and meetings on specific issues in between sessions of the Convention bodies. These are held in Bonn, unless a Party offers to host a meeting, and are organized by the secretariat, under the guidance of the subsidiary body Chairpersons, with attendance from an invited representative group of Parties. Representatives of observer organizations may also be invited, subject to the availability of physical resources and depending on the mandate. The aim of these inter-sessional meetings is to promote informal discussion and to explore options, without entering into negotiations or taking decisions. Some are technical in nature, and NGO or IGO experts may be invited to provide their technical inputs on specific issues.

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## **THE ROAD AHEAD**

The climate change process has evolved rapidly since the Convention was adopted a decade ago. The most high profile development has undoubtedly been the adoption of the Kyoto Protocol, with its legally-binding emissions targets for industrialized countries. However, progress in implementing the Convention has also been of critical importance to forging an effective response to climate change.

The adoption of the Marrakesh Accords, setting out the details of the Kyoto Protocol's rulebook, should now enable widespread ratification of the Protocol, including by most Annex I Parties, and its entry into force. Many Parties have indicated a wish that this should take place in 2002, in time for the World Summit on Sustainable Development and the Convention's tenth anniversary.

The rules for entry into force of the Kyoto Protocol require 55 Parties to the Convention to ratify (or approve, accept, or accede to) the Protocol, including Annex I Parties accounting for 55% of that group's carbon dioxide emissions in 1990. These criteria ensure that no single Party can veto the Protocol's entry into force. The table below, which shows the shares of Annex I Party emissions, will serve as the basis for calculating when the threshold has been passed.

When the Kyoto Protocol enters into force, attention will shift to the implementation of its legally-binding emissions targets. The hope is that these targets, accompanied by the mechanisms and rigorous compliance procedures, will help to finally rein in the persistently rising emissions of many industrialized countries. For its part, the Convention – including its fundamental obligation on all its Parties to respond to climate change – will continue to serve as the focus for intergovernmental action to combat climate change for both developing countries and Annex I Parties who do not ratify the Protocol. It will also continue to provide the basis for the critical work on reporting, finance, technology transfer and other key issues that make up the backbone of the climate change process.

The Marrakesh Accords have launched a new implementation phase for both the Convention and the Kyoto Protocol, based on an architecture of institutions, rules, procedures and mechanisms that is without doubt among the most elaborate of any international environmental agreement. A focus on implementation, however, does not mean the end of negotiations in the climate change process. Talks will resume on further developing both the Convention and Kyoto Protocol rulebooks. New rounds of negotiations will also be launched to strengthen and extend commitments, in order to move closer to achieving the ultimate objective of the Convention. The Kyoto Protocol was never intended to solve the problem of climate change by the end of the first commitment period in 2012. Instead, it envisages a long-term process of five-year

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commitment periods, with negotiations on targets for the second commitment period (presumably for 2013-2017) due to start in 2005. The whole Protocol is also scheduled for review at COP/MOP 2 which, depending on the date of entry into force of the Protocol, may take place around the same time.

The stage is thus set for the continuous development of the climate change process, with implementation and negotiation going hand in hand. The intergovernmental process on climate change will continue to evolve as scientific knowledge improves and political will increases.

**Annex I Party carbon dioxide emissions in 1990 and their share of the total for the purpose of determining entry into force of the Kyoto Protocol**

<b>Party</b>	<b>1990 CO<sub>2</sub> emissions (Gg)</b>	<b>%</b>
Australia	288,965	2.1
Austria*	59,200	0.4
Belgium*	113,405	0.8
Bulgaria	82,990	0.6
Canada	457,441	3.3
Czech Republic	169,514	1.2
Denmark*	52,100	0.4
Estonia	37,797	0.3
Finland*	53,900	0.4
France*	366,536	2.7
Germany*	1,012,443	7.4
Greece*	82,100	0.6
Hungary	71,673	0.5
Iceland	2,172	0.0
Ireland*	30,719	0.2
Italy*	428,941	3.1
Japan	1,173,360	8.5
Latvia	22,976	0.2
Liechtenstein	208	0.0
Luxembourg*	11,343	0.1
Monaco	71	0.0
Netherlands*	167,600	1.2
New Zealand	25,530	0.2
Norway	35,533	0.3
Poland	414,930	3.0
Portugal*	42,148	0.3
Romania	171,103	1.2
Russian Federation	2,388,720	17.4
Slovakia	58,278	0.4
Spain*	260,654	1.9
Sweden*	61,256	0.4
Switzerland	43,600	0.3
United Kingdom*	584,078	4.3
USA	4,957,022	36.1

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<i>*15 EU member states combined</i>		<i>24.2</i>

The table does not include Annex I Parties that had not yet submitted a national communication under the Convention when the Protocol was adopted. The emissions of these Parties (Croatia, Lithuania, Slovenia and Ukraine) will not be counted towards the entry into force threshold. Figures exclude the land-use change and forestry sector.