



**UNITED  
NATIONS**



**Framework Convention  
on Climate Change**

Distr.  
GENERAL

FCCC/SBI/2008/2  
11 April 2008

Original: ENGLISH

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**SUBSIDIARY BODY FOR IMPLEMENTATION**

Twenty-eighth session

Bonn, 4–13 June 2008

Item 7 of the provisional agenda

Capacity-building for developing countries under the Convention

Item 8 of the provisional agenda

Capacity-building for developing countries under the Kyoto Protocol

**Draft terms of reference for the second comprehensive review of the  
capacity-building framework contained in decision 2/CP.7**

**Note by the secretariat\***

*Summary*

This document outlines draft terms of reference for the second comprehensive review of the framework for capacity-building in developing countries. It builds upon work undertaken on the monitoring and evaluation of the implementation of capacity-building under decisions 4/CP.12 and 6/CMP.2, and takes into account issues under consideration under the Bali Action Plan on the monitoring, reporting and verification of capacity-building. The document discusses possible sources of information for the review and expected outcomes, as well as potential roles of different stakeholders.

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\* This document was submitted after the due date owing to the need for internal consultations.

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## **I. Introduction**

### **A. Mandate**

1. By its decision 2/CP.10, the Conference of the Parties (COP) decided to initiate a second comprehensive review of the implementation of the framework for capacity-building in developing countries adopted under decision 2/CP.7 at the twenty-eighth session of the Subsidiary Body for Implementation (SBI), with a view to completing it at the fifteenth session of the COP. At its thirteenth session, the COP requested the secretariat to prepare draft terms of reference for this second comprehensive review, for consideration by the SBI at its twenty-eighth session.<sup>1</sup>

### **B. Scope of the note**

2. This document outlines draft terms of reference for the second comprehensive review of the implementation of the framework for capacity-building in developing countries. It builds upon ongoing work requested by the SBI to be undertaken in monitoring and evaluating the implementation of capacity-building, and takes into account issues under consideration under the Bali Action Plan (decision 1/CP.13) on the monitoring, reporting and verification of capacity-building. The document presents objectives of the review, roles of different stakeholders, a list of activities and a possible schedule for work to be undertaken in order to complete the review at COP 15. The approach builds upon the process and steps undertaken in carrying out the first comprehensive review.<sup>2</sup>

### **C. Possible action by the Subsidiary Body for Implementation**

3. The SBI may wish to consider the draft terms of reference in this document in preparing its conclusions and/or a draft decision on the terms of reference for the review.

## **II. Background**

### **A. Capacity-building decisions**

4. The framework for capacity-building in developing countries provides an initial list of priority areas, including the specific needs of least developed countries (LDCs) and small island developing States (SIDS). The framework calls on developing countries to continue to provide information on their specific needs and priorities, while promoting cooperation among themselves and encouraging stakeholder participation. Parties included in Annex II to the Convention (Annex II Parties), for their part, should provide additional financial and technical assistance for implementing capacity-building activities through the Global Environment Facility (GEF) and other channels, and all Parties should improve the coordination and effectiveness of existing activities.

5. By its decision 2/CP.7, the COP requested the secretariat to collect, process, compile and disseminate the information needed by the COP or its subsidiary bodies to review the progress made in the implementation of the capacity-building framework, drawing on information contained in national communications of developing country Parties and of Annex II Parties, as well as reports from the GEF and other agencies.

6. A time frame and process for review of the implementation of the capacity-building framework was established through decision 9/CP.9. By this decision, the COP decided to complete a first comprehensive review of the framework by its tenth session, and to conduct further comprehensive

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<sup>1</sup> FCCC/CP/2007/6, paragraph 89.

<sup>2</sup> See terms of reference for first comprehensive review contained in document FCCC/SBI/2003/8, annex III.

reviews every five years thereafter. Terms of reference for the first review are contained in document FCCC/SBI/2003/8, annex III.

7. The results of the first comprehensive review are given in decision 2/CP.10. While acknowledging some progress in a range of priority areas identified in the framework, the COP noted significant gaps that still remained to be filled. The COP also reaffirmed that the framework was still relevant, and identified nine key factors that should be taken into account to guide further implementation of capacity-building. These nine factors could guide development of performance measures to be used in evaluating the effectiveness of the implementation of capacity-building in developing countries during the second comprehensive review. In particular, the factors in decision 2/CP.10 suggest that:

- (a) The ability of developing country Parties to implement the Convention and to participate effectively in the Kyoto Protocol process is a measure of effectiveness of capacity-building;
- (b) Institutional capacity-building is a priority for the creation and strengthening of basic institutional infrastructure needed to support implementation of the Convention and to address climate change at the national level, such as through the integration of climate change issues into national planning;
- (c) Raising awareness, at various levels, of climate change issues leads to increased involvement of national governmental organizations in capacity-building activities;
- (d) Developing and, where appropriate, promoting exchange of best practice and experiences in, and information on, capacity-building activities undertaken by various Parties, including case studies and details of tools and financial resources for capacity-building, contributes to successful capacity-building;
- (e) Initial and subsequent national communications and national adaptation programmes of action (NAPAs) provide a good measure of successful capacity-building as it relates to the implementation of the Convention;
- (f) Integration of capacity-building in planning processes ensures long-term sustainability of capacity-building activities;
- (g) Developing countries, in particular LDCs and SIDS among them, require financial and technical resources to assist them in implementing the framework;
- (h) Learning-by-doing approaches to capacity-building are an effective strategy for building various types of capacity at the national and local levels;
- (i) Sustainability of capacity-building activities is improved by coordinating the provision of financial resources by international donors and by harmonizing donor support through alignment with national priorities, plans and strategies.

#### **B. Capacity-building under the Kyoto Protocol**

8. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), by its decision 29/CMP.1, decided that the framework for capacity-building adopted under decision 2/CP.7 is applicable to the implementation of the Kyoto Protocol and reaffirmed its role in guiding capacity-building activities relating to the implementation of the Kyoto Protocol in developing countries. The CMP further decided that capacity-building should be provided to enhance the ability of developing countries to participate effectively in project activities under the clean development mechanism in six

priority areas.<sup>3</sup> One of these areas is to improve geographical distribution of clean development mechanism projects, and further guidance is given in decision 7/CMP.1.<sup>4</sup>

### **C. Monitoring and evaluating capacity-building**

9. By its decision 4/CP.12, the COP decided on steps to be taken annually to regularly monitor the implementation of the capacity-building framework under the Convention pursuant to decisions 2/CP.7 and 2/CP.10. The COP recognized that the purpose of the regular monitoring should be to facilitate assessment of progress made, identification of gaps, and effectiveness of the implementation of the capacity-building framework, and to support the comprehensive reviews.

10. Similarly, by its decision 6/CMP.2, the CMP decided on the steps to be taken annually to regularly monitor the implementation of capacity-building activities under the Kyoto Protocol pursuant to decision 29/CMP.1.

11. At an expert workshop held in November 2007,<sup>5</sup> participants discussed approaches to monitoring and evaluating capacity-building in developing countries at the individual project level and other levels. The COP, at its thirteenth session, recognized that further work is needed to identify monitoring and evaluation approaches relevant at the national and global levels, and invited Parties to submit to the secretariat, by 15 August 2008, information on their experiences with monitoring and evaluation at the national level, for consideration by the SBI at its twenty-ninth session.<sup>6</sup> Further, it requested the secretariat to prepare a technical paper containing approaches to monitoring and evaluation at different levels, for consideration by the SBI at its twenty-ninth session. Similar guidance for capacity-building under the Kyoto Protocol was also given by the CMP at its third session.<sup>7</sup>

12. The COP, at its thirteenth session, further requested the secretariat to convene a meeting, before its fourteenth session, to discuss experiences in using performance indicators for the monitoring and evaluation of capacity-building at the national level, consistent with the capacity-building framework, and to prepare a report on the outcome of this meeting for consideration by the SBI at its twenty-ninth session.<sup>8</sup>

13. Under the Bali Action Plan, Parties will address how mitigation actions by developing country Parties in the context of sustainable development are supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner.<sup>9</sup> The deliberations on capacity-building could be informed by the results of the methodological work that will be developed through the technical paper and meeting mentioned in paragraphs 11 and 12 above.

## **III. Draft terms of reference for the second comprehensive review**

### **A. Objectives of the comprehensive review**

14. The second comprehensive review of the implementation of the framework for capacity-building in developing countries has the following objectives:

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<sup>3</sup> Decision 29/CMP.1, paragraph 2.

<sup>4</sup> Decision 7/CMP.1, paragraphs 32–36.

<sup>5</sup> FCCC/SBI/2007/33.

<sup>6</sup> FCCC/CP/2007/6, paragraph 87.

<sup>7</sup> FCCC/KP/CMP/2007/9, paragraphs 93–94.

<sup>8</sup> FCCC/CP/2007/6, paragraph 88.

<sup>9</sup> Decision 1/CP.13, paragraph 1 (b) (ii).

- (a) To take stock of progress in, and assess the effectiveness of, implementation of capacity-building activities directly relating to decision 2/CP.7 and subsequent decisions, including those taken by the CMP;
- (b) To examine possible gaps between the provisions of decision 2/CP.7 and the implementation of capacity-building activities;
- (c) To establish performance measures for monitoring and evaluating progress, effectiveness and gaps in capacity-building, taking into account issues cited in decisions 2/CP.10, 29/CMP.1 and 1/CP.13;
- (d) To propose revisions and enhancements to the framework;
- (e) To develop options for enhanced implementation of capacity-building, taking into account additional needs and priorities for capacity-building that are identified in the implementation of the Bali Action Plan.

## **B. Process of the comprehensive review**

### **1. Role of Parties**

15. The SBI invites Parties to include information on activities undertaken to implement capacity-building in developing countries within the following.

- (a) Their submissions to the secretariat, by 15 August 2008, of information on their experiences in capacity-building monitoring and evaluation at the national level, for consideration by the SBI at its twenty-ninth session;<sup>10</sup>
- (b) Their annual submissions to the secretariat of information on the activities that they have undertaken pursuant to decisions 2/CP.7 and 2/CP.10 (and decision 29/CP.1 for capacity-building under the Kyoto Protocol).<sup>11</sup>

16. The SBI further invites Parties to submit to the secretariat, by 13 February 2009, information on options to enhance implementation of capacity-building under the Convention, its Kyoto Protocol and the Bali Action Plan, for consideration by the SBI at its thirtieth session.

### **2. Role of the Global Environment Facility and its implementing agencies and relevant United Nations organizations**

17. The GEF should contribute to the review by continuing to provide information on steps it has undertaken to implement capacity-building in developing countries, according to existing mandates contained in decisions 2/CP.7, 2/CP.10, 29/CMP.1, 4/CP.12 and 6/CMP.2, taking into account the need to improve reporting on capacity-building. Relevant United Nations organizations are also welcome to contribute information on how they have facilitated implementation of capacity-building in developing countries.

18. The COP, at its thirteenth session,<sup>12</sup> noted the need for relevant United Nations organizations and multilateral and bilateral organizations to enhance the implementation of capacity-building activities and to make information publicly available in this regard. In response to this and to decision 2/CP.10, the GEF and its implementing agencies, as well as United Nations organizations and other organizations,

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<sup>10</sup> FCCC/CP/2007/6, paragraph 87, and FCCC/KP/CMP/2007/9, paragraph 93.

<sup>11</sup> Decision 4/CP.12, paragraph 1, and decision 6/CMP.2, paragraph 1.

<sup>12</sup> FCCC/CP/2007/6, paragraph 91.

could be invited to cooperate with the secretariat in disseminating information on best practices and lessons learned in capacity-building projects and programmes.

### 3. Role of the Subsidiary Body for Implementation

19. The SBI will take overall responsibility for the preparation of appropriate reports to the COP on the comprehensive review, and for proposing new mandates to enhance the capacity-building framework and its implementation by all relevant stakeholders.

20. Capacity-building activities that should be considered in the review include those relating to:

- (a) The areas identified in paragraphs 15–17 of the annex to decision 2/CP.7 (the framework), and actions by Parties to enhance implementation of the framework, as defined in paragraphs 18–20 thereof;
- (b) The key factors identified decision 2/CP.10, paragraph 1;
- (c) The areas identified in decision 29/CMP.1, paragraph 2;
- (d) Additional capacity-building areas identified by Parties through decisions of the COP or the CMP other than those related to the framework.

### 4. Role of the secretariat

21. The secretariat will support the SBI in conducting the comprehensive review through preparation of technical, information and synthesis reports, based on the submissions from Parties referred to in paragraphs 15 and 16 above, relevant national reports and other sources as appropriate. The secretariat will also organize meetings and workshops to support the review process if requested by the SBI.

22. The secretariat should cooperate with the GEF and its implementing agencies and other relevant organizations in fulfilling its duties under the review.

### **C. Information sources for the comprehensive review**

23. Information on capacity-building activities for the comprehensive review should be drawn from, inter alia:

- (a) Annual synthesis reports on capacity-building that are prepared by the secretariat in accordance with the steps for regular monitoring and evaluation of capacity-building contained in decisions 4/CP.12 and 6/CMP.2;
- (b) Relevant national reports (such as national communications, NAPAs, etc.);
- (c) Submissions from Parties;
- (d) Reports and submissions from the GEF and its implementing agencies, United Nations organizations and other relevant organizations;
- (e) Other relevant secretariat documents.

### **D. Expected output of the comprehensive review**

24. The comprehensive review should result in the following output:

- (a) For consideration by the SBI at its twenty-ninth session:

- (i) A miscellaneous document compiling submissions from Parties on their experiences in capacity-building monitoring and evaluation at the national level (existing mandate under COP 13 conclusions);<sup>13</sup>
  - (ii) A technical paper prepared by the secretariat on approaches to monitoring and evaluating capacity-building at different levels (existing mandate under COP 13 conclusions);<sup>14</sup>
  - (iii) A report on the workshop<sup>15</sup> on experiences in using performance indicators for monitoring and evaluating capacity-building at the national level (existing mandate under COP 13 conclusions);<sup>16</sup>
  - (iv) A miscellaneous document compiling submissions from Parties on the implementation of the framework for capacity-building in developing countries (existing mandates under decisions 4/CP.12 and 6/CMP.2);
  - (v) Annual synthesis report to the COP and CMP on the implementation of the framework for capacity-building in developing countries (existing mandates under decisions 4/CP.12 and 6/CMP.2);
  - (vi) A technical paper prepared by the secretariat on a draft framework for performance measures for capacity-building under the Bali Action Plan (new mandate from the COP and/or the CMP required);
  - (vii) An interim assessment of needs for capacity-building (new mandate);
  - (viii) An information document on best practices and lessons learned in capacity-building (existing mandate under decision 2/CP.10);
- (b) For consideration by the SBI at its thirtieth session:
- (i) A miscellaneous document compiling submissions from Parties on options to enhance implementation of capacity-building under the Convention, its Kyoto Protocol and the Bali Action Plan (new mandate);
  - (ii) A synthesis report prepared by the secretariat on options to enhance implementation of capacity-building under the Convention, and its Kyoto Protocol and the Bali Action Plan (based on the submissions referred to in para. 25 (b) (i) above);
- (c) For consideration by the SBI at its thirty-first session:
- (i) A miscellaneous document compiling submissions from Parties on the implementation of the framework for capacity-building in developing countries (existing mandates under decisions 4/CP.12 and 6/CMP.2);
  - (ii) Annual synthesis report to the COP and CMP on the implementation of the framework for capacity-building in developing countries (existing mandates under decisions 4/CP.12 and 6/CMP.2);

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<sup>13</sup> FCCC/CP/2007/6, paragraph 87.

<sup>14</sup> See footnote 13 above.

<sup>15</sup> See footnote 8 above.

<sup>16</sup> FCCC/CP/2007/6, paragraph 88.



- (iii) A synthesis report prepared by the secretariat on elements for a new or enhanced framework and implementation plan for capacity-building in developing countries (new mandate).

#### **E. Expected outcomes of the comprehensive review**

25. As part of the conduct of the review, the SBI may wish to conclude and/or recommend decisions to the COP and CMP as follows:

- (a) Develop and conclude on the terms of reference for the comprehensive review at its twenty-eighth session;
- (b) Draft a decision on the application of performance measures for monitoring and evaluating capacity-building at its twenty-ninth session, for adoption by the COP at its fourteenth session;
- (c) Conduct an interim assessment of capacity-building needs at its twenty-ninth session in order to recommend ways and means to address any urgent and immediate needs for capacity-building in developing countries through a decision by the COP at its fourteenth session;
- (d) Develop options for enhancing implementation of capacity-building at its thirtieth session;
- (e) Conclude the comprehensive review at its thirty-first session, and recommend at the same session a draft decision on a new or enhanced capacity-building framework and implementation plan, incorporating a decision on performance measures adapted at the fourteenth session of the COP, as appropriate, for consideration by the COP at its fifteenth session and the CMP at its fifth session;
- (f) Develop, at its thirty-first session, recommendations on additional steps to be taken by the SBI to monitor the implementation of capacity-building activities, taking into account outcomes of the Ad Hoc Working Group on Long-term Cooperative Action regarding the monitoring, reporting and verification of capacity-building, as appropriate.

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