

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

**Fifteenth session, part two**

**Doha, 27 November 2012—\***

Agenda item 3

**Preparation of an agreed comprehensive and balanced outcome to be presented to the Conference of the Parties for adoption at its eighteenth session, to enable the full, effective and sustained implementation of the Convention through long-term cooperative action now, up to and beyond 2012, pursuant to decision 1/CP.13, taking into account decisions adopted by the Conference of the Parties at its sixteenth and seventeenth sessions and recognizing that the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention includes both implementation tasks and issues that are still to be concluded**

Agenda item 4

**Review: further definition of its scope and development of its modalities**

Agenda item 5

**Other matters**

### **Informal overview text by the Chair**

#### *Summary*

This informal overview text aims to reflect the exchanges and views, interventions and options presented by Parties in their consideration of the various agenda items of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) this year. It builds upon the informal overview note by the Chair\*\* made available on 5 September 2012, at the end of the informal additional session of the AWG-LCA held in Bangkok, Thailand. In some areas, the overview text also presents attempts by the Chair to give further structure to the elements under consideration in order to identify a potential way forward. This overview text is made available by the Chair in an effort to facilitate discussions among Parties on the different ideas and proposals presented, with a view to completing the work of the AWG-LCA and reaching the agreed outcome pursuant to decision 1/CP.13.

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\* The second part of the session will be held in conjunction with the eighteenth session of the Conference of the Parties. The opening date of the fifteenth session, part two, of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention will be Tuesday, 27 November 2012. The closing date will be determined in due course.

\*\* Available at <[unfccc.int/6958.php](http://unfccc.int/6958.php)>.

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## I. A shared vision for long-term cooperative action (Agenda item 3(a))

*The Conference of the Parties,*

*Recalling* the principles, provisions and commitments set forth in the Convention, in particular its Articles 3 and 4,

*Also recalling* decision 1/CP.13,

*Further recalling* decision 1/CP.16, elaborating on a shared vision for long-term cooperative action, in particular the request contained in paragraphs 5 and 6 with regard to the consideration of a global goal for substantially reducing global emissions by 2050 and the time frame for global peaking of greenhouse gas emissions,

*Also recalling* decision 2/CP.17, in particular the acknowledgement that the consideration of these goals cannot be undertaken in the abstract and will necessarily involve matters related to the context for such considerations,

*Reaffirming* that Parties should take urgent action with a view to reducing global emissions so as to hold the increase in global average temperature below 2 °C above pre-industrial levels, consistent with science and on the basis of equity,

*Also reaffirming* that all Parties should cooperate in achieving the peaking of global and national emissions as soon as possible and a decline in those emissions thereafter, recognizing that the time frame for peaking will be longer in developing countries and shall reflect their national circumstances, and bearing in mind that social and economic development and poverty eradication are the first and overriding priority of developing countries, that a low-carbon development strategy is indispensable to sustainable development and that equitable access to sustainable development is essential,

### Option 1

1. *Affirms* that a global goal for substantially reducing global greenhouse gas emissions by 2050 shall be achieved on the basis of the principles and provisions of the Convention, including the principles of equity and common but differentiated responsibilities and respective capabilities, in a manner that ensures harmony between humanity and nature;

2. *Decides* that developed country Parties shall reduce their aggregate emissions by 40 to 50 per cent below 1990 levels by 2020;

3. *Affirms* that developing country Parties' equitable contributions to the achievement of a global goal for substantially reducing global greenhouse gas emissions by 2050 shall take into account their national circumstances and ensure access to their sustainable development;

4. *Decides* that part of the context and conditions for the achievement of a global goal for substantially reducing global emissions by 2050 and a time frame for global peaking of greenhouse gas emissions is the fulfilment of the following long-term goals:

(a) On adaptation – all Parties and relevant Convention bodies shall address adaptation with the same priority as mitigation, and actions of Parties and the relevant Convention bodies shall be monitored by the Adaptation Committee with respect to their impacts on developing country Parties and their needs for support;

(b) On finance – the provision of measurable, reportable and verifiable new and additional financial flows by Annex II Parties to developing country Parties, channelled through the Green Climate Fund, to support their mitigation and adaptation actions for

meeting the long-term global goal of emission reduction and global peaking at an annual amount of 3 per cent of the annual aggregate gross national product of Annex II Parties from 2020. Actions of Parties shall be assessed by the Standing Committee with respect to their impacts on developing countries;

(c) On technology transfer – the accelerated and operational provision of technological support by Annex II Parties, using measurable, reportable and verifiable modalities for technology transfer that shall be developed by the Subsidiary Body for Scientific and Technological Advice and endorsed by the Conference of the Parties;

(d) On capacity-building – support for capacity-building in developing countries is made operational, measurable, reportable and verifiable, subject to appropriate guidelines that shall be developed by the Subsidiary Body for Implementation and endorsed by the Conference of the Parties;

5. *Reaffirms* that measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction to international trade;

6. *Invites* Parties to cooperate to undertake a range of measures to address issues of intellectual property rights; and *requests* the Technology Executive Committee to consider this matter and submit annual reports to the Subsidiary Body for Scientific and Technological Advice;

7. *Establishes* a work programme under the Subsidiary Body for Implementation to study the issue of developing a compliance regime under the Convention, and the linkages of such a regime with international law and dispute settlement under the International Court of Justice;

8. *Decides* that the relevant bodies referred to in paragraphs 4, 6 and 7 above shall submit their reports and recommendations annually to the Conference of the Parties for its consideration and appropriate action;

Option 2

*Noting* that there could be many feasible emission pathways that would result in holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels, including with a temporary overshoot of a greenhouse gas concentration level, and that the sooner and lower that global emissions peak, the slower the rate of decrease can be afterwards,

*Acknowledging* that the summary for policymakers in the Synthesis Report of the Fourth Assessment Report of the Intergovernmental Panel on Climate Change indicates that achieving the lowest stabilization levels of greenhouse gas concentrations in the atmosphere assessed by the Intergovernmental Panel on Climate Change to date would require all Parties, as a group, to reduce global carbon dioxide emissions in a range of 50 to 85 per cent below 2000 levels by 2050 and would require global carbon dioxide emissions to peak before 2015 to minimize mitigation costs;

1. *Decides* that developed country Parties as a group should reduce their gas emissions by [at least][40][45][50] per cent from 1990 levels by 2020 and by [at least 80-][more than][95] per cent from 1990 levels by 2050;

2. *Also decides* that Parties [should collectively reduce][share the goal of achieving a reduction in] global greenhouse gas emissions by [at least][50][85] per cent [from 1990 levels] by 2050 and their subsequent decline;

3. *Further decides* that Parties should cooperate in achieving the peaking of global and national emissions as soon as possible, but not later than [2015][2020], and a decline in those emissions thereafter;

4. *Decides* that the global goal to substantially reduce global emissions by 2050 and the time frame for peaking of global and national greenhouse gas emissions, referred to in paragraphs 2 and 3 above, shall be achieved in accordance with the principles, provisions and commitments set forth in the Convention, including on the provision of means of implementation to developing country Parties;

*Option 3 - A combination of option 1 and option 2*

*[The next paragraphs are to follow any of the three options above]*

9. *Welcomes* the work done by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on equitable access to sustainable development through a workshop and the report on the workshop<sup>1</sup> by the Chair;

10. *Decides* to undertake a two year work programme on equity, including workshops, to progress on equity in the context of sustainable development;

11. *Invites* the President of the Conference of the Parties to appoint two co-chairs, one from a developing country Party and one from a developed country Party, for the work programme mentioned in paragraph 10 above;

12. *Requests* the secretariat to assist the co-chairs in supporting the work programme mentioned in paragraph 10 above;

13. *Decides* that the aim of the work programme referred to in paragraph 10 above is to operationalize the principle of equity in a way that would lead to a fair result for all Parties, taking into account the discussions at the workshop mentioned in paragraph 10 above;

14. *Also decides* that the work programme referred to in paragraph 10 above shall inform the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action;

15. *Requests* the co-chairs, supported by the secretariat, to prepare an interim report on the work programme referred to in paragraph 10 above, to inform the Conference of the Parties at its nineteenth session, and to prepare a full report on the work programme for consideration by the Conference of the Parties at its twentieth session.

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<sup>1</sup> FCCC/AWGLCA/2012/INF.3/Rev.1.

## II. Enhanced national/international action on mitigation

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

(Agenda item 3(b)(i))

*Recalling* decision 2/CP.17, which recognizes that deep cuts in global greenhouse gas emissions are required according to science, as documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change,

*Urging* developed country Parties to increase the ambition of their economy-wide emission reduction targets,

*Acknowledging* the role of biennial reports and international assessment and review in measuring progress towards achievement of the economy-wide emission reduction targets and their contribution to the efforts to enhance ambition,

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

*Acknowledging* the value of ex ante information, and the need to elaborate rigorous, robust and transparent approaches in a systematic manner to measure progress towards the achievement of economy-wide emission reduction targets, building on existing processes, practices and experiences,

*Acknowledging* the Subsidiary Body for Scientific and Technological Advice (SBSTA) work programme on a common tabular format for the “UNFCCC biennial reporting guidelines for developed country Parties” and the SBSTA work programme on the revision of the guidelines for the review of biennial reports and national communications, including national inventory review for developed country Parties;

1. *Recalls* the quantified economy-wide emission reduction targets to be implemented by Parties included in Annex I to the Convention as communicated by them and contained [in document FCCC/SB/2011/INF.1/Rev.1][in annex X to this decision];

2. *Invites* developed country Parties to remove conditions for their targets and, when pledges are presented as a range of values, to move to the higher range of their targets, with a view to presenting their targets as a single number;

3. *Notes* the outcomes of the process of clarifying the economy-wide targets by developed countries Parties as reflected in the submissions from Parties, reports from the relevant workshops and technical papers;

4. *Requests* the secretariat to prepare, in the first half of 2013, a synthesis report of the information mentioned in paragraph 3 above and to summarize the information on the UNFCCC website and update it on a regular basis;

5. *Decides* to establish a work programme on quantified economy-wide emission reduction targets by developed country Parties, under the Subsidiary Body for Implementation to:

(a) Continue the process of clarifying developed country Parties’ mitigation targets, with a view to capturing information from any developments at the national level

and from developments under the Convention on the role of land use, land-use change and forestry and carbon credits from market-based mechanisms;

(b) Identify ways and means of measuring progress towards the achievement of the targets of developed country Parties,

(c) Continue consideration of comparability of mitigation efforts by developed country Parties,

(d) Develop common approaches for accounting for developed country Parties, including the use of a common base year of 1990 for the economy-wide emission reduction targets to be achieved by 2020;

6. *Invites* developed country Parties, with a view to providing input to the work programme referred to in paragraph 5 above, to submit further information on assumptions and conditions related to the individual targets contained [in document [FCCC/SB/2011/INF.1/Rev.1](#)][in annex X to this decision], and any further information in relation to increasing the ambition of the targets;

7. *Requests* the Subsidiary Body for Implementation to report to the Conference of the Parties at its twentieth session on the results of the work programme referred to in paragraph 5 above.

**B. Nationally appropriate mitigation actions by developing country Parties  
(Agenda item 3(b)(ii))**

*Recalling* decision 2/CP.17, which recognizes that deep cuts in global greenhouse gas emissions are required according to science, and as documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change,

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

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

*Also reaffirming* that social and economic development and poverty eradication are the first and overriding priorities of developing country Parties, and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

*Acknowledging* the role of biennial update reports and international consultation and analysis in measuring the progress towards the implementation of nationally appropriate mitigation actions,

*Acknowledging* the work of the Subsidiary Body for Scientific and Technological Advice on general guidelines for domestic measurement, reporting and verification of domestically-supported nationally appropriate mitigation actions, and of the Subsidiary Body for Implementation on the prototype of the registry and on the composition, modalities and procedures of the team of technical experts under international consultations and analysis,

1. *Recalls* the nationally appropriate mitigation actions to be implemented by developing country Parties, as communicated by them and contained [in the documents FCCC/AWGLCA/2011/INF.1 and FCCC/AWGLCA/2012/MISC.2 and Add.1][in annex Y to this decision];
2. *Reiterates* its encouragement to developing country Parties that are yet to submit to the secretariat information on nationally appropriate mitigation actions pursuant to decision 1/CP.16, paragraph 50, to do so, noting the need to extend flexibility to small island developing States and the least developed country Parties;
3. *Notes* the outcomes of the process of understanding of the diversity of mitigation actions by developing country Parties as reflected in Parties' submissions and reports from the relevant workshops;
4. *Requests* the secretariat to prepare, in the first half of 2013, a synthesis report of the information referred to in paragraph 3 above and to make it available at the UNFCCC website;
5. *Invites* developing country Parties to submit, as appropriate, information on individual nationally appropriate mitigation actions seeking international support as well as on other individual nationally appropriate mitigation actions, to be recorded in the registry;



6. *Invites* developed country Parties, the entities entrusted with the operation of the financial mechanism, including the Global Environment Facility and the Green Climate Fund, multilateral, bilateral and other public donors, and private and non-governmental organizations that are in position to do so submit to the secretariat, as appropriate, information on support available and/or provided for the preparation and implementation of nationally appropriate mitigation actions to be recorded in the registry;
7. *Requests* the secretariat to summarize the information referred to in paragraphs 5 and 6 above with a view to providing, in accordance with decision 2/CP.17, paragraph 52 (b), information on the operation of the registry to the Conference of the Parties annually, in order to inform the discussions of the financial mechanism;
8. *Decides* to establish a work programme on nationally appropriate mitigation actions by developing country Parties under the Subsidiary Body for Implementation to:
  - (a) Continue the process of understanding the diversity of NAMAs pursuant to paragraphs 33 and 34 of decision 2/CP.17;
  - (b) Develop modalities and guidelines for measurement, reporting and verification of support for NAMA preparation and implementation;
9. *Invites* developing country Parties, with a view to providing input to the work programme referred to in paragraph 8 above, to submit, subject to availability, more information relating to nationally appropriate mitigation actions contained [in the documents FCCC/AWGLCA/2011/INF.1 and FCCC/AWGLCA/2012/MISC.2 and Add.1][in annex Y to this decision], including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used, support needs for the implementation of nationally appropriate mitigation actions and estimated mitigation outcomes;
10. *Requests* the secretariat, with a view to providing input to the process referred to in paragraph 8 above, to:
  - (a) Organize regional technical workshops to build capacity for, and exchange lessons learned in, the preparation and implementation of NAMAs;
  - (b) Prepare a handbook to support the preparation and implementation of NAMAs and to make this handbook available to Parties as soon as possible and not later than June 2013;
  - (c) Collaborate with intergovernmental organizations, in the position to do so, to facilitate the provision of technical support to developing countries to prepare and implement their NAMAs;
11. *Requests* the Subsidiary Body for Implementation to report to the Conference of the Parties at its twentieth session on the results of the work programme referred to in paragraph 8 above.

**C. Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (Agenda item 3(b)(iii))**

**Modalities and procedures for financing the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73**

**(Framing elements)**

*Recalling* decisions 2/CP.13, 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and [x/CP.18] in promoting, encouraging and catalysing the activities referred to in decision 1/CP.16, paragraph 70, and the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties,

*Recognizing* that significant efforts and actions to reduce deforestation and to maintain and conserve forest carbon stocks in developing countries are already being taken outside the Convention process,

*Also recognizing* the national, bilateral and multilateral support that are being provided outside the Convention process for the implementation of activities referred to in decision 1/CP.16, paragraphs 70 and 73,

**(Guiding principles)**

1. *Affirms* that the principles, guidance and provisions set out in decision 1/CP.16 and its appendix I and decision 2/CP.17 continue to govern and guide the modalities and procedures contained in this decision for financing the results-based actions referred to in decision 1/CP.16, paragraph 73;
2. *Notes* the need to promote broad country participation in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;
3. *Reaffirms* the diversity of results-based finance provided to developing country Parties that is new, additional and predictable that may come from a variety of sources, public and private, bilateral and multilateral, including alternative sources as referred to in decision 2/CP.17, paragraph 65;

**(Signal)**

4. *Affirms* the importance of continuing and scaling up new and additional results-based finance from developed country Parties for the full implementation of results-based actions;

5.

*Option 1*

*Recognizes* that a higher ambition for developed country Parties' economy-wide emission reduction targets and price of carbon is necessary to incentivize the scaling up of financing and investments in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

Option 2

*Recognizes* that demand for and price of carbon are necessary to incentivize the scaling up of financing and investments in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

Option 3

*Encourages* the private sector and private organizations to contribute to the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

**(Enabling conditions)**

6. *Agrees* that enabling conditions for scaling up and facilitating access to results-based finance and for ensuring the full implementation of results-based actions, taking into account national circumstances and respective capabilities and recognizing national sovereignty, should be in place and/or developed by Parties:

(a) Adequate and scaled- up financing for the early phases of actions referred to in decision 1/CP.16, paragraph 73;

(b) Strengthened policy, legislative and institutional frameworks that address drivers of deforestation and forest degradation, as referred to in decision 1/CP.16, paragraph 72;

(c) Transparent and effective governance, including fiduciary and relevant institutional arrangements;

(d) Elements identified in decision 1/CP.16, paragraph 71, decision 12/CP.17 and decision [x/CP.18];

(e) Full implementation of results-based REDD+-plus actions should be in accordance with methodological guidance set out in decisions 4/CP.15, 1/CP.16, 12/CP.17 and [x/CP.18];

(f) Measures to address displacement of emissions and risks of reversals;

(g) New approaches such as an incentive level to serve as a baseline for results-based payments;

(h) A Joint Mitigation and Adaptation Mechanism;

(i) (other enabling conditions ...);

7. *Also agrees* that results-based payments should be based on fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks expressed in tonnes of carbon dioxide equivalent;

**(Institutional arrangements – {*Note: The options on institutional arrangements below are not mutually exclusive*}**)

8.

Option 1

*Decides* to establish new institutional arrangements to fulfil the functions to be defined by the Subsidiary Body for Implementation (*refer to relevant paragraph under issues requiring further exploration*);

Option 2

*Decides* to request the Board of the Green Climate Fund to establish a REDD-plus window for the financing of REDD-plus in all phases, referred to in decision 1/CP.16, paragraph 73;

Option 3

*Decides* to establish a range of new institutional arrangements to record and track fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks, to avoid double counting and to address risks of reversals, including:

- (a) A REDD-plus Board:
  - To govern the REDD-plus window to be established by the Board of the Green Climate Fund;
  - To work under the guidance and authority of the Conference of the Parties and ensure transparency and consistency with modalities and procedures of existing multilateral and bilateral agencies;
  - To protect developing country Parties against market failure through tools such as supporting appropriate price floors;
- (b) REDD-plus registries at the national level and at the international level under the authority of the Conference of the Parties:
  - A national registry to record verified emission reductions and removals that it holds, transfers or cancels and to avoid double counting;
  - An international registry to record and track verified emission reductions removals, to avoid double counting and to also track units across international borders;
- (c) A Carbon Reserve Bank and a regulatory body under the Conference of the Parties:
  - To oversee the new market mechanism;
  - To ensure the efficient functioning of the carbon market;
  - To ensure pricing and floor prices;
  - To create a reserve account;
  - To create a mechanism for settlement of disputes;
- (d) A review body under the Convention:
  - To review, in accordance with guidance to be developed by the Subsidiary Body for Scientific and Technological Advice, the performance reports on outcomes of results-based actions submitted by developing country Parties.

Option 4

*Decides* to use and/or establish links with existing or newly established institutional arrangements and/or financing channels under the Convention to ensure consistency in reporting, recording and tracking, and technical analysis:

- (a) The Green Climate Fund;
- (b) Long-term finance;

- (c) The Registry for nationally appropriate mitigation actions by developing country Parties;
- (d) International consultation and analysis;

Option 5

*Decides* to use new financial approaches, mechanisms and frameworks under the Convention, including a framework for various approaches to enhance the cost-effectiveness of, and to promote, mitigation actions as referred to in paragraph 80 and the new market mechanism referred to in paragraph 83 of decision 2/CP.17;

Option 6

(A combination of any of the options noted above which will depend on the scope and nature of the functions of the institutions needed.)

**(Non-market alternative)**

9.

Option 1

*Agrees* to establish a joint mitigation and adaptation mechanism for the integral and sustainable management of forests under the guidance and authority of the Conference of the Parties, in accordance with decision 2/CP.17, paragraph 67;

Option A

*Requests* the Green Climate Fund to establish a specialized window for the joint mitigation and adaptation mechanism;

*Requests* the Subsidiary Body for Scientific and Technological Advice to develop the architecture for the joint mitigation and adaptation mechanism;

Option B

*Requests* the Subsidiary Body for Scientific and Technological Advice, in developing the guidance for the joint mitigation and adaptation mechanism, to be consistent with any guidance from ongoing work on adaptation under the Convention and be in accordance with any future decisions relating to adaptation taken by the Conference of the Parties;

Option 2

*Recognizes* the ongoing work on adaptation under the Convention and its relevance to joint mitigation and adaptation approaches;

*Also recognizes* the multiple benefits from the implementation of the joint mitigation and adaptation approach;

*Encourages* bilateral and multilateral financing channels to support the activities using non-market based approaches, such as joint mitigation and adaptation approaches;

**(Issues requiring further exploration)**

10. *Requests* the [Subsidiary Body for Implementation] [Subsidiary Body for Scientific and Technological Advice] to develop, at its [nnth] session, modalities and procedures for the new institutional arrangements referred to above and ways to address risks, and to report on the progress made, including any recommendations for a draft decision on this matter, to the Conference of the Parties at its [yyth] session;

11. *Requests* the [Subsidiary Body for Implementation] to define functions for the necessary new and/or existing institutional arrangements to guide and support the financing of the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73, and the outcomes of these actions;

12. *Also requests* the [Subsidiary Body for Scientific and Technological Advice] to consider, at its [mmth] session, the need for guidance and methodologies for assessing the co-benefits and non-carbon benefits arising from the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73, and to assess the potential of including co-benefits and non-carbon benefits as part of results-based payments;

13. *Agrees* that fully measured, reported and verified results-based actions and their verified emission reductions and removals and enhancement of forest carbon stocks occurring during the period from year [2xxx] should be eligible for results-based payments.

**D. Cooperative sectoral approaches and sector-specific actions, in order to enhance implementation of Article 4, paragraph 1(c), of the Convention (Agenda item 3(b)(iv))**

**1. General Framework<sup>2</sup>**

*Option 1*

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

*Reaffirming* the objective, principles and provisions of the Convention, in particular those set out in its Article 2, Article 3, paragraphs 1, 2 and 5, and Article 4, paragraphs 1(c), 3 and 7,

*Taking into consideration* the historical responsibilities of Parties included in Annex I to the Convention in their contribution to climate change,

*Affirming* that cooperative sectoral approaches and sector-specific actions shall not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade, more specifically on the trade from developing country Parties,

*Reaffirming* that food security is important and should not be compromised by sectoral approaches and sector-specific actions,

*Affirming* that cooperative sectoral approaches and sector-specific actions shall not limit the ability of developing country Parties to pursue economic and social development and poverty eradication, and, to that end, that it is essential that cooperative sectoral approaches and sector-specific actions are undertaken in a manner that is supportive of an open international economic system,

*Reiterating* the importance of promoting and enhancing cooperative action on the development and transfer of environmentally sound technologies to developing country Parties now, up to and beyond 2012, in order to achieve the objective of the Convention,

1. *Decides* that cooperative sectoral approaches and sector-specific actions shall enhance the implementation of Article 4, paragraph 1(c), of the Convention, in accordance with the Bali Action Plan;

2. *Also decides* that cooperative sectoral approaches and sector-specific actions shall be consistent with the provisions and principles of the Convention, in particular the principles of equity and common but differentiated responsibilities and the provisions of its Article 4, paragraphs 3, 5 and 7, and with the promotion of a supportive and open international economic system;

3. *Further decides* that cooperative sectoral approaches and sector-specific actions shall take fully into account differences in geographical, economic and social conditions and specific national development priorities and circumstances, in particular of developing country Parties, in accordance with the principles of equity and common but differentiated responsibilities and in the light of the fact that economic and social development and poverty eradication are the first and overriding priorities of developing country Parties;

4. *Agrees* that cooperative sectoral approaches and sector-specific actions shall not lead to new commitments for developing country Parties, or create barriers and distortions in international trade, in particular for the exports of developing country Parties.

<sup>2</sup> Some Parties are of the view that 'No text is needed' on decision 2/CP.17, paragraph 74.

Option 2

1. *Decides* that cooperative sectoral approaches and sector-specific actions shall enhance the implementation of Article 4, paragraph 1(c), of the Convention, in accordance with decision 1/CP.13.

Option 3

1. *Recognizes* that it may be useful for Parties to pursue cooperative sectoral approaches and sector-specific actions.

Option 4

1. *Decides* after consideration in accordance with decision 2/CP.17, paragraph 74, that a general framework for cooperative sectoral approaches and sector-specific actions is not appropriate.

**2. International aviation and maritime transport<sup>3</sup>**

Option 1

5. *Decides* that all Parties included in Annex I to the Convention shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from civil aviation and maritime bunker fuels, working exclusively through the International Civil Aviation Organization and the International Maritime Organization, respectively;

6. *Also encourages* that, while pursuing the limitation and reduction of emissions of greenhouse gases from international aviation and maritime transport, the International Civil Aviation Organization and the International Maritime Organization shall work in accordance with the principles and provisions of the Convention, in particular the principles of equity and common but differentiated responsibilities;

7. *Affirms* that cooperative sectoral approaches in the international aviation and maritime transport sectors shall enhance the implementation of Article 4, paragraph 1(c), of the Convention in order to increase the promotion and cooperation in, the development, application and diffusion, including transfer, of technologies, practices and processes;

8. *Agrees* that civil aviation and maritime transport are essential sectors for the achievement of the overriding priorities of economic and social development of developing countries and that restrictions on the development in these sectors will hinder development priorities of developing countries;

9. *Decides* that all Parties included in Annex I to the Convention, in pursuing limitation and reduction of emissions of greenhouse gases from civil aviation and maritime transport, shall refrain from unilateral actions that are not consistent with the principles and provisions of the Convention and its Kyoto Protocol;

10. *Also decides* that any actions related to limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from civil aviation and maritime bunker fuels that are not part of a global framework can only be pursued with the mutual consent of all Parties involved and affected.

Option 2

5. *Agrees* that measures to address the emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be undertaken through global measures under the International Civil Aviation Organization

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<sup>3</sup> Some Parties are of the view that 'No text is needed' on decision 2/CP.17, paragraph 78.



and the International Maritime Organization, respectively, while taking into account the principles and provisions of the Convention.

Option 3

5. *Decides* that the limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be pursued working through the International Civil Aviation Organization and the International Maritime Organization;
6. *Urges* Parties that are also members of the International Civil Aviation Organization and the International Maritime Organization to work cooperatively in order to develop and concur on globally applicable, multilateral measures to limit and reduce emissions of greenhouse gases;
7. *Invites* the International Civil Aviation Organization and the International Maritime Organization to report on progress at future sessions of the UNFCCC.

Option 4

5. *Agrees* that international aviation and maritime transport should contribute to achieving the long-term global goal agreed in decision 1/CP.16 and to reducing the current pre-2020 ambition gap;
6. *Also agrees* to pursue the limitation and reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively;
7. *Stresses* that the carbon pricing of global aviation and maritime transportation through market-based measures would generate the necessary price signal to efficiently achieve more emission reductions from these sectors and could generate large financial flows, as identified by the High-level Advisory Group on Climate Change Financing established by the United Nations Secretary-General;
8. *Urges* Parties to step up efforts in the International Civil Aviation Organization to reach a globally applicable agreement that would secure a 10 per cent reduction of greenhouse gas emissions from the 2005 level by 2020 in the aviation sector;
9. *Also urges* Parties to step up efforts in the International Maritime Organization to reach a globally applicable agreement that would secure a 20 per cent reduction of greenhouse gas emissions from the 2005 level by 2020 in the maritime sector;
10. *Invites* the International Civil Aviation Organization and the International Maritime Organization to report on progress at future sessions of the UNFCCC.

Option 5

5. *Agrees* that the limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be pursued working through the International Civil Aviation Organization and the International Maritime Organization.

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

(Agenda item 3(b)(v))

*Recalling* decisions 1/CP.13, 1/CP.16 and 2/CP.17,

**1. Framework for various approaches**

1. *Decides* that the framework for various approaches includes both market and non-market approaches, that are applied by developed and developing country Parties, on a voluntary basis, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind the different circumstances of developed and developing countries;

2. *Emphasizes* that various approaches, including opportunities for using markets, bearing in mind the different circumstances of developed and developing countries, must meet the standards elaborated as follows:

(a) Standards that deliver real, permanent, additional and verified mitigation outcomes include the following:

(i) Emission reductions, emission removals or avoided emissions result from a clearly identified action or policy;

(ii) Emission reductions, emission removals or avoided emissions are accurately measured and recorded over time, at a reasonable frequency, and in accordance with clear guidelines on the basis of robust standards;

(b) Standards that avoid double counting of effort include the following:

(i) A mitigation outcome can be claimed only once, and on an exclusive basis, towards the achievement of a developed country Party's mitigation commitment or target, or towards the achievement of a developing country Party's mitigation action;

(ii) Measures exist to ensure the accurate and consistent quantification of mitigation outcomes;

(c) Standards that achieve a net decrease and/or avoidance of greenhouse gas emissions include the following:

(i) The achievement of the net decrease and/or avoidance of greenhouse gas emissions is likely to occur with a high degree of certainty;

(ii) Various measures are employed to achieve a net decrease and/or avoidance of greenhouse gas emissions, including through application of conservative methods and assumptions in setting reference levels and/or monitoring emission reductions, emission removals, or avoided emissions, with explicit accounting for uncertainty in estimation and measurement;

***Non-market approaches***

3. *Defines* non-market approaches as approaches that do not enable the transfer of mitigation outcomes, such as through the creation, movement and use of units representing mitigation outcomes;

4. *Decides* that the framework referred to in paragraph 1 above shall facilitate the adoption and application of various non-market approaches by Parties;
5. *Also decides* that the framework referred to in paragraph 1 above shall promote transparency in the use of non-market approaches by encouraging Parties to report their use of such approaches;
6. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its thirty-eighth session, to initiate development of guidance and information on best practices in the application of non-market approaches, with a view to recommending a draft decision to the Conference of the Parties for consideration at its nineteenth session;
7. *Invites* Parties and admitted observer organizations to submit to the secretariat, by XX February 2013, their views on the matter referred to in paragraphs 4, 5 and 6 above and requests the secretariat to prepare a synthesis report based on the submissions;
8. *Requests* the secretariat, subject to availability of supplementary resources, to conduct two technical workshops, in conjunction with the thirty-eighth and thirty-ninth sessions of the Subsidiary Body for Scientific and Technological Advice, with technical experts, to consider the matter referred to in paragraphs 4, 5 and 6 above;

#### ***Market-based approaches***

9. *Defines* market-based approaches as approaches that enable the transfer of mitigation outcomes, such as through the creation and use of units representing mitigation outcomes;
10. *Decides* that the framework referred to in paragraph 1 above shall facilitate the adoption and application of various market-based approaches by Parties;
11. *Also decides* that the framework referred to in paragraph 1 above shall promote transparency in the use of market-based approaches by encouraging Parties to report their use of such approaches;
12. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its thirty-eighth session, to initiate development of guidance and information on best practices in the application of market-based approaches, with a view to recommending a draft decision to the Conference of the Parties for consideration at its nineteenth session; with emphasis on the following priority areas
  - (a) The measurement, reporting and verification of emission reductions, emission removals and/or avoided emissions, including means for estimation and data collection and analysis;
  - (b) The development, review and approval of reference levels;
  - (c) The effective tracking of mitigation outcomes, including registries that record the attributes, quantities and ownership of mitigation outcomes, and transaction logs that record the movement of mitigation outcomes within and among Parties;
  - (d) The effective operation of emissions trading systems, including emissions caps, unit distribution and points of regulation;
  - (e) Good governance, including the development of appropriate legal and regulatory frameworks and the development of competent and responsible participants, including in the private sector;
13. *Invites* Parties and admitted observer organizations to submit to the secretariat, by XX February 2013, their views on the matter referred to in paragraphs 10, 11 and 12 above and requests the secretariat to prepare a synthesis report based on the submissions;

14. *Requests* the secretariat, subject to availability of supplementary resources, to conduct two technical workshops, in conjunction with the thirty-eighth and thirty-ninth sessions of the Subsidiary Body for Scientific and Technological Advice, with technical experts, to consider the matter referred to in paragraphs 10, 11 and 12 above;

15. *Invites* Parties to provide financial support for the activities referred to in paragraphs 8 and 14 above by making contributions to the Trust Fund for Supplementary Activities;

## **2. The new market-based mechanism**

16. *Decides* that the new market-based mechanism shall operate under the guidance and authority of the Conference of Parties, and may assist developed country Parties to meet part of their mitigation targets or commitments under the Convention;

17. *Also decides* that the new market-based mechanism shall govern all transfers of mitigation outcomes, such as through the creation and move of units representing mitigation outcomes between Parties;

18. *Further decides* that the new market-based mechanism shall enhance cost-effectiveness and promote mitigation actions, in particular mitigation actions that support sustainable development in developing countries, and shall meet the standards set out in paragraph 2 above;

19. *Decides* that new market-based mechanism shall operate in full transparency, including through mandatory reporting in relation to the transfer of mitigation outcomes between Parties;

20. *Also decides* that the new market-based mechanism shall include a labelling function to ensure that the units representing mitigation outcomes are in conformity with the standards elaborated in paragraph 2 above;

21. *Further decides* that the labelling function referred to in paragraph 20 above shall address the following issues, inter alia:

(a) Institutional arrangements, including the establishment of a technical expert body to administer the labelling process;

(b) Further elaborating, as necessary, the standards set out in paragraph 2 above with respect to application through the new market-based mechanism;

(c) Procedures for considering and evaluating the operation of the new market-based mechanism, in relation to the elaborated standards, including the means to account for uncertainty and/or partial fulfilment of standards;

(d) Provisions for the financing of the labelling process, including through fees and/or voluntary contributions;

22. *Decides* to conduct a work programme under the Subsidiary Body for Scientific and Technological Advice, with the aim of establishing guidelines, modalities and procedures for the matters referred to in paragraphs 16 to 21 above;

23. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its thirty-eighth session, to agree activities for the work programme referred to in paragraph 22 above;

24. *Invites* Parties and admitted observer organizations to submit to the secretariat, by XX February, 2013, their views on activities for the work programme referred to in paragraph 22 above, and requests the secretariat to prepare a synthesis report based on the submissions;

25. *Requests* the secretariat, to support the activities of the work programme referred to in paragraph 22 above;

26. *Requests* the Subsidiary Body for Scientific and Technological Advice to report to the Conference of the Parties at its twentieth session on the results of the work programme referred to in paragraph 22 above, with a view to recommending a decision, to operationalize the new market based mechanism, for consideration of the Conference of the Parties.

**F. Economic and social consequences of response measures  
(Agenda item 3(b)(vi))**

*Recalling* Article 4, paragraphs 8, 9 and 10, of the Convention, Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol and decisions 5/CP.7, 9/CP.7, 1/CP.10, 1/CP.13, 1/CP.16, 2/CP.17, 8/CP.17, 31/CMP.1 and 5/CMP.7,

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

*Also affirming* that economic and social consequences of actual and potential response measures is an important issue for all developing countries and that there is a need to give full consideration to what actions are necessary, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures,

*Acknowledging* that an open barrier-free, rules-based trading system is a crucial component of a supportive and open international economic system,

*Also acknowledging* that developing countries require assistance to assess the scope and magnitude of the negative consequences of the implementation of response measures,

*Recognizing* that the adverse impacts of response measures constitute an additional burden that developing countries shall not have to bear as they could undermine their economic and social development,

*Reaffirming* that responses to climate change should be coordinated with social and economic development in an integrated manner, with a view to avoiding adverse impacts on the latter, taking into full account the legitimate priority needs of developing countries for the achievement of economic and social development and the eradication of poverty,

*Recognizing* that the liberalization of trade in goods and services necessary for climate change mitigation and adaptation is essential to address climate change,

*Also recognizing* that the World Trade Organization is the competent body for multilateral trade rule-making,

*Emphasizing* that Parties which are members of the World Trade Organization have a responsibility to respect their World Trade Organization obligations when they adopt measures to address climate change,

*Acknowledging* the need to reach an agreed outcome to enable the full, effective and sustained implementation of the Convention, in accordance with the Bali Action Plan (decision 1/CP.13), in relation to economic and social consequences of response measures,

*Recalling* decision 8/CP.17, which established the forum on the impact of the implementation of response measures, thereby consolidating all progressive discussions under the Convention related to response measures,

*Acknowledging* the progress by the forum to implement the work programme on impacts of implementation of response measures,

*Noting* that , as part of the review of the forum on the impact of the implementation of response measures at the thirty-ninth sessions of the subsidiary bodies, Parties can

recommend to the Conference of the Parties that the forum consider issues outside its current work programme, including unilateral measures,

Option 1

1. *Decides* that developed country Parties shall not resort to any form of unilateral measures against goods and services from developing country Parties on any grounds related to climate change, including protection and stabilization of the climate, emission leakage and/or the cost of environmental compliance, recalling the principles and provisions of the Convention, in particular Article 3, paragraphs 1, 4 and 5, and Article 4, paragraphs 3, 5 and 7, and taking into account the principles of equity and common but differentiated responsibilities and respective capabilities and the obligations of developed country Parties to provide financial resources, transfer technology and provide capacity-building support to developing country Parties;

2. *Requests* the Subsidiary Body for Implementation to undertake discussions to identify parameters that constitute means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

Option 2

1. *Decides* that Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them to better address the problems of climate change;

2. *Resolves* that measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade

Option 3: [No text.]

### III. Enhanced action on adaptation

(Agenda item 3(c))

*Recalling* the relevant provisions of the Convention,

*Also recalling* decision 1/CP.16, which established the Cancun Adaptation Framework, and that the Cancun Adaptation Framework shall enhance action on adaptation, including through international cooperation and coherent consideration of matters relating to adaptation under the Convention,

1. *Acknowledges* that action on adaptation is a continuous process that will require effective and sustained efforts;
2. *Recognizes* that good progress has been made in addressing enhanced action on adaptation under the Bali Action Plan (decision 1/CP.13), through the Cancun Adaptation Framework and subsequent decisions of the Conference of the Parties;
3. *Agrees* that the Adaptation Committee will play a key role in implementing the Cancun Adaptation Framework;
4. *Reiterates* that the Adaptation Committee, in accordance with its functions, shall promote coordination and linkages with all relevant bodies, programmes, institutions and networks, within and outside the Convention including on finance, technology, and capacity-building, and shall identify opportunities and further actions for consideration by the Conference of the Parties;
5. *Further agrees* that the Adaptation Committee shall engage with, and draw on the expertise of, relevant institutions, organizations, frameworks, networks and centres outside the Convention, including those at the intergovernmental, regional, national and, through them, subnational levels, where appropriate;
6. *Requests* the Adaptation Committee, in accordance with its functions, to undertake the following activities:
  - (a) Develop recommendations in collaboration with the Standing Committee and with relevant programmes, bodies and institutions under the Convention, including the Technology Executive Committee, on means to incentivize the implementation of adaptation actions, including finance, technology and capacity-building, and identify opportunities and further actions thereon for consideration by the Conference of the Parties;
  - (b) Develop recommendations and effective guidance, in collaboration with the Standing Committee, for the operating entities of the financial mechanism of the Convention and other financial mechanisms on the implementation of decision 1/CP.16, paragraph 18;
  - (c) Organize a workshop, in conjunction with the thirty-eighth sessions of the subsidiary bodies, on ways to promote implementation of enhanced action on adaptation in a coherent manner under the Convention, and organize further such workshops periodically every year thereafter, in collaboration with the Standing Committee;
  - (d) Continue the consideration of the relevant modalities for supporting interested developing country Parties that are not least developed country Parties, to plan, prioritize and implement their national adaptation planning measures, and report to the Conference of the Parties on this matter at its nineteenth session;
  - (e) Include in its work programme: (i) Activities to strengthen and, where necessary, establish regional centres and networks, including an international centre, in



particular in developing countries, with support from developed country Parties and relevant organizations, as appropriate; (ii) Activities to facilitate and enhance national and regional adaptation actions, in a manner that is country-driven, encourages cooperation and coordination between regional stakeholders and improves the flow of information between the Convention process and national and regional activities; (iii) Provision of recommendations on this matter in its annual report to the Conference of the Parties;

(f) Include in its work programme activities to strengthen and, where necessary, establish and/or designate national-level institutional arrangements, with a view to enhancing work on the full range of adaptation actions, from planning to implementation, and provide recommendations thereon in its annual report to the Conference of the Parties;

7. *Also requests* the Adaptation Committee and the Standing Committee to include, in their annual reports to the Conference of the Parties, information on the relevant activities contained in paragraph 6 above;

8. *Reiterates* its invitation to relevant multilateral, international, regional and national organizations, the public and private sectors, civil society and other relevant stakeholders to undertake and support enhanced action on adaptation at all levels, including under the Cancun Adaptation Framework, as appropriate, in a coherent and integrated manner, building on synergies among activities and processes, and to make information available on the progress made;

9. *Decides* to establish a work programme on economic diversification under the Subsidiary Body for Technological and Scientific Advice in order to consider, including through workshops and expert meetings, as appropriate, approaches to increase economic diversification and to build resilience in developing countries;

10. *Requests* the Subsidiary Body for Technological and Scientific Advice to agree on activities to be undertaken under the above-mentioned work programme;

11. *Invites* Parties and relevant organizations to submit to the secretariat, by XX February 2013, views and information on what elements should be included in the work programme;

12. *Requests* the secretariat to compile these submissions into a miscellaneous document and to prepare a synthesis report based on those submissions, to be made available for consideration by the Subsidiary Body for Technological and Scientific Advice at its thirty-eighth session with a view to making recommendations on economic diversification to the Conference of the Parties for its consideration at its nineteenth session.

## **IV. Enhanced action on technology development and transfer to support action on mitigation and adaptation**

(Agenda item 3(d))

### **(Framing elements)**

*Acknowledging* the achievements made on technology development and transfer under the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, including the establishment of the Technology Mechanism comprising the Technology Executive Committee and the Climate Technology Centre and Network and the agreed arrangements to enable the Mechanism to become fully operational in 2012, as well as the progress made in selecting the host of the Climate Technology Centre by the Subsidiary Body for Implementation,

*Also acknowledging* the achievements made by the Technology Executive Committee in implementing its work plan for 2012–2013,

*Recalling* decision 2/CP.17, paragraph 142, which requested the Technology Executive Committee and the Climate Technology Centre to establish procedures for preparing a joint annual report to the Conference of the Parties,

*Also recalling* that the Conference of the Parties, at its seventeenth session, requested each thematic body to elaborate its modalities on linkages with other relevant bodies, including the Adaptation Committee (through decision 2/CP.17, paragraph 99), the Board of the Green Climate Fund (through decision 3/CP.17, paragraph 17) and the Technology Executive Committee (through decision 4/CP.17, paragraph 6),

*Noting* that the Technology Executive Committee will consult relevant institutional arrangements once they become operational in order to seek their views and mutual agreement on the proposed linkage modalities and will report on the results of its consultations for consideration by the Conference of the Parties at its eighteenth session,

### **(Further elements)**

#### **1. Linkage between the TEC and CTCN**

1. *Takes note* of the following initial ideas of the Technology Executive Committee on its modalities on linkages with other relevant institutional arrangements under the Convention including the advisory board of the Climate Technology Centre and Network, the Adaptation Committee, the Board of the Green Climate Fund and the Standing Committee, as presented at the thirty-sixth sessions of the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, as contained in document FCCC/SB/2012/1:

(a) Cross-participation in the meetings of the relevant bodies, including workshops and events organized by such bodies, or jointly organized, on issues of common interest;

(b) Inviting inputs to support the implementation of particular activities as specified in the work plan of the Technology Executive Committee;

(c) Providing inputs into other institutional arrangements under the Convention, in response to requests by the Conference of the Parties and/or invitations by respective institutions, to facilitate the work of those institutions;

(d) Knowledge and information sharing;

2. *Agrees* to further define, at its nineteenth session, the relationship between the Technology Executive Committee and the Climate Technology Centre and Network, taking into account the recommendations of the Technology Executive Committee on the linkage modalities, the outcomes of activities and the performance of their respective functions which will be presented in the joint annual report of the Technology Executive Committee and the Climate Technology Centre and Network for 2013;

**2. *Additional functions of the TEC and CTCN***

3. *Decides* that the Technology Executive Committee shall perform the following additional functions:

(a) Examine effective mechanisms that promote access to affordable environmentally sound technologies, thereby reducing the burden associated with intellectual property rights, and recommend mechanisms that reward innovators and increase the dynamic of global innovation while supporting developing country Parties to take early and effective mitigation and adaptation actions, for consideration by the Conference of the Parties at its nineteenth session;

(b) Analyse and recommend further activities to expand technologies in the public domain and promote research and further independent innovation by developing countries;

4. *Also decides* that the Climate Technology Centre and Network shall perform the following additional functions:

(a) Provide advice and support, including capacity-building, on conducting technology assessments of new and emerging technologies, in accordance with decision 1/CP.16, paragraphs 123(a)(i) and 128(e);

(b) Elaborate, following decision 2/CP.17, paragraph 135(a), its role in identifying currently available climate-friendly technologies for mitigation and adaptation that meet the key low-carbon and climate-resilient development needs of Parties;

**3. *Linkage between the Technology Mechanism and financial mechanism***

5. *Further decides* to define, at its nineteenth session, linkages between the Technology Mechanism and the financial mechanism, taking into consideration recommendations from the Board of the Green Climate Fund, developed in accordance with decision 3/CP.17, paragraph 17, and the Technology Executive Committee, developed in accordance with decision 4/CP.17, paragraph 6;

**4. *Intellectual property rights***

6.

*Option 1:*

*Decides:*

(a) To consider technology-related intellectual property rights issue to be a barrier to development and transfer of technologies under the Convention process, and to draw upon advice and expert input from relevant organizations such as the World Intellectual Property Organization and the World Trade Organization;

(b) To organize a forum to consider cooperative action on technology development and transfer of technologies and know-how for adaptation and mitigation, including the issue of intellectual property rights;

(c) To invite Parties to cooperate to undertake a range of measures to address the issue of intellectual property rights, as appropriate.

*Option 2: {no text}*

## V. Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation

(Agenda item 3(e))

### *Option 1 (Framing elements)*

*Recalling* Articles 4 and 11 of the Convention,

*Also recalling* the Bali Action Plan (decision 1/CP.13), paragraph 1(e),

*Acknowledging* the progress made by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention in implementing the provisions contained in that decision,

*Recalling* decision 1/CP.16, paragraphs 18 and 95–101,

*Also recalling* decision 1/CP.16, paragraph 102, and decision 3/CP.17, paragraph 3,

*Recognizing* the launch of the Green Climate Fund,

*Recalling* decision 1/CP.16, paragraph 112, and decision 2/CP.17, paragraphs 120–125 and annex VI,

*Recognizing* the launch of the work of the Standing Committee on Finance,

*Recalling* decision 2/CP.17, paragraphs 126–131,

*Recognizing* the outcomes of the work programme on long-term finance,

*Noting* the new and additional requirements of developing countries as identified in decision 1/CP.16, paragraphs 33, 54 and 60, and decision 2/CP.17, paragraphs 34, 38 and 41,

*Acknowledging* the information provided by developed country Parties on the fast-start finance they have provided,

*Restating* the urge of continuing to enhance the transparency of their reporting on fast-start finance,

*Urging* developed country Parties to take into consideration the lessons learned from fast-start finance.

### *Option 2 (Further elements) {Note: Options 1 and 2, or elements of them, may also be combined.}*

#### 1. Continuity of climate finance during the period between 2013 and 2020

*Recalling* Article 4, paragraphs 3, 4 and 5, Article 4, paragraphs 1, 8 and 9, considered within the context of Article 4, paragraph 7, Article 3 and Article 11 of the Convention, in particular Article 11, paragraph 1,

*In fulfilment* of decision 1/CP.13, paragraph 1(e), decision 1/CP.16, paragraphs 18 and 95–101, and decision 2/CP.17, paragraphs 126, 127 and 132,

*Recalling* document FCCC/CP/2009/11/Add.1, paragraphs 1, 2, 3 and 8,

*Expressing* grave concern over the recent and increasing incidence of extreme weather and slow onset events, their intensity and unpredictability, causing serious damage in particular to developing countries,

*Underlining* the need for urgency in the implementation of commitments under the Convention related to financing, including for the transfer of technology, and in particular in meeting costs of adaptation,

*Noting* the new and additional requirements of developing countries as identified in decision 1/CP.16, paragraphs 33, 54 and 60, and decision 2/CP.17, paragraphs 33, 38 and 41,

*Recognizing* the need for developing country Parties to implement mitigation actions in the context of sustainable development, poverty reduction and employment creation and ensuring country ownership and driven national development priorities,

*Further recognizing* that mobilizing enhanced financial resources is of critical importance for making progress towards closing the pre-2020 mitigation gap,

*Stressing* the need for providing predictability on climate financing post-2012,

1. *Decides* that developed country Parties shall significantly scale up new and additional, predictable, adequate and sustainable financing provided to developing country Parties from the amount allocated for fast-start finance to reach a minimum level of USD 100 billion annually as soon as possible and no later than 2020, taking into account the need for a balanced allocation between adaptation and mitigation, to ensure there is no gap in the provision of climate financing to developing country Parties between 2012 and 2020;
2. *Also decides* that developed country Parties, in the context of the implementation of their commitment referred to in decision 1/CP.16, paragraphs 97–101, shall mobilize jointly new and additional resources amounting to USD [XX] billion a year by 2015 in order to address the needs of developing countries, taking into account the urgent and immediate needs of those developing countries that are particularly vulnerable to the adverse effects of climate change;
3. *Requests* developed country Parties to report to the Conference of the Parties, at its nineteenth session, on their fulfilment of the commitment referred to in paragraph 2 above;
4. *Invites* developed country Parties, in order to further improve transparency, to include in their biennial update reports information on the delivery on their commitment referred to in paragraph 2 of this decision, taking into account lessons learned from reporting on fast-start finance. This information should be updated on an annual basis;
5. *Decides* that a review of the amount of funding to be provided by developed country Parties to developing country Parties as identified in paragraphs 1 and 2 above shall be undertaken, based on assessment reports of the needs of developing country Parties both for mitigation and adaptation [by the Standing Committee on Finance, which will report on the outcome of such reviews to the Conference of the Parties, for its consideration, on the implementation of commitments by developed country Parties];
6. *Also decides* that direct and facilitated access to these financial resources, including for technology transfer, adaptation, mitigation and capacity-building, shall be guaranteed, to ensure that their allocation is balanced between adaptation and mitigation and that funding for adaptation is prioritized for developing countries that are particularly vulnerable to the adverse effects of climate change, particularly the least developed countries and small island developing States, and countries in Africa affected by drought, desertification and flood;
7. *Further decides* that an equitable geographical allocation of financial resources shall be implemented, including through criteria based on geophysical vulnerabilities identified by the country Parties themselves, independent assessments of vulnerability to extreme weather events and disaster risk assessments, factual evaluation of loss and damage for

these countries, in terms of human, infrastructure, health and other social criteria, and economic losses, and developing country needs, including urgent and immediate needs related to climate change;

8. *Decides* that the main sources of funding will be public sources, with supplementary financing from other sources, including consideration of alternative sources, subject to measurement, reporting and verification procedures of support provided as may be agreed upon, and that the adequacy of these sources shall be subject to the consideration of the Conference of the Parties;

## **2. Fast-start finance**

*Noting* the information provided by developed countries through the finance portal of the UNFCCC in the light of their commitment under decision 1/CP.16, paragraph 95,

*Recalling* decision 1/CP.16, paragraph 96, and decision 2/CP.17, paragraph 132,

9. *Urges* developed country Parties to enhance transparency of the fulfilment of their commitment for the fast-start funding, in particular regarding the implementation of a burden sharing process, securing additionality and predictability of these funds, and the ways in which developing country Parties can access these resources;

10. *Decides* that in the light of lack of clarity in the reporting of developed country Parties on their fulfilment of the commitments related to fast-start finance, further information on the following shall be provided so as to enable an informed assessment of lessons learned from fast-start finance, which is to be taken into account in the development of a work programme to analyse options to scale up the mobilization of climate change finance:

(a) On how these resources are considered to be new and additional to existing official development assistance and financial obligations to financing institutions, and international organizations;

(b) The basis adopted for sharing the collective commitment of USD 30 billion over a three-year period, from 2010 to 2012;

(c) On the nature of financing provided under fast-start finance, including the amount of loans provided, if any, and the sustainability and predictability of the funding provided;

(d) The channels used for the provision of fast-start finance;

(e) How the balanced allocation between adaptation and mitigation was achieved, and if not, why not;

(f) How funding for adaptation was prioritized for the most vulnerable countries, such as the least developed countries, small island developing States and Africa, including the choice of recipients of fast-start finance;

(g) On ways in which developing country Parties were enabled to access these resources, as well as conditions for access.

## **3. Measurement, reporting and verification**

*Recalling* the Bali Action Plan (decision 1/CP.13), which provided the mandate of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, and its paragraph 1(b)(ii), which stated that the nationally appropriate mitigation actions by developing countries in the context of sustainable development, supported and enabled

technology, financing and capacity-building, in a measurable, reportable and verifiable manner,

*Also recalling* decision 1/CP.16, paragraph 112, and decision 2/CP.17, paragraphs 121,

11. *Decides* that the Standing Committee on Finance shall, in accordance with decision 2/CP.17, paragraph 122, have the additional function of setting up a mechanism, including guidelines, for the measurement, reporting and verification of support provided to developing country Parties;

12. *Also decides* that the objective of these guidelines is to address the need for accurate accounting of the provision of funds from developed country Parties to developing country Parties in order to assess compliance with finance obligations for mitigation, adaptation, technology transfer and capacity-building, with a view to ensuring the robustness and transparency of the financial mechanism of the Convention;

13. *Further decides* that the measurement, reporting and verification of climate change funding under the financial mechanism shall comprise the following:

(a) Measurement:

(i) Measurement shall address those funds exclusively aimed at enabling and supporting enhanced action on mitigation, adaptation, technology development and transfer, report drafting and capacity-building for Parties not included in Annex I to the Convention (non-Annex I Parties), from public, private, bilateral, multilateral and alternative sources;

(ii) With regards to funds provided for multiple purposes, only the share provided solely for climate change shall be counted towards climate change finance;

(iii) Mobilization of funds through leverage and/or official development aid shall be considered supplementary and will not be counted as a part of climate finance;

(iv) Mobilization of funds in developed country Parties for administrative purposes that are indirectly related to the provision of climate change funding for developing country Parties will not be considered climate finance;

(b) Reporting:

(i) To establish a Financial Support Registry, universally accessible in character, in order to ensure inclusiveness and transparency to all Parties;

(ii) The origin, intermediaries and characteristics of funds, including funds from private, public, bilateral, multilateral and alternative sources, technology transfer and capacity-building, shall be reported by Parties to the Conference of the Parties through Annex I national communications, additional information submitted by developed and developing country Parties, including through their national communications, annual reports of operating entities of the financial mechanism, and others;

(iii) Reporting of climate-related support must follow a common, internationally agreed format, approved by the Conference of the Parties, in order to allow for comparability, assessment and analysis by the Standing Committee on Finance and by all non-Annex I Parties and Parties included in Annex I to the Convention. The format must include information on funded actions, amount effectively disbursed against obligations under the Convention, amount of new and additional funds, sector, financial channels, time frame and instruments (including grants, concessional loans, capital and others);

(c) Verification:



(i) The source and character of funds shall allow for traceability on the part of non-Annex I Parties;

(ii) Developing country Parties that receive funding shall be able to certify the funds received and report on the effective use of funds;

14. *Decides* that modalities for measurement, reporting and verification of means of implementation shall take into account and incorporate matters relevant to other Convention bodies such as the Adaptation Committee and the Technology Executive Committee;

15. *Requests* the Standing Committee on Finance to report to the Conference of the Parties at its nineteenth session on the progress made towards the implementation of this function.

#### 4. Arrangements between the COP and the Green Climate Fund

*Recalling* decision 1/CP.16, paragraphs 100 and 102,

*Also recalling* decision 3/CP.17, paragraph 3,

*Reaffirming* Article 11, paragraphs 1 and 2, of the Convention

*Underlining* Article 11, paragraph 3, of the Convention, which states that the arrangements to be agreed with the entity entrusted with the operation of the financial mechanism shall give effect to Article 11, paragraphs 1 and 2, and lists the elements to be included in these arrangements,

16. *Decides* that the arrangements between the Conference of the Parties and the Green Climate Fund shall elaborate, inter alia, on the following framing elements: objective of the arrangements, accountability of the Green Climate Fund to the Conference of the Parties, and determination of funding necessary and available<sup>4</sup> for the implementation of the Convention<sup>5</sup>;

17. *Reaffirms* the role of the Standing Committee on Finance as provided for in decision 1/CP.16, paragraph 112;

18. *Requests* the Standing Committee on Finance, taking fully into account this decision, to develop the arrangements to be concluded between the Conference of the Parties and the Fund, in consultation with the Board of the Fund, in time for consideration and adoption by the Conference of the Parties at its nineteenth session;

19. *Also requests* the Standing Committee on Finance to report regularly to the Conference of the Parties on the progress in the development of these arrangements and its

<sup>4</sup> Elements to be taken into consideration with regards to the determination of funding necessary are contained in the submission by Zambia and Malawi on behalf of the Least Developed Countries Group, to be found at: <[http://unfccc.int/files/bodies/awg-lca/application/pdf/ldc\\_draft\\_decision\\_on\\_long\\_term\\_finance\\_2.pdf](http://unfccc.int/files/bodies/awg-lca/application/pdf/ldc_draft_decision_on_long_term_finance_2.pdf)>, as well as the submission by the Philippines, Malaysia, Thailand, Saudi Arabia, India, China, Sri Lanka, Egypt, Sudan, Iraq, Iran, El Salvador, Nicaragua, Democratic Republic of Congo, Ecuador, the Maldives, and Venezuela, to be found at: <<http://unfccc.int/files/adaptation/application/pdf/17countriesfinancing2sep12.pdf>>.

<sup>5</sup> An elaborate proposal for the arrangements between the COP and the Green Climate Fund is contained in a submission by the Philippines, Malaysia, Thailand, Saudi Arabia, India, China, Sri Lanka, Egypt, Sudan, Iraq, Iran, El Salvador, Nicaragua, Democratic Republic of Congo, Ecuador, the Maldives, and Venezuela, to be found at: <<http://unfccc.int/files/adaptation/application/pdf/17countriesgcf3sep12.pdf>>.

consultations with the Board of the Fund, to be concluded at the nineteenth session of the Conference of the Parties.

## 5. Long-term finance

20. *Decides* to identify options for scaling up financing in the period after 2020, taking into account future work of the relevant thematic bodies under the Convention such as the Standing Committee on Finance, the Adaptation Committee and the Technology Executive Committee, in order to enhance the provision of funding in the longer term;

21. *Also decides*, consistent with the conclusions of science as established by the assessment reports of the Intergovernmental Panel on Climate Change, and the provisions of the Convention and the estimated losses and damage, that developed country Parties shall provide USD XXX billion per year from 2020 to 2030 for adaptation technology transfer and capacity-building to developing country Parties;

22. *Further decides*, based on expert but conservative estimates, that developed country Parties shall provide new and additional resources amounting to USD XXX billion per year from 2020 to 2030 for mitigation actions to developing country Parties;

23. *Decides* that a process is hereby launched to assess and review the needs of developing country Parties for financial resources, including for the transfer of technology, to address climate change and its adverse effects, including the identification of options for the mobilization of these resources, and the adequacy, predictability, sustainability, and accessibility of these resources;

24. *Also decides* that provision of financial resources shall be on a grant or concessional basis, including for the transfer of technology, in particular for adaptation, and that loans shall not be used as a condition to access grant funding through the operating entities of the financial mechanism of the Convention;

25. *Requests* the Standing Committee on Finance:

(a) To ensure coherence of climate change financing, including through the assessment of projects and programmes financed through voluntary channels to determine whether these are coherent with the guidance provided by the Convention and show how these will contribute to the achievement of the objective of the Convention;

(b) To determine how all developing country Parties shall have equal access to financing through the operating entities of the financial mechanism, and to invite other voluntary sources to provide information on how equal access to resources flowing through voluntary channels is made possible, in its development of guidance to be provided to the operating entities of the financial mechanism of the Convention;

(c) In the fulfilment of its mandate to assist the Conference of the Parties in exercising its functions with respect to the financial mechanism of the Convention, and in particular the function of the Conference of the Parties to mobilize financial resources in accordance with Article 4, paragraphs 3, 4 and 5, and Article 11, as stated in Article 7, paragraph 2 (h) of the Convention, to consider all options in terms of their predictability, sustainability, adequacy and facility of access;

(d) To provide guidance to the operating entities of the financial mechanism that reflects Article 12, paragraph 4 of the Convention, which states developing country Parties may, on a voluntary basis, propose projects for financing, including specific technologies, materials, equipment, techniques or practices that would be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reductions of emissions and increments of removals of greenhouse gases, as well as an estimate of the consequent benefits;

(e) To assess the financing needs of developing country Parties both as a global aggregate but also at regional and domestic levels, and in terms of urgent, short-term, medium- and long-term needs, both for adaptation and mitigation;

(f) To include in its annual report to the Conference of the Parties progress made on paragraphs 24 (b) to 24 (f) above;

26. *Also requests* the secretariat:

(a) To continue its activities related to the assessment of needs of developing countries in order to guide the development of guidance to the operating entities of the financial mechanism through the Standing Committee on Finance, as part of the process launched in paragraph 23 above;

(b) To update regularly its technical papers on financing and investment flows, taking into account all sources of information, the needs identified in national communications and other reports or assessments conducted under the Convention, and information provided by developed country Parties in their national communications of the resources disbursed, and the delivery channels used, to implement the obligation provided for in Article 12, paragraph 3 of the Convention, in accordance with existing and future guidelines for reporting.

Option 3 {No text.}

## **VI. Enhanced action on capacity-building**

### **(Agenda item 3(f))**

1. *Welcomes* the progress made by the Subsidiary Body for Implementation through the organization of the first meeting of the Durban Forum for in-depth discussion on capacity-building pursuant to decision 2/CP.17;
2. *Decides* to hereby establish a two-year work programme on capacity-building in order to, inter alia, further enhance the monitoring and review of the effectiveness of capacity-building and develop clear, effective and operational impact indicators and modalities for the evaluation of capacity-building activities and support provided by developed country Parties to developing country Parties;
3. *Requests* the Subsidiary Body for Implementation to consider and agree on activities to be undertaken under the above-mentioned work programme at its thirty-eighth session (May–June 2013);
4. *Invites* Parties and relevant organizations to submit to the secretariat, by XX February 2013, their views and information on possible elements that could be included in the work programme;
5. *Requests* the secretariat to compile these submissions into a miscellaneous document and to prepare a synthesis report based on those submissions, to be made available for consideration by the Subsidiary Body for Implementation at its thirty-eighth session;
6. *Reiterates* that the financial resources for enhanced action on capacity-building in developing country Parties and for the implementation of the above-mentioned work programme should be provided by Parties included in Annex II to the Convention and other Parties in a position to do so through the current and any future operating entities of the financial mechanism, as well as through various bilateral, regional and other multilateral channels, as appropriate.

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

(Agenda item 4)

*Recalling* the ultimate objective of the Convention as stated in its Article 2,

*Also recalling* decision 1/CP.16, and in particular its paragraph 4, which recognized the need to consider strengthening the long-term global temperature goal of holding the increase in global average temperature below 2 °C above pre-industrial levels on the basis of the best available scientific knowledge, including in relation to a global average temperature rise of 1.5 °C,

*Noting* that this review of the adequacy of the long-term global goal will require:

(a) Collection of data relating to observed and projected impacts of climate change, including impacts associated with warming of 1.5 °C or 2 °C;

(b) Analysis of those impacts and an assessment of factors relevant to whether the observed current and projected impacts would constitute dangerous anthropogenic interference with the climate system,

*Noting* that any assessment of the adequacy of the long-term global temperature goal must be underpinned by robust science and that the scientific integrity of the review will determine its success,

*Recalling* decision 2/CP.17, paragraphs 157–167, in particular paragraphs 160 and 161, which specify the considerations and inputs to be taken into account during the first review from 2013 to 2015,

*Affirming* that the review is not a review of the Convention itself but shall be aimed at assessing the implementation of commitments under the Convention,

*Also affirming* that the review can only be understood in the context of such a review leading to the achievement of the objective of the Convention under Article 2, with a view to identifying gaps to achieving the ultimate objective of the Convention and enabling the full, effective and sustained implementation of the Convention,

*Reaffirming* that the review shall be guided by the principles of the Convention, especially the principles of equity and common but differentiated responsibilities and respective capabilities, and shall be conducted in accordance with the relevant provisions of the Convention, especially Article 4, paragraphs 1, 2(b), 2(d), 3, 5, 7 and 8, Article 7, paragraphs 2(a) and 2(e), Article 10, paragraphs 2(a) and 2(b), and Article 12, paragraphs 1 and 2,

### Further definition of the scope of the review

1.

#### Option 1:

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

#### Option 2:

*Decides* that the review should assess:

(a) The adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, in accordance with the relevant principles and provisions of the Convention;

(b) The adequacy of the implementation of commitments under the Convention, in particular the adequacy and effectiveness of the binding and ambitious emission reduction commitments of Parties included in Annex I to the Convention, and the commitments of Parties included in Annex II to the Convention for the provision of financial resources and the transfer of technology and capacity-building to developing countries, given that the extent of adaptation costs is contingent on meeting the necessary emission reduction commitments;

(c) The adverse social and economic impacts on developing country Parties of climate change and response measures to combat climate change;

*Second review: Reaffirms* that the review should/must periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, in accordance with the relevant principles and provisions of the Convention and decides to consider further defining the scope and modalities for the second review, taking into account the outcomes of the Ad-hoc Working Group on the Durban Platform for Enhanced Action and the lessons learned from the first review;

**Further definition of the expert consideration of inputs**

2.

Option 1:

*Decides* to establish a review expert group at COP 18 to provide technical support to the review in its technical assessment and preparation of synthesis reports phase;

*Requests* the review expert group:

(a) To commence its substantive work no later than early 2014, noting that by April 2014, all of the Working Group reports for the Fifth Assessment Report of the Intergovernmental Panel on Climate Change will be publicly available;

(b) To meet as many times as necessary, including intersessionally, to complete its work and make its assessment/synthesis reports available for consideration by the Ad-hoc Working Group on the Durban Platform for Enhanced Action in early 2015 in order to inform final negotiations on a new Protocol under the Convention / a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties;

(c) To report annually to the Conference of the Parties;

*Requests* the secretariat to organize the meetings of the review expert group, support its work and disseminate its work products, as required;

Option 2a

*Recalls* its decision to conduct the review with the assistance of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation

*Invites* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to establish a joint contact group on this matter;

Option 2b:

*Invites* the Subsidiary Body for Scientific and Technological Advice and the

Subsidiary Body for Implementation to establish a joint contact group, supported by workshops and other in-session activities / scientific expert meetings open ended for all Parties, as appropriate, organized under these subsidiary bodies, upon agreement and supervision by Parties, preferably during the session or back to back with sessions, to consider the inputs referred to in decision 2/CP.17, paragraph 161;

Other guidance to the expert consideration of inputs:

3. *Decides* that the review shall be conducted transparently and with the full participation of the Parties, which shall be ensured through the provision of adequate funding support from the budget of the secretariat for the participation and representation of all developing country Parties in all phases of the review and in all activities, meetings, workshops and sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation that are organized as part of the review process;

4. Effectiveness and efficiency of the review process:

Preparations for the review should be conducted in an effective and efficient manner in order to avoid duplication of on-going work. Therefore, the Conference of the Parties and the subsidiary bodies may wish to take into account the results of work conducted under the Convention, its Kyoto Protocol and its Subsidiary Bodies in preparing for the review;

5. Adequate consideration of inputs:

(a) The Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation / The Conference of the Parties should organise the work of the review in a flexible and appropriate manner in line with decision 2/CP.17, allowing for an adequate and timely consideration of the inputs as they become available / information gathering and compilation

(b) *Requests* the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, with the support of the secretariat, to take the necessary steps during 2013 for the subsidiary bodies to start the consideration of inputs without delay at their thirty-eighth sessions;

**Other elements**

6. Information gathering and compilation phase:

Option 1:

*Decides* that the length of the information-gathering and compilation phase shall be continuous throughout the first review (2013–2015);

Option 2:

*Decides* that the information gathering and compilation phase referred to in decision 2/CP.17, paragraph 164, shall run continuously during the period from the start of the review in 2013 to not later than six months before the conclusion of the review in 2015;

Option 3

*Requests* the subsidiary bodies, from the start of 2013 until the end of 2014, to gather and compile information relevant for conducting the review, including from the sources listed in decision 2/CP.17, paragraph 161;

*Also requests* the subsidiary bodies to identify information gaps and, where necessary, make requests for additional inputs and studies that would be useful for conducting the review;

*Further requests* the subsidiary bodies to make full and up-to-date compilations of information from various sources available to the review expert group at regular intervals, beginning in late 2013, in order to inform the initial work of the review expert group in early 2014;<sup>6</sup>

*Invites* Parties to submit to the secretariat information they deem relevant to the review;

7. Ensuring prompt start and timely finalization of the review:

*Requests* the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, with the support of the secretariat, to take the necessary steps in 2013 for Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to start the consideration of inputs without delay at their thirty-eighth session.

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<sup>6</sup> The reference to the review expert group is relevant for option 1 under the heading ‘Further definition of the expert consideration of inputs’.



## VIII. Other matters

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

(Agenda item 5(a))

*Recalling* decision 2/CP.17, chapter VIII.A,

*Taking into account* national economic and social circumstances of Parties included in Annex I to the Convention undergoing the process of transition to a market economy and their need to maintain continuous and sustainable low-emission economic growth,

*Recognizing* that these Parties still lack financial resources to be able to provide support to Parties not included in Annex I to the Convention for meeting their costs of mitigation, adaptation and technology transfer,

1. *Decides* that a certain degree of flexibility shall be allowed to Parties included in Annex I to the Convention (Annex I Parties) undergoing the process of transition to a market economy with regard to the provision of new and additional financial resources, technology transfer and capacity-building to Parties not included in Annex I to the Convention (non-Annex I Parties) in enabling enhanced implementation of mitigation and adaptation actions, and that this flexibility shall be extended until 2020, when a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties comes into effect;

2. *Invites* Annex I Parties undergoing the process of transition to a market economy in a position to do so to provide new and additional financial resources, technology transfer and capacity-building to non-Annex I Parties on a voluntary basis.

**B. Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties (Agenda item 5(b))**

*Recalling* decisions 26/CP.7, 1/CP.16 and 2/CP.17, which recognized that Turkey is in a situation different from that of other Parties included in Annex I to the Convention,

*Reaffirming* the importance of financial, technological and capacity-building support to Parties whose special circumstances are recognized by the Conference of the Parties in order to assist these Parties in implementing the Convention,

1. *Invites* Parties included in Annex II to the Convention, through multilateral agencies, including the Global Environment Facility within its mandate, relevant intergovernmental organizations, international financial institutions, other partnerships and initiatives, bilateral agencies and the private sector, and through any further arrangements, as appropriate, to provide financial, technical and capacity-building support to Parties whose special circumstances are recognized by the Conference of the Parties to assist them in identifying priority technology needs and implementing their national climate change strategies and action plans;

2. *Requests* the Subsidiary Body for Implementation to develop, for consideration by its thirty-ninth session, a framework for the implementation of capacity-building activities in Parties whose special circumstances are recognized by the Conference of the Parties, in order to assist these Parties in the implementation of the Convention and its Kyoto Protocol.

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