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CONFERENCE OF THE PARTIES  
First session  
Berlin, 28 March - 7 April 1995

REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS FIRST SESSION, HELD AT BERLIN FROM 28 MARCH TO 7 APRIL 1995

Addendum

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AT ITS FIRST SESSION

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## I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Decision 1/CP.1

#### **The Berlin Mandate: Review of the adequacy of Article 4, paragraph 2 (a) and (b), of the Convention, including proposals related to a protocol and decisions on follow-up**

*The Conference of the Parties*, at its first session,

*Having reviewed* Article 4, paragraph 2(a) and (b), of the United Nations Framework Convention on Climate Change, and

*Having concluded* that these subparagraphs are not adequate,

*Agrees* to begin a process to enable it to take appropriate action for the period beyond 2000, including the strengthening of the commitments of the Parties included in Annex I to the Convention (Annex I Parties) in Article 4, paragraph 2(a) and (b), through the adoption of a protocol or another legal instrument:

#### I

1. The process shall be guided, inter alia, by the following:

(a) The provisions of the Convention, including Article 3, in particular the principles in Article 3.1, which reads as follows: "The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof;"

(b) The specific needs and concerns of developing country Parties referred to in Article 4.8; the specific needs and special situations of least developed countries referred to in Article 4.9; and the situation of Parties, particularly developing country Parties, referred to in Article 4.10 of the Convention;

(c) The legitimate needs of the developing countries for the achievement of sustained economic growth and the eradication of poverty, recognizing also that all Parties have a right to, and should, promote sustainable development;

(d) The fact that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that the per capita emissions in

developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs;

(e) The fact that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions;

(f) Coverage of all greenhouse gases, their emissions by sources and removals by sinks and all relevant sectors;

(g) The need for all Parties to cooperate in good faith and to participate in this process.

## II

2. The process will, inter alia:

(a) Aim, as the priority in the process of strengthening the commitments in Article 4.2(a) and (b) of the Convention, for developed country/other Parties included in Annex I, both

- to elaborate policies and measures, as well as
- to set quantified limitation and reduction objectives within specified time-frames, such as 2005, 2010 and 2020, for their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol,

taking into account the differences in starting points and approaches, economic structures and resource bases, the need to maintain strong and sustainable economic growth, available technologies and other individual circumstances, as well as the need for equitable and appropriate contributions by each of these Parties to the global effort, and also the process of analysis and assessment referred to in section III, paragraph 4, below;

(b) Not introduce any new commitments for Parties not included in Annex I, but reaffirm existing commitments in Article 4.1 and continue to advance the implementation of these commitments in order to achieve sustainable development, taking into account Article 4.3, 4.5 and 4.7;

(c) Take into account any result from the review referred to in Article 4.2(f), if available, and any notification referred to in Article 4.2(g);

(d) Consider, as provided in Article 4.2(e), the coordination among Annex I Parties, as appropriate, of relevant economic and administrative instruments, taking into account Article 3.5;

(e) Provide for the exchange of experience on national activities in areas of interest, particularly those identified in the review and synthesis of available national communications; and

(f) Provide for a review mechanism.

### III

3. The process will be carried out in the light of the best available scientific information and assessment on climate change and its impacts, as well as relevant technical, social and economic information, including, *inter alia*, reports of the Intergovernmental Panel on Climate Change. It will also make use of other available expertise.

4. The process will include in its early stages an analysis and assessment, to identify possible policies and measures for Annex I Parties which could contribute to limiting and reducing emissions by sources and protecting and enhancing sinks and reservoirs of greenhouse gases. This process could identify environmental and economic impacts and the results that could be achieved with regard to time horizons such as 2005, 2010, and 2020.

5. The protocol proposal of the Alliance of Small Island States (AOSIS), which contains specific reduction targets and was formally submitted in accordance with Article 17 of the Convention, along with other proposals and pertinent documents, should be included for consideration in the process.

6. The process should begin without delay and be conducted as a matter of urgency, in an open-ended ad hoc group of Parties hereby established, which will report to the second session of the Conference of the Parties on the status of this process. The sessions of this group should be scheduled to ensure completion of the work as early as possible in 1997, with a view to adopting the results at the third session of the Conference of the Parties.

*9th plenary meeting  
7 April 1995*

## **Decision 2/CP.1**

### **Review of first communications from the Parties included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4.2(a), (b) and (d), 7.2(a), (d) and (e), 9.2 (b) and 10.2,

*Having considered* recommendation 4 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Adopts* the statement of purpose of the review process contained in annex I to the present decision and the description of tasks of the review contained in annex II;

2. *Decides:*

(a) That each national communication<sup>1/</sup> submitted by a Party included in Annex I to the Convention (Annex I Party) should be subject to an in-depth review as soon as possible, but within one year of receipt by the secretariat, with the aim of completion by the second session of the Conference of the Parties; such in-depth reviews should be carried out by expert review teams, under the authority of the subsidiary bodies;

(b) That the review teams should be coordinated by a representative of the secretariat and composed of experts selected from those nominated by Parties and, as appropriate, by intergovernmental organizations as described in paragraph 4(b) below; experts nominated by Parties should, to the extent possible, constitute a majority of each team;

(c) That the review teams should conduct their work through in-depth "paper" reviews, guided by the purpose and tasks of the review referred to in paragraph 1 above, drawing upon annexes A, B and C to document A/AC.237/63/Add.1; if deemed helpful, visits to clarify the communications, with the prior approval of the Party concerned, might also be useful;

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<sup>1/</sup> In this recommendation, the term "national communication" includes communications from the regional economic integration organization included in Annex I to the Convention.

(d) That each review team should produce, under its collective responsibility, a report on each in-depth review of a national communication, written in non-confrontational language, and submit it to the subsidiary bodies; such review reports should be based on the indicative outline contained in annex III to the present decision; they should be approximately 10 pages in length and should include a summary; a draft of the review report should be provided to the Party being reviewed and, as a general rule, revised to reflect any comments the Party might have. Should the Party and the review team be unable to agree on the treatment of a comment, the secretariat will ensure that the comments of the Party are incorporated within a separate section of the summary of the review report; the summary of the review report should be distributed by the secretariat to all Parties and accredited observers to the Conference of the Parties; copies of the full review report will be available on request;

(e) That the subsidiary bodies should consider the in-depth review reports;

(f) To make the necessary arrangements to finance the review process in the budget for the permanent secretariat;

3. *Invites:*

(a) Parties to contribute to the review process by nominating experts for selection to participate in the review teams and to otherwise assist the secretariat as required;

(b) Parties to make voluntary contributions to the trust fund for the negotiating process to support the implementation of the present decision until the budget of the permanent secretariat is established;

(c) Intergovernmental organizations to make contributions of experts and/or resources, where possible, to assist the secretariat in undertaking the review of national communications under the Convention;

4. *Requests* the secretariat:

(a) To coordinate and facilitate the review process described in paragraph 2 above, including the organization of the in-depth reviews of individual national communications;

(b) To select, under the guidance of the Chairmen of the subsidiary bodies, the members of the in-depth review teams from among the names provided by the Parties and intergovernmental organizations, ensuring a balance of skills and expertise, of environmental and developmental perspectives and the necessary geographical balance among team members. It should also ensure that such experts do not participate in reviews of the national communications from their own country;

(c) To prepare, for consideration by the subsidiary bodies and by the Conference of the Parties at its second session, a second compilation and synthesis of first national communications, taking into account available review reports of individual national communications and including, as appropriate, the names of Parties in the narrative text, bearing in mind the facilitative and non-confrontational nature of the process;

(d) To examine means to facilitate the exchange and sharing of information among Parties, including forums in which a general and further analysis of specific and common aspects of national communications could be undertaken.

*10th plenary meeting  
7 April 1995*

## ANNEX I

### Purpose of the review of first communications from Annex I Parties

The review should provide a thorough and comprehensive technical assessment of the implementation of the Convention commitments by individual Annex I Parties and Annex I Parties as a whole. Its purpose is to review, in a facilitative, non-confrontational, open and transparent manner, the information contained in the communications from Annex I Parties to ensure that the Conference of the Parties has accurate, consistent and relevant information at its disposal to assist it in carrying out its responsibilities, which are, inter alia:

(a) To assess the implementation of the Convention by the Parties, the overall effects and cumulative impacts of the measures taken and the extent to which progress towards the objective of the Convention is being achieved (Articles 7.2(e), 4.2(a) and (b) and 10.2(a));

(b) To contribute to the reviews by the Conference of the Parties of the adequacy of commitments and to its decisions on follow-up action (Articles 10.2(b) and 4.2(d));

(c) To examine the obligations of these Parties under Articles 4, 5, 6 and 12 of the Convention;

(d) To examine the institutional arrangements under the Convention;

(e) To promote and guide the development and refinement of methodologies (Article 7.2(d)) and guidelines to enhance the comparability and focus of further communications;

(f) To promote and facilitate the exchange of information on measures adopted by the Parties (Article 7.2(b)).



## ANNEX II

### Tasks of the review of first communications from Annex I Parties

The review process should undertake six major tasks:

1. Review key qualitative information and quantitative data points contained in national communications;
2. Review policies and measures described in national communications;
3. Assess the information contained in national communications against Convention commitments, and assess the extent to which progress towards the objective of the Convention is being achieved;
4. Describe expected progress in the limitation of emissions by sources and enhancement of removals by sinks of greenhouse gases, on the basis of information contained in national communications;
5. Describe expected progress in cooperation to prepare for adaptation;
6. Aggregate data across national communications with respect to inventories, projections, effects of measures and financial transfers, but without adding up the individual national totals for projections and the effects of measures.

## ANNEX III

### Outline for review reports from in-depth reviews of individual national communications from Annex I Parties

#### 1. Introduction and summary

- Convention ratification date
- Date of receipt of national communication
- Dates of review and dates of comment period
- Members of the review team
- National circumstances
- Summary and findings
  - Compliance with guidelines
  - Review of key data points
  - Approach to greenhouse gas mitigation
  - Expected progress in greenhouse gas mitigation
  - Approach to adaptation
  - Expected progress on adaptation
  - Implementation of Convention commitments
  - Summary of comments offered by the Party (when not reflected in the text)

#### 2. Inventories of anthropogenic emissions and removals

- Implementation of Convention commitments
- Approaches used
- CO<sub>2</sub> - review of key data points
- CH<sub>4</sub> - review of key data points
- N<sub>2</sub>O - review of key data points
- Other gases - review of key data points
- Emissions from international marine and aviation transport

#### 3. Policies and measures

- Implementation of Convention commitments
- Overview of measures by gas, sector and policy instrument
- Effects of individual measures, where possible
- Policies and measures under consideration or requiring international cooperation

4. Projections and effects of policies and measures
  - Implementation of Convention commitments
  - Approaches used
  - Review of key data points
5. Projected progress in greenhouse gas mitigation
6. Expected impacts of climate change
7. Adaptation measures
  - Implementation of Convention commitments
8. Financial assistance and technology transfer
  - Review of key data points
  - Implementation of Convention commitments
9. Research and systematic observation
  - Implementation of Convention commitments
10. Education, training and public awareness
  - Implementation of Convention commitments

### **Decision 3/CP.1**

#### **Preparation and submission of national communications from the Parties included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* Articles 4.1(a), 4.2(b), 4.6, 7.2 and 12 of the United Nations Framework Convention on Climate Change,

*Having considered* recommendation 3 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Urges* those Parties included in Annex I to the Convention (Annex I Parties) that have not submitted their first communications according to Article 12.5 of the Convention to do so as soon as possible;

2. *Requests* Annex I Parties, except as specified in paragraph 3 below, to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention and with guidelines for the preparation of such communications to be revised, as appropriate, and adopted by the Conference of the Parties:

(a) A second national communication,<sup>1/</sup> by 15 April 1997;

(b) National inventory data on emissions by sources and removals by sinks on an annual basis, recognizing that for some greenhouse gases and sectors or activities annual data may be less readily available or less relevant; on this basis, data (where appropriate, updated) for the period 1990-1993 and, where available, for 1994 should be provided by 15 April 1996; data for subsequent years should be provided annually on 15 April, following the same principles;

3. *Decides* that those Annex I Parties required to submit their first communications during 1996, and which do so in accordance with the Convention, may be exempt from the provisions of paragraph 2(a) above;

4. *Decides* that, until further review, the guidelines for the preparation of first communications by Annex I Parties, as elaborated in the Annex to decision 9/2 of the Committee,<sup>2/</sup> should continue to be used by Annex I Parties in preparing their communications;

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<sup>1/</sup> This term includes communications from the regional economic integration organization included in Annex I to the Convention.

<sup>2/</sup> A/AC.237/55, annex I.

5. *Requests* the secretariat, drawing on the experience in the compilation and synthesis of national communications, to prepare a report on the guidelines for the preparation of first communications by Annex I Parties for consideration by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation before the second session of the Conference of the Parties, with a view, among other things, to further enhancing the comparability and focus of the communications;

6. *Requests* the Subsidiary Body for Scientific and Technological Advice, in the context of its work on methodological issues arising from the review of national communications, to consider the use of relevant statistical adjustments;

7. *Decides* to continue to apply the procedures for the transmission, distribution and translation of communications as elaborated in Committee decision 9/2,<sup>3/</sup> until new procedures are established before the submission of the second national communications by Annex I Parties and subject to a review in 1996 of the financial implications of those procedures.

*10th plenary meeting  
7 April 1995*

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<sup>3/</sup> Ibid., and A/AC.237/45, paras. 56-66.

## **Decision 4/CP.1**

### **Methodological issues**

*The Conference of the Parties,*

*Recalling* Articles 4.2(c), 7.2(d), 9.2(e) and 12.1(a) of the United Nations Framework Convention on Climate Change,

*Having considered* recommendation 7 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides:*

(a) That the Guidelines for National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptations adopted by the Intergovernmental Panel on Climate Change should be used by Annex I Parties in preparing their national communications<sup>1/</sup> pursuant to the Convention. Parties that already have an established and comparable methodology could continue to use that methodology, provided that they include sufficient documentation to back up the data presented. Standard tables and formats recommended in the Intergovernmental Panel on Climate Change Guidelines should be used for the presentation of that data;

(b) That the Guidelines for National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptations or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change should be used by non-Annex I Parties, as appropriate and to the extent possible, in the fulfilment of their commitments under the Convention;

(c) That Parties may use global warming potentials to reflect their inventories and projections in carbon-dioxide-equivalent terms. In such cases, the 100-year time-horizon values provided by the Intergovernmental Panel on Climate Change in its 1994 Special Report should be used. Parties may also make use of at least one of the other time-horizons provided by the Panel in its 1994 Special Report;

(d) That the Subsidiary Body for Scientific and Technological Advice, drawing upon existing competent international bodies, including the Intergovernmental Panel on Climate Change, and taking account of decision 2/CP.1 on the process for reviewing first national communications and decision 6/CP.1 on the subsidiary bodies, should:

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<sup>1/</sup> In this recommendation, the term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.

- (i) Consider the methodological issues arising from the review of national communications, including those identified in the compilation and synthesis of national communications and in available in-depth review reports, and make recommendations thereon to the Conference of the Parties at its second session;
- (ii) Provide advice to the Conference of the Parties and to the Subsidiary Body for Implementation, taking account of the outcome of subparagraph (i) above, on further development, refinement, improvement and use of comparable methodologies for:
  - a. National inventories of emissions and removals of greenhouse gases;
  - b. Projecting national emissions and removals of greenhouse gases and comparing the respective contributions of different gases to climate change;
  - c. Evaluating the individual and aggregate effects of measures undertaken pursuant to the provisions of the Convention;
  - d. Conducting impact/sensitivity analyses and assessing adaptation responses;
- (iii) Propose a work plan and timetable for longer-term activities relating to methodological questions (including inventory methodologies and methodologies for analysing impacts and mitigation options) and the establishment of working relationships with other bodies (in particular, the Intergovernmental Panel on Climate Change and its working groups and programmes);
- (iv) Report on the work specified above to the Conference of the Parties at its second session;
- (e) To consider at a future session, in the light of the scientific, technical and practical information provided by the Subsidiary Body for Scientific and Technological Advice, the issues covered by the decisions contained in subparagraphs (a) and (b) above;
- (f) That the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, taking fully into account ongoing work in Governments and international organizations, including the International Maritime Organization and the International Civil Aviation Organization, address the issue of the allocation and control of emissions from international bunker fuels, and report on this work to the Conference of the Parties at its second session;

2. *Invites* the relevant international organizations and bodies, including the Intergovernmental Panel on Climate Change, to contribute to the work of the Subsidiary Body for Scientific and Technological Advice, especially on the scientific aspects of methodologies, particularly those relating to inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol on Substances that Deplete the Ozone Layer, global warming potentials of those greenhouse gases, vulnerability assessment and adaptation, projections of emissions by sources and removals by sinks, the evaluation of the effects of measures undertaken pursuant to the provisions of the Convention and the allocation and control of emissions from international bunker fuels.

*10th plenary meeting  
7 April 1995*



## **Decision 5/CP.1**

### **Activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Recalling* that, in accordance with Article 4.2(d) of the United Nations Framework Convention on Climate Change, the Conference is required to take decisions regarding criteria for joint implementation as indicated in Article 4.2(a),

*Noting* that the largest share of historical and current global emissions of greenhouse gases has originated in developed countries, that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and development needs,

*Acknowledging* that the global nature of climate change calls for the widest possible cooperation by all countries and their participation in an effective and appropriate international response, in accordance with their common but differentiated responsibilities and respective capabilities and their social and economic conditions,

*Recognizing* that,

(a) According to the provisions of the Convention, the commitments under Article 4.2(a) to adopt national policies and to take corresponding measures on the mitigation of climate change apply only to Parties included in Annex I to the Convention (Annex I Parties), and that Parties not included in Annex I to the Convention (non-Annex I Parties) have no such commitments,

(b) Activities implemented jointly between Annex I Parties and non-Annex I Parties will not be seen as fulfilment of current commitments of Annex I Parties under Article 4.2(b) of the Convention; but they could contribute to the achievement of the objective of the Convention and to the fulfilment of commitments of Annex II Parties under Article 4.5 of the Convention,

(c) Activities implemented jointly under the Convention are supplemental, and should only be treated as a subsidiary means of achieving the objective of the Convention,

(d) Activities implemented jointly in no way modify the commitments of each Party under the Convention,

1. *Decides:*

- (a) To establish a pilot phase for activities implemented jointly among Annex I Parties and, on a voluntary basis, with non-Annex I Parties that so request;
- (b) That activities implemented jointly should be compatible with and supportive of national environment and development priorities and strategies, contribute to cost-effectiveness in achieving global benefits and could be conducted in a comprehensive manner covering all relevant sources, sinks and reservoirs of greenhouse gases;
- (c) That all activities implemented jointly under this pilot phase require prior acceptance, approval or endorsement by the Governments of the Parties participating in these activities;
- (d) That activities implemented jointly should bring about real, measurable and long-term environmental benefits related to the mitigation of climate change that would not have occurred in the absence of such activities;
- (e) That the financing of activities implemented jointly shall be additional to the financial obligations of Parties included in Annex II to the Convention within the framework of the financial mechanism as well as to current official development assistance (ODA) flows;
- (f) That no credits shall accrue to any Party as a result of greenhouse gas emissions reduced or sequestered during the pilot phase from activities implemented jointly;

2. *Further decides* that during the pilot phase:

- (a) The Subsidiary Body for Scientific and Technological Advice will, in coordination with the Subsidiary Body for Implementation, establish a framework for reporting, in a transparent, well-defined and credible fashion, on the possible global benefits and the national economic, social and environmental impacts as well as any practical experience gained or technical difficulties encountered in activities implemented jointly under the pilot phase;
- (b) The Parties involved are encouraged to report to the Conference of the Parties through the secretariat using the framework thus established. This reporting shall be distinct from the national communications of Parties;
- (c) The Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, with the assistance of the secretariat are requested to prepare a synthesis report for consideration by the Conference of the Parties,

3. *Further decides:*

(a) That the Conference of the Parties shall, at its annual session, review the progress of the pilot phase on the basis of the synthesis report with a view to taking appropriate decisions on the continuation of the pilot phase;

(b) In so doing, the Conference of the Parties shall take into consideration the need for a comprehensive review of the pilot phase in order to take a conclusive decision on the pilot phase and the progression beyond that, no later than the end of the present decade.

*10th plenary meeting  
7 April 1995*

## Decision 6/CP.1

### The subsidiary bodies established by the Convention

*The Conference of the Parties,*

*Recalling* Articles 9 and 10 of the United Nations Framework Convention on Climate Change establishing, respectively, the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI),

*Having considered* recommendation 8 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

*Noting* that the roles of the subsidiary bodies can be broadly characterized as follows:

(a) The SBSTA will be the link between the scientific, technical and technological assessments and the information provided by competent international bodies, and the policy-oriented needs of the Conference of the Parties,

(b) The SBI will develop recommendations to assist the Conference of the Parties in its review and assessment of the implementation of the Convention and in the preparation and implementation of its decisions,

1. *Decides* that, subject to future reconsideration, the functions of the SBSTA and the SBI shall be as outlined in annex I to this decision, which annex builds upon Articles 9 and 10 of the Convention and recommendations from the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change;

2. *Requests* the SBSTA to undertake the tasks described in annex II, section A, to this decision, as well as tasks mandated in decisions 2/CP.1, 3/CP.1, 4/CP.1, 5/CP.1 and 8/CP.1, and to report on its work to the Conference of the Parties at its second session;

3. *Authorizes* the SBSTA, in accordance with rule 27 of the rules of procedure, to establish, subject to confirmation at the second session of the Conference of the Parties, two intergovernmental<sup>1/</sup> technical advisory panels to provide it with advice on technologies, including advice on related economic aspects, and on methodologies;

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<sup>1/</sup> In this recommendation, the term "intergovernmental" includes the regional economic integration organization included in Annex I to the Convention.

4. *Requests* the SBI to undertake the tasks described in annex II, section B, to this decision, as well as tasks mandated in decisions 2/CP.1, 3/CP.1, 4/CP.1, 5/CP.1, 8/CP.1 and 10/CP.1, and to report on its work to the Conference of the Parties at its second session;

5. *Requests* both bodies to develop proposals on their longer-term activities and organizational arrangements, including any adjustments to the functions and/or allocation of work, and the scheduling and periodicity of sessions, taking due account of the financial and support implications, and to report accordingly to the Conference of the Parties at its second session;

6. *Invites* the officers of the SBSTA and the SBI to submit, after due consultation with their respective bodies, proposals for future cooperation between the SBSTA and the SBI and the Intergovernmental Panel on Climate Change, to the second session of the Conference of the Parties.

7. *Invites* the officers of the SBSTA and the SBI to play an active role in preparing for the substantive sessions of these bodies, with the support of the Convention secretariat;

8. *Requests* the Convention secretariat to make arrangements for sessions of both subsidiary bodies on the basis of annexes II and III to this decision. Where possible, sessions should be held consecutively, starting with the SBSTA, and each session would last for a week;

9. *Further requests* the Convention secretariat to make arrangements for three further sessions of both subsidiary bodies: in December 1996, July 1997 (preceding the third session of the Conference of the Parties) and December 1997;

10. *Decides* that workshops and other events, for which no provision is made in the secretariat budget, should be funded by the host country or from other sources. Such funding should include participation costs;

11. *Further requests* the Convention secretariat to support the substantive work of the subsidiary bodies, in particular by:

(a) Organizing their sessions;

(b) Liaising with competent scientific and technical international bodies and financial institutions, in order to ensure an adequate flow of information in both directions;

(c) Preparing the documentation needed for consideration by the subsidiary bodies or the Conference of the Parties;

(d) Providing technical and analytical support for the review of communications by Parties included in Annex I to the Convention.

*10th plenary meeting  
7 April 1995*

## ANNEX I

### Functions to be carried out by the Subsidiary Bodies

#### A. Functions to be carried out by the Subsidiary Body for Scientific and Technological Advice under the guidance of the Conference of the Parties and drawing upon existing competent international bodies

1. Provide assessments of the state of scientific knowledge relating to climate change and its effects (Article 9.2(a)). In this context:

(a) Summarize and, where necessary, convert the latest international scientific, technical, socio-economic and other information provided by competent bodies including, inter alia, the Intergovernmental Panel on Climate Change (IPCC), into forms appropriate to the needs of the Conference of the Parties, including in support of the review of the adequacy of commitments;

(b) Compile and synthesize scientific, technical and socio-economic information on the global situation on climate change, provided by, inter alia, the IPCC, as well as on the latest developments in science, to the extent possible, and assess the implications thereof for the implementation of the Convention; and formulate requests to competent international scientific and technical bodies.

2. Prepare scientific assessments on the effects of measures taken in the implementation of the Convention (Article 9.2(b)). In this context:

(a) Consider the scientific, technical and socio-economic aspects of the in-depth review reports, resulting from the process for the review of national communications;<sup>a/</sup>

(b) Consider the compilation and synthesis of national communications prepared by the secretariat;

(c) Make recommendations on the technical aspects related to the review of information contained in national communications.

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<sup>a/</sup> In this recommendation, the term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.

3. Identify innovative, efficient and state-of-the-art technologies and know-how, and advise on the ways and means of promoting development and/or of transferring such technologies (Article 9.2(c)). In this context:

(a) Ensure the collection and dissemination of information on appropriate technologies for limiting emissions from sources, enhancing sinks of greenhouse gases and adapting to climate change, and on related international initiatives, cooperation and programmes, and the services they offer;

(b) Provide advice on the latest, and future, technologies mentioned above, their effects, their relative feasibility in different circumstances and their relevance to programme priorities of the financial mechanism, taking into account relevant advice to the Conference of the Parties from the Subsidiary Body for Implementation;

(c) Provide advice on ideas on promoting international initiatives, programmes and cooperation in the areas of technology development and transfer, as well as on sharing of experience between Parties;

(d) Evaluate ongoing efforts in the area of development and/or transfer of technologies to determine whether they fully meet the needs of the Convention, and advise on possible improvements.

4. Provide advice on scientific programmes, and on international cooperation in research and development related to climate change, as well as on ways and means of supporting endogenous capacity-building in developing countries (Article 9.2(d)), and assist the Parties in implementing Articles 5 and 6 of the Convention. In this context:

(a) Ensure the collection and dissemination of information on international initiatives, cooperation and programmes in the areas of scientific research and systematic observation, as well as on education, human resources and training, public awareness, capacity-building, and the services they offer;

(b) Provide advice on education programmes;

(c) Provide advice on human resources and training;

(d) Provide advice and ideas on promoting the above initiatives, cooperation and programmes, as well as sharing of experience between Parties;

(e) Evaluate ongoing efforts in these fields to determine whether they fully meet the needs of the Convention and advise on possible improvements.

5. Respond to scientific, technological and methodological questions that the Conference of the Parties and its subsidiary bodies may put to the body (Article 9.2(e)). In this context:

- (a) Seek, in particular from the IPCC, and provide advice on, the development, improvement and refinement of comparable methodologies for:
- (i) National inventories of emissions and removals of greenhouse gases;
  - (ii) Projecting national emissions and removals of greenhouse gases and comparison of respective contributions of different gases to climate change;
  - (iii) Evaluating the individual and aggregated effects of measures undertaken pursuant to the provisions of the Convention;
  - (iv) Conducting impact/sensitivity analyses;
  - (v) Assessing adaptation responses;
- (b) Seek information and provide advice on methodological questions in support of the guidance to be provided by the Conference of the Parties to the financial mechanism, and guidelines in the application of the concept of "agreed full incremental cost";
- (c) Provide information and advice on any methodology and technical aspects that would be needed in the development of protocols to the Convention;
- (d) Provide guidance and advice to the Parties on the use of agreed methodologies;
- (e) Provide guidance to the Parties on technical aspects of issues related to the implementation of the Convention, such as the allocation and control of emissions from international bunker fuels or the use of global-warming potentials.

B. Functions to be carried out by the Subsidiary Body for Implementation under the guidance of the Conference of the Parties

1. Consider the information communicated in accordance with Article 12.1, to assess the overall aggregated effect of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change (Article 10.2(a)). In this context:

Consider the policy aspects of the in-depth review reports resulting from the process for the review of national communications, *inter alia*, on the basis of the scientific and technical analysis provided by the Subsidiary Body for Scientific and Technological Advice (SBSTA) and make recommendations to the Conference of the Parties regarding the implementation of the Convention.



2. Consider the information communicated in accordance with Article 12.2, in order to assist the Conference of the Parties in carrying out the reviews required by Article 4.2(d) (Article 10.2(b)). In this context:

Consider how the overall aggregated effect of the steps taken by Parties relates to the commitments set out in Article 4.2(a) and (b), to the modification of longer-term trends in anthropogenic emissions, and to any further commitments that might be agreed upon by the Parties in subsequent amendments or protocols to the Convention, as well as to the objective of the Convention.

3. Assist the Conference of the Parties, as appropriate, in the preparation and implementation of its decisions (Article 10.2(c)), taking into account advice from the SBSTA. In this context:

(a) Advise the Conference of the Parties on the policies, eligibility criteria and programme priorities related to the financial mechanism, as well as on transfer of technology in the light of the reviews and assessments carried out under Article 10.2(a), taking into account relevant advice from the SBSTA and, if so requested by the Conference of the Parties:

- (i) Review the financial mechanism and advise on appropriate measures;
- (ii) Consider reports from the operating entity or entities of the financial mechanism on activities related to climate change;
- (iii) Make recommendations related to the arrangements for the operational linkages between the Conference of the Parties and the operating entity or entities;

(b) Provide recommendations to the Conference of the Parties on possible responses to the findings of the review of the adequacy of Article 4.2(a) and (b) and its implementation, including, if so requested by the Conference of the Parties, the conducting of negotiations on resolutions, amendments or protocols;

(c) Advise the Conference of the Parties on matters related to the consideration of information contained in national communications.

## ANNEX II

### Tasks for the Subsidiary Bodies between the first and second sessions of the Conference of the Parties

#### A. Tasks for the Subsidiary Body for Scientific and Technological Advice

The Subsidiary Body for Scientific and Technological Advice (SBSTA), under the guidance of the Conference of the Parties, should:

1. Consider the Second Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and make appropriate recommendations to the Conference of the Parties and, where appropriate, to the Subsidiary Body for Implementation (SBI);
2. Undertake the tasks on methodological questions as specified in decision 4/CP.1 on methodological issues;
3. Lay the groundwork for performing its advisory functions relating to technology transfer and research and development, with initial emphasis on identifying, promoting access to and disseminating information on state-of-the-art technologies and know-how for limiting emissions of greenhouse gases and adapting to climate change, and addressing capacity-building needs for the effective use and dissemination of such technologies;
4. Lay the groundwork for performing its advisory functions relating to capacity-building in developing country Parties, taking into account any information from the SBI;
5. Establish such intergovernmental technical advisory panels as may be deemed necessary and approved by the Conference of the Parties, to provide it with advice on technologies, including on related economic aspects, and on methodologies; and define the terms of reference, work plans, membership and duration of work thereof;
6. Oversee the in-depth review of scientific and technical aspects and the preparation of the compilation and synthesis of the first national communications from Annex I Parties in accordance with decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention; and make recommendations thereon to the Conference of the Parties and/or to the SBI.

B. Tasks for the Subsidiary Body for Implementation

The Subsidiary Body for Implementation (SBI), under the guidance of the Conference of the Parties, should:

1. Oversee the in-depth review of the policy aspects of the first national communications from Annex I Parties, including the implementation of their commitments under Article 4.2(a) and (b) in accordance with Article 12.2 of the Convention and Article 4.5 in accordance with Article 12.3 of the Convention on the basis of scientific and technical analysis provided by the Subsidiary Body for Scientific and Technological Advice, in accordance with decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention; and make recommendations thereon to the Conference of the Parties;
2. Consider the report from the operating entity or entities of the financial mechanism; and make recommendations thereon to the Conference of the Parties;
3. Further elaborate policies, programme priorities and eligibility criteria for the financial mechanism and provide assistance to the Conference of the Parties.

ANNEX III

Summary of the sequence of events prior to the second session of the Conference of the Parties, including a list of matters to be considered by the Subsidiary Bodies

Schedule	Subsidiary Body for Scientific and Technological Advice	Subsidiary Body for Implementation
First session October 1995	Consider work plan and relationships with IPCC and other bodies	Consider work plan
	Organize work of intergovernmental technical advisory panels	Work relating to follow-up to review of the adequacy of Article 4.2 (a) and (b), if required
	Plan for consideration of IPCC Second Assessment Report	Work relating to review of national communications
	Work relating to review of national communications	Deal with matters relating to the financial mechanism
January 1996	Intergovernmental technical advisory panels meet	
	Workshop <u>a/</u> on non-governmental inputs	
Second session Mid-February 1996	Consider IPCC Second Assessment Report	
	Consider work of intergovernmental technical advisory panels	Work relating to follow-up to review of the adequacy of Article 4.2 (a) and (b), if required
	Consider report of workshop on non-governmental inputs	Work relating to review of national communications
	Work relating to review of national communications	
	Deal with requests from SBI	
April 1996	Intergovernmental technical advisory panels meet	Issue-specific workshop (if required)
Third session July 1996 (preceding the second session of the Conference of the Parties)	Finalize recommendations to the Conference of the Parties at its second session and, where appropriate, to SBI	Deal with matters relating to the financial mechanism
	Work relating to review of national communications	Finalize recommendations to the Conference of the Parties at its second session
		Work relating to review of national communications

a/ The workshop, open to all Parties and interested non-governmental participants, should discuss the need for, and possible scope, structure, membership and work plans of, non-governmental advisory committees and/or a business consultative mechanism and report recommendations in the light of the workshop to the Conference of the Parties at its second session.

## **Decision 7/CP.1**

### **The report on implementation**

*The Conference of the Parties,*

*Recalling* that the Conference of the Parties shall, in accordance with Article 7.2(f) of the United Nations Framework Convention on Climate Change, consider, adopt and publish regular reports on the implementation of the Convention,

*Considering* that the publication and dissemination of information to a wide audience would help achieve the objectives of Article 6 of the Convention and mobilize opinion in support of the implementation of the Convention,

*Having* considered recommendation 1 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides* that the report on implementation shall be a public information document designed for the informed public;
2. *Decides* that the first report on implementation shall be published after the conclusion of, and reflecting the results of, the first session;
3. *Requests* the secretariat to draft, and to publish as soon as possible, the report on implementation, drawing on the decisions of, and the texts of the documents considered by, the Conference of the Parties, taking account of the discussions at the session, and presenting the content of the report in a style appropriate for public information and outreach;
4. *Decides* to review the results of this decision at its second session and to consider at that time the scheduling of subsequent reports.

*10th plenary meeting  
7 April 1995*

**Decision 8/CP.1**

**First communications from Parties not included in Annex I  
to the Convention**

*The Conference of the Parties,*

*Having taken note* of document A/AC.237/Misc.40 on the approach by the Group of 77 and China on the format for communication of information by Parties not included in Annex I to the United Nations Framework Convention on Climate Change (non-Annex I Parties),

1. *Requests* the subsidiary bodies to develop, for consideration by the Conference of the Parties at its second session, recommendations on guidelines for the preparation of national communications from non-Annex I Parties and proposals for the process to consider these communications in accordance with Article 10 of the Convention;

2. *Further requests* the interim secretariat to provide a compilation of any views on the subject raised in paragraph 1 above transmitted by the Parties to the secretariat by 30 June 1995. Documents that have been, or will be, submitted to the secretariat may, upon request by the submitting Party, be issued by the secretariat in the original language only and be distributed to all delegations.

*10th plenary meeting  
7 April 1995*

**Decision 9/CP.1**

**Maintenance of the interim arrangements referred to in  
Article 21, paragraph 3, of the Convention**

*The Conference of the Parties,*

*Recalling* Articles 11.4 and 21.3 of the United Nations Framework Convention on Climate Change,

*Having considered* the report by the Global Environment Facility (GEF) to the eleventh session of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change, on the restructured Global Environment Facility,<sup>1/</sup>

1. *Decides* that the restructured GEF shall continue, on an interim basis, to be the international entity entrusted with the operation of the financial mechanism referred to in Article 11 of the Convention;

2. *Decides*, in accordance with Article 11.4 of the Convention, to review the financial mechanism within four years and take appropriate measures, including a determination of the definitive status of the GEF in the context of the Convention.

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> A/AC.237/89.

**Decision 10/CP.1**

**Arrangements between the Conference of the Parties and the  
operating entity or entities of the financial mechanism**

*The Conference of the Parties,*

*Recalling* Article 11.3 of the United Nations Framework Convention on Climate Change,

*Having considered* recommendation 10 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Takes note* of the elements for inclusion in arrangements between the Conference of the Parties and an operating entity or entities of the financial mechanism presented in the note by the interim secretariat, contained in document A/AC.237/87, including comments made on relevant paragraphs at the eleventh session of the Committee;

2. *Requests* the secretariat, in consultation with the secretariat of the Global Environment Facility and bearing in mind comments made at the eleventh session of the Intergovernmental Negotiating Committee, to prepare draft arrangements for consideration by the Subsidiary Body for Implementation at its first session and adoption by the Conference of the Parties at its second session.

*10th plenary meeting  
7 April 1995*



## **Decision 11/CP.1**

### **Initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism**

*The Conference of the Parties,*

*Recalling* Article 11.1 of the United Nations Framework Convention on Climate Change,

*Having considered* recommendation 11 of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change,

1. *Decides* to adopt the following initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism:

(a) Regarding activities undertaken under Article 11 of the Convention,

Within the framework of the financial mechanism:

- (i) The operating entity or entities should, in all funding decisions related to the financial mechanism, take into account Article 4.1, 4.7, 4.8, 4.9 and 4.10 of the Convention. In particular, in order to take full account of the specific needs and special situations of the least developed countries, funds allocated to their projects/programmes should be on a grant basis;
- (ii) Projects funded through the financial mechanism should be country-driven and in conformity with, and supportive of, the national development priorities of each country;
- (iii) The operating entity or entities should ensure that, with reference to activities involving transfer of technology, such technology is environmentally sound and adapted to suit local conditions;
- (iv) As far as possible, due consideration should be given to the following aspects concerning activities undertaken under the financial mechanism. Activities should be:
  - supportive of the national development priorities which contribute to a comprehensive national response to climate change;
  - consistent with and supportive of the relevant provisions of internationally agreed programmes of action for sustainable development in line with the Rio Declaration and Agenda 21 and UNCED-related agreements;

- sustainable and lead to wider application;
  - cost-effective;
- (v) The operating entity or entities of the financial mechanism should strive to leverage other funds in support of the activities of developing country Parties to address climate change;
- (vi) In mobilizing funds, the operating entity or entities should provide all relevant information to developed country Parties and other Parties included in Annex II to the Convention, to assist them to take into full account the need for adequacy and predictability in the flow of funds. The entity or entities entrusted with the operation of the financial mechanism should take full account of the arrangements agreed with the Conference of the Parties, which, inter alia, shall include determination in a predictable and identifiable manner of the amount of funding necessary and available for the implementation of the Convention, as provided for in Article 11.3(d) of the Convention.
- (b) Regarding programme priorities,
- (i) Priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1 and other relevant commitments under the Convention. In the initial period, emphasis should be placed on enabling activities undertaken by developing country Parties, such as planning and endogenous capacity-building, including institutional strengthening, training, research and education, that will facilitate implementation, in accordance with the Convention, of effective response measures;
  - (ii) In this context, activities aimed at strengthening research and technological capabilities for the implementation of the Convention in developing country Parties should be supported through international and intergovernmental efforts. Such support would include networking and the training of experts and, as appropriate, institutional development;
  - (iii) Emphasis should also be placed on improving national public awareness and education on climate change and response measures;
  - (iv) The operating entity or entities should finance the formulation by developing country Parties of nationally determined programmes to address climate change issues which are in accordance with national development priorities. To facilitate the formulation of these programmes, it should finance capacity-building and all other activities related to the formulation, management and regular updating of these programmes, which should, as far as possible, be comprehensive;

- (v) The operating entity or entities should, in accordance with the policies, programme priorities and eligibility criteria as established by the Conference of the Parties, be available to assist, if so requested, in the implementation of the national programmes adopted by developing country Parties;
- (vi) In the implementation of these national programmes, the operating entity or entities should support agreed activities to mitigate climate change, as referred to in the Convention, in particular in Article 4.1, consistent with Article 4.3.
- (c) Regarding eligibility criteria,

Eligibility criteria shall apply to countries and to activities and shall be applied in accordance with Article 11.1, 11.2 and 11.3;

- (i) Regarding eligibility of countries, only countries that are Parties to the Convention would be eligible to receive funding upon entry into force of the Convention. In this context, only developing country Parties would be eligible to receive funding through the financial mechanism, in accordance with Article 4.3;
- (ii) Regarding eligibility of activities,
  - Those activities related to obligations under Article 12.1 to communicate information for which the "agreed full costs" are to be met are eligible for funding;
  - Measures covered by Article 4.1 are eligible for funding through the financial mechanism in accordance with Article 4.3. Such measures should be agreed between the developing country Party and the international entity or entities referred to in Article 11.1, in accordance with Article 4.3;
  - In addition to the above, such measures would be eligible for financial support under Article 11.5.

(d) Regarding adaptation, the following policies, programme priorities and eligibility criteria should apply:

- (i) Adaptation to the adverse effects of climate change, as defined by the Convention, will require short, medium and long term strategies which should be cost effective, take into account important socio-economic implications, and should be implemented on a stage-by-stage basis in developing countries that are Parties to the Convention. In the short term, the following stage is envisaged:

- Stage I: Planning, which includes studies of possible impacts of climate change, to identify particularly vulnerable countries or regions and policy options for adaptation and appropriate capacity-building;
- (ii) In the medium and long term, the following stages are envisaged for the particularly vulnerable countries or regions identified in Stage I:
- Stage II: Measures, including further capacity-building, which may be taken to prepare for adaptation, as envisaged by Article 4.1(e);
  - Stage III: Measures to facilitate adequate adaptation, including insurance, and other adaptation measures as envisaged by Article 4.1(b) and 4.4;
- (iii) Based on the outputs of the Stage I studies, as well as other relevant scientific and technical studies, such as those of the Intergovernmental Panel on Climate Change (IPCC), and any emerging evidence of the adverse effects of climate change, the Conference of the Parties may decide that it has become necessary to implement the measures and activities envisaged in Stages II and III, consistent with the relevant conclusions of the Committee and with the provisions of the Convention;
- (iv) Funding for the implementation of such adaptation measures and activities would be provided as follows:
- For Stage I, the Conference of the Parties at its first session, shall entrust to the Global Environment Facility (GEF), the interim operating entity of the financial mechanism, the task of meeting the agreed full costs of the activities required by Article 12.1 of the Convention. This would include meeting the agreed full costs of relevant adaptation activities undertaken in the context of the formulation of national communications; such activities may include studies of the possible impacts of climate change, identification of options for implementing the adaptation provisions (especially the obligations contained in Article 4.1(b) and 4.1(e) of the Convention), and relevant capacity-building;
  - If it is decided in accordance with paragraph (iii) above, that it has become necessary to implement the measures envisaged in Stages II and III, the Parties included in Annex II to the Convention will provide funding to implement the adaptation measures envisaged in these stages in accordance with their commitments contained in Article 4.3 and 4.4 of the Convention;

- In its review of the financial mechanism of the Convention under Article 11.4, the Conference of the Parties, taking into account studies conducted and options for adaptation identified during Stage I, any emerging evidence of the adverse effects of climate change, as well as the relevant conclusions reached by the Committee and its own decisions on this issue, must decide on the channel or channels, under Article 11 of the Convention, to be used for the funding referred to in the preceding subparagraph, to implement the adaptation measures envisaged in Stages II and III.

- (e) Regarding agreed full incremental costs,

The various issues of incremental costs are complex and difficult and further discussion on the subject is therefore needed. The application of the concept of agreed full incremental costs should be flexible, pragmatic and on a case-by-case basis. Guidelines in this regard will be developed by the Conference of the Parties at a later stage on the basis of experience.

2. *Also decides* to take note of the following conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change:

- (a) Outside the framework of the financial mechanism,

Consistency should be sought and maintained between activities (including those related to funding) relevant to climate change undertaken outside the framework of the financial mechanism and the policies, programme priorities and eligibility criteria for activities as relevant, established by the Conference of the Parties. Towards this end and in the context of Article 11.5 of the Convention, the secretariat should collect information from multilateral and regional financial institutions on activities undertaken in implementation of Article 4.1 and Article 12 of the Convention; this should not introduce new forms of conditionalities.

- (b) On transfer of technology, the Committee took note of document A/AC.237/88 prepared by the interim secretariat. The Committee recognized the importance of this subject under the relevant articles of the Convention and concluded that discussions should continue at the Conference of the Parties and its subsidiary bodies with a view to identifying ways and means of operationalizing the transfer of technology under Article 4.5 of the Convention.

- (c) The Committee took note of document A/AC.237/Misc.40, an approach paper by the Group of 77 and China on the format of communication of information by Parties not included in Annex I to the Convention.

*10th plenary meeting  
7 April 1995*

**Decision 12/CP.1**

**Report of the Global Environment Facility to the Conference of the Parties  
on the development of an operational strategy and on  
initial activities in the field of climate change**

*The Conference of the Parties,*

*Recalling* Article 11.1 of the United Nations Framework Convention on Climate Change,

*Having considered* the report by the Global Environment Facility (GEF) containing information on the development of an operational strategy in the climate change area and on the initial activities in this field (FCCC/CP/1995/4),

1. *Welcomes* the decision of the GEF Council to follow a "two-track" programming approach in 1995: while work is undertaken by the GEF secretariat to develop a long-term comprehensive operational strategy, supported by analytical work and consultations, and allowing for the guidance from the Conference of the Parties (track one), some project activities are to be undertaken to allow a smooth transition between the operations of the pilot phase and the restructured GEF (track two);
2. *Decides* to adopt a mixed strategy wherein projects will be selected with a double set of programme priorities as described in paragraph 9(c) of the report, that is, if they met either one of the long-term programme priorities or one of the short-term programme priorities;
3. *Takes note* of the report on initial activities;
4. *Invites* the GEF in future reports to take fully into account relevant aspects of the modalities for the functioning of operational linkages between the Conference of the Parties and the operating entity or entities of the financial mechanism.<sup>1/</sup>

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> See section III (a) below.

## **Decision 13/CP.1**

### **Transfer of technology**

*The Conference of the Parties,*

*Recalling* the relevant provisions of chapter 34 of Agenda 21 on "Transfer of environmentally sound technology, cooperation and capacity-building",

*Pursuant* to the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4.1, 4.5, 4.7, 4.9, 9.2 and 11.1,

1. *Requests* the Convention secretariat :

(a) To prepare an itemized progress report (according to the types of activities specified in paragraphs 34.15 to 34.28, inclusive, of chapter 34 of Agenda 21) on concrete measures taken by the Parties listed in Annex II to the Convention, with respect to their commitments related to the transfer of environmentally sound technologies and the know-how necessary to mitigate and facilitate adequate adaptation to climate change; and, at the same time,

(b) To collect information from relevant sources, from, *inter alia*, the Commission on Sustainable Development, United Nations agencies, the Intergovernmental Panel on Climate Change and the Subsidiary Body for Scientific and Technological Advice, and to prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change. This inventory should also include an elaboration of the terms under which transfers of such technologies and know-how could take place;

2. *Further requests* the Convention secretariat:

(a) To submit the documents referred to in subparagraphs 1 (a) and (b) above, through the Subsidiary Body for Scientific and Technological Advice, to the Conference of the Parties at its second session, and to update them at regular intervals (each interval not to exceed a year) for consideration by the Conference of the Parties at each of its sessions;

(b) To take the advice of the Subsidiary Body for Scientific and Technological Advice (as described in section A, paragraph 3, of annex I to decision 6/CP.1) in implementing these responsibilities and to coordinate this matter with the relevant United Nations agencies and other organizations and institutions;

3. *Urges:*

(a) The Parties listed in Annex II to the Convention to include in their national communications <sup>1/</sup> the measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

(b) Other Parties to include in their communications, where possible, information on measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

4. *Decides:*

(a) To review, at the second session of the Conference of the Parties, and at each session of the Conference of the Parties thereafter, the implementation of Article 4.5 and 4.1(c) of the Convention as a separate agenda item under "Matters relating to commitments";

(b) To provide continuous advice to improve the operational modalities for the effective transfer of technology;

(c) To support and promote the development of endogenous capacities and appropriate technology relevant to the objectives of the Convention in developing countries which are Parties to the Convention.

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> The term "national communications" includes communications from the regional economic integration organization included in Annex I to the Convention.



## Decision 14/CP.1

### Institutional linkage of the Convention secretariat to the United Nations

*The Conference of the Parties,*

*Recalling* that the Conference of the Parties, at its first session, in accordance with Article 8.3 of the United Nations Framework Convention on Climate Change, shall designate a permanent secretariat and make arrangements for its functioning,

*Having considered* the related conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change contained in the report on the work of its eleventh session,<sup>1/</sup>

1. *Notes* with appreciation the advice of the Secretary-General,<sup>2/</sup> the related comments of the Contact Group of the Committee<sup>3/</sup> and the "Understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat";<sup>4/</sup>

2. *Decides* that the Convention secretariat shall be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme;

3. *Takes note of,* and provisionally accepts, the arrangements proposed by the Secretary-General of the United Nations for administrative support to the Convention secretariat;<sup>5/</sup> *requests* the Executive Secretary to pursue the question of the allotment of overhead to defray administrative expenses as indicated in the advice of the Secretary-General;<sup>6/</sup> and *requests* the Subsidiary Body for Implementation to review the proposed arrangements at its first session in October 1995, on the basis of a report from the Executive Secretary, so that they may take effect from 1 January 1996;

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<sup>1/</sup> A/AC.237/91/Add.1, section II, conclusion (i).

<sup>2/</sup> A/AC.237/79/Add.1.

<sup>3/</sup> A/AC.237/79/Add.5.

<sup>4/</sup> A/AC.237/79/Add.6.

<sup>5/</sup> FCCC/CP/1995/5/Add.4.

<sup>6/</sup> A/AC.237/79/Add.1, annex III, para. 15.

4. *Decides further* to review the functioning of the institutional linkage referred to in paragraph 2 above, not later than 31 December 1999, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties;

5. *Requests* the General Assembly, bearing in mind the institutional linkage of the Convention secretariat to the United Nations and the large number of States that are Parties to the Convention, to decide to finance from the regular programme budget of the United Nations the conference-servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies for the duration of the institutional linkage approved under paragraph 2 above;

6. *Requests* the Executive Secretary of the interim secretariat to communicate to the Secretary-General of the United Nations the estimated financial implications resulting from paragraph 5 above for each of the years 1996 and 1997;

7. *Requests* the Secretary-General to appoint, after consultation with the Conference of the Parties through its Bureau, the head of the Convention secretariat, with the title of Executive Secretary, for a three-year term of office starting on 1 January 1996; *notes* that the level of the head of the interim secretariat is D-2; and *requests* the President of the Conference of the Parties to consult with the Secretary-General on the level of remuneration of the head of the Convention secretariat and of the two other senior posts in the staffing table, whose programme functions include activities currently managed by staff at the D-1 level, taking into account the proposals made during the consultations on the Convention budget;

8. *Decides* to review, at its third session, the levels of the Executive Secretary and of the two other senior posts;

9. *Expresses* its appreciation for the support which has been generously provided to the Convention secretariat by the United Nations, especially the Department for Policy Coordination and Sustainable Development, the United Nations Development Programme, the United Nations Environment Programme and the World Meteorological Organization, and invites the Executive Secretary to pursue further the provision of such support in the context of the understanding on support for the United Nations Framework Convention on Climate Change and cooperation with the Convention secretariat.<sup>2/</sup>

*10th plenary meeting  
7 April 1995*

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<sup>2/</sup> A/AC.237/79/Add.6.

**Decision 15/CP.1**

**Financial procedures**

*The Conference of the Parties,*

*Recalling* that the Conference, pursuant to Article 7.2(k) of the United Nations Framework Convention on Climate Change, is to agree and adopt, by consensus, financial rules for itself and for any subsidiary bodies,

*Having considered* the related conclusion of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change contained in the report on the work of its eleventh session,<sup>1/</sup>

1. *Adopts* the financial procedures for the Conference of the Parties, its subsidiary bodies and its secretariat, as contained in annex I to this decision;

2. *Adopts* the indicative scale contained in annex II to this decision as the basis for contributions by the Parties to the Convention budget for each of the years 1996 and 1997;

3. *Decides* that other countries which may become Parties during the remainder of 1995 shall also contribute to the expenses of the Convention, in accordance with a scale to be calculated by the Executive Secretary;

4. *Requests* the Executive Secretary to advise all Parties, not later than 22 December 1995, of their contributions payable in accordance with paragraphs 2 and 3 above.

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> A/AC.237/91/Add.1, section II, conclusion (k).

## ANNEX I

### Financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change, its subsidiary bodies and its permanent secretariat

1. These procedures shall govern the financial administration of the Conference of the Parties to the United Nations Framework Convention on Climate Change, its subsidiary bodies and its permanent secretariat. In so far as not specifically provided under these procedures, the Financial Regulations and Rules of the United Nations shall apply.
2. The financial period shall be a biennium, of which the first year shall be an even year.

#### The budget

3. The head of the Convention secretariat shall prepare the administrative budget for the following biennium, and shall dispatch it to all Parties to the Convention at least 90 days before the opening of the ordinary session of the Conference of the Parties at which the budget is to be adopted.
4. The Conference of the Parties shall consider the proposed budget, and shall adopt a budget by consensus prior to the commencement of the financial period that it covers.
5. Adoption of the budget by the Conference of the Parties shall constitute authority to the head of the Convention secretariat to incur obligations and make payments for the purposes for which the appropriations were approved and up to the amounts so approved, provided always that, unless specifically authorized by the Conference of the Parties, commitments are covered by related income.
6. The head of the Convention secretariat may make transfers within each of the main appropriation lines of the approved budget. He/she may also make transfers between such appropriation lines up to such limits as the Conference of the Parties may set from time to time.

#### Contributions

7. The resources of the Conference of the Parties shall comprise:
  - (a) Contributions made each year by Parties on the basis of an indicative scale, adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly, adjusted so as to ensure that no Party contributes less than 0.01 per cent of the total; that no one contribution exceeds 25 per cent of the total; and that no contribution from a least developed country Party exceeds 0.01 per cent of the total;

- (b) Voluntary contributions made by Parties in addition to those under (a) above;
  - (c) Other voluntary contributions, including contributions to support the participation of the representatives of developing country Parties and of other Parties with economies in transition in the Conference of the Parties and its subsidiary bodies;
  - (d) The uncommitted balance of appropriations from previous financial periods;
  - (e) Miscellaneous income.
8. In respect of contributions under 7 (a) above:
- (a) Each Party shall, prior to 1 January of each year, inform the head of the Convention secretariat of the contribution it intends to make that year and of the projected timing of that contribution;
  - (b) Contributions are due on 1 January of each calendar year.
9. Contributions under 7 (b) and (c) above shall be used in accordance with such terms and conditions, consistent with the objective of the Convention, as may be agreed by the head of the Convention secretariat and the contributor.
10. All contributions shall be paid in convertible currencies into a bank account to be designated by the Secretary-General of the United Nations in consultation with the head of the Convention secretariat.
11. The head of the Convention secretariat shall acknowledge promptly all pledges and contributions and shall inform the Parties, at least twice a year, of the status of pledges and payments of contributions.
12. Contributions not immediately required shall be invested at the discretion of the Secretary-General of the United Nations, and the resulting income shall be credited to the related Trust Fund.

#### Funds

13. A fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention secretariat. All resources of the Conference of the Parties under 7 (a), (b), (d) and (e) above shall be credited to the fund, and all expenditures under 5 above shall be charged to the fund.
14. Within the fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure continuity of operations in the event of a

temporary shortfall of cash. Drawdowns from the working capital reserve shall be restored from contributions as soon as possible.

15. A special fund shall be established by the Secretary-General of the United Nations and managed by the head of the Convention secretariat. This fund shall receive voluntary contributions, under 7 (c) above, to support the participation of the representatives of developing-country Parties, in particular those that are least developed countries or small island developing countries, and of other Parties with economies in transition in the Conference of the Parties and its subsidiary bodies.

16. Subject to the approval of the Conference of the Parties, the Secretary-General of the United Nations may establish other trust funds, provided that they are consistent with the objectives of the Convention.

17. Should a fund established under 15 or 16 above result in additional liability to the core administrative budget, that liability must be quantified and approved in advance by the Conference of the Parties.

#### Accounts and audit

18. The accounts and financial management of all funds governed by these financial procedures shall be subject to the internal and external audit process of the United Nations.

19. An interim statement of accounts for the first year of the financial period shall be provided to the Conference of the Parties during the second year of the period, and a final audited statement of accounts for the full financial period shall be provided to the Conference of the Parties as soon as possible after the accounts for the financial period are closed.

#### Reimbursement to the host organization

20. The Conference of the Parties shall reimburse the United Nations for services provided by that organization to the Conference of the Parties and its secretariat, at such rates as may from time to time be agreed upon for that purpose by both organizations.

#### General provisions

21. In the event that the Conference of the Parties decides to terminate a trust fund established under these procedures, it shall so advise the Secretary-General of the United Nations at least six months before the date of termination so decided. The Conference of the Parties shall decide, in consultation with the Secretary-General of the United Nations, on the distribution of any uncommitted balance after all liquidation expenses have been met.

22. Any amendments to these procedures shall be adopted by the Conference of the Parties by consensus.

## ANNEX II

Indicative scale of contributions to the administrative budget  
of the Convention: 1996-1997

<b>Party</b>	<b>1996</b>	<b>1997</b>
Albania	0.01	0.01
Algeria	0.16	0.16
Antigua and Barbuda	0.01	0.01
Argentina	0.49	0.49
Armenia	0.06	0.05
Australia	1.50	1.50
Austria	0.88	0.88
Bahamas	0.02	0.02
Bahrain	0.02	0.02
Bangladesh	0.01	0.01
Barbados	0.01	0.01
[Belgium]*_/	1.02	1.02
Belize	0.01	0.01
Benin	0.01	0.01
Bolivia	0.01	0.01
Botswana	0.01	0.01
Brazil	1.65	1.64
Burkina Faso	0.01	0.01
Cameroon	0.01	0.01
Canada	3.15	3.15
Central African Republic	0.01	0.01
Chad	0.01	0.01
Chile	0.08	0.08
China	0.75	0.75
Colombia	0.10	0.10
Comoros	0.01	0.01

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\*\_/ Belgium has indicated its intention to become a Party.

<b>Party</b>	<b>1996</b>	<b>1997</b>
Cook Islands	0.01	0.01
Costa Rica	0.01	0.01
Côte d'Ivoire	0.01	0.01
Cuba	0.05	0.05
Czech Republic	0.26	0.25
Democratic People's Republic of Korea	0.05	0.05
Denmark	0.73	0.73
Dominica	0.01	0.01
Ecuador	0.02	0.02
Egypt	0.07	0.08
Estonia	0.04	0.04
Ethiopia	0.01	0.01
European Community	2.50	2.50
Fiji	0.01	0.01
Finland	0.63	0.63
France	6.51	6.51
Gambia	0.01	0.01
Georgia	0.12	0.11
Germany	9.19	9.19
Greece	0.39	0.39
Grenada	0.01	0.01
Guinea	0.01	0.01
Guyana	0.01	0.01
Hungary	0.14	0.14
Iceland	0.03	0.03
India	0.31	0.31
Indonesia	0.14	0.14
Ireland	0.21	0.21
Italy	5.28	5.33
Jamaica	0.01	0.01
Japan	15.68	15.87



<b>Party</b>	<b>1996</b>	<b>1997</b>
Jordan	0.01	0.01
Kenya	0.01	0.01
Kiribati	0.01	0.01
Kuwait	0.19	0.19
Lao People's Democratic Republic	0.01	0.01
Latvia	0.08	0.08
Lebanon	0.01	0.01
Lesotho	0.01	0.01
Liechtenstein	0.01	0.01
Lithuania	0.09	0.08
Luxembourg	0.07	0.07
Malawi	0.01	0.01
Malaysia	0.14	0.14
Maldives	0.01	0.01
Mali	0.01	0.01
Malta	0.01	0.01
Marshall Islands	0.01	0.01
Mauritania	0.01	0.01
Mauritius	0.01	0.01
Mexico	0.80	0.80
Micronesia (Federated States of)	0.01	0.01
Monaco	0.01	0.01
Mongolia	0.01	0.01
Myanmar	0.01	0.01
Nauru	0.01	0.01
Nepal	0.01	0.01
Netherlands	1.61	1.61
New Zealand	0.24	0.24
Nigeria	0.12	0.11
Norway	0.57	0.57
Oman	0.04	0.04

<b>Party</b>	<b>1996</b>	<b>1997</b>
Pakistan	0.06	0.06
Papua New Guinea	0.01	0.01
Paraguay	0.01	0.01
Peru	0.06	0.06
Philippines	0.06	0.06
Poland	0.34	0.33
Portugal	0.28	0.28
Republic of Korea	0.83	0.83
Romania	0.15	0.15
Russian Federation	4.52	4.33
Saint Kitts and Nevis	0.01	0.01
Saint Lucia	0.01	0.01
Samoa	0.01	0.01
San Marino	0.01	0.01
Saudi Arabia	0.73	0.72
Senegal	0.01	0.01
Seychelles	0.01	0.01
Slovakia	0.08	0.08
Solomon Islands	0.01	0.01
Spain	2.40	2.41
Sri Lanka	0.01	0.01
Sudan	0.01	0.01
Sweden	1.25	1.25
Switzerland	1.23	1.23
Thailand	0.13	0.13
Togo	0.01	0.01
Trinidad and Tobago	0.03	0.03
Tunisia	0.03	0.03
Tuvalu	0.01	0.01
Uganda	0.01	0.01

<b>Party</b>	<b>1996</b>	<b>1997</b>
United Kingdom of Great Britain and Northern Ireland	5.40	5.40
United States of America	25.00	25.00
Uruguay	0.04	0.04
Uzbekistan	0.14	0.13
Vanuatu	0.01	0.01
Venezuela	0.34	0.33
Viet Nam	0.01	0.01
Zaire	0.01	0.01
Zambia	0.01	0.01
Zimbabwe	0.01	0.01
<b>TOTAL</b>	<b>99.96</b>	<b>99.96</b>

**Decision 16/CP.1**

**Physical location of the Convention secretariat**

*The Conference of the Parties,*

*Recalling* Article 8, paragraph 3, of the United Nations Framework Convention on Climate Change,

*Noting* the agreement that has emerged for the City of Bonn to be the seat of the Convention secretariat,

1. *Decides* to accept the offer of the Government of the Federal Republic of Germany to host the Convention secretariat;
2. *Invites* the Executive Secretary of the interim secretariat to consult the authorities of the host Government regarding arrangements for the smooth transition from the interim to the Convention secretariat.

*10th plenary meeting  
7 April 1995*

**Decision 17/CP.1****Adoption of the Convention budget  
for the biennium 1996-1997**

*The Conference of the Parties,*

*Recalling* that paragraph 4 of the financial procedures for the Conference of the Parties<sup>1/</sup> provides that the Conference shall adopt a budget by consensus prior to the commencement of the financial period that it covers,

*Having considered* the proposed budget for the biennium 1996-1997 submitted by the Executive Secretary of the interim secretariat (FCCC/CP/1995/5/Add.2),

1. *Approves* the Convention budget for the biennium 1996-1997, amounting to \$18,664,200, for the following purposes, not including conference-servicing costs:

<u>I. Programmes</u>	<u>1996</u>	<u>1997</u>
	<i>(thousands of US\$)</i>	
A. Policy-making organs	552.5	543.3
B. Executive direction and management	656.8	674.5
C.1 Communication, assessment and review	2,454.6	2,816.4
C.2 Financial and technical cooperation	1,006.4	1,369.2
C.3 Intergovernmental and institutional support	2,489.6	2,504.2
C.4 Implementation and planning	425.3	441.5
	-----	-----
Subtotal	7,585.2	8,349.1
II. <u>Overhead charge</u>	986.1	1,085.4
III. <u>Working capital reserve</u> (in accordance with paragraph 14 of the financial procedures)	658.4 <sup>a/</sup>	-
	-----	-----
<b>TOTAL</b>	<b>9,229.7</b>	<b>9,434.5</b>

<sup>1/</sup> See decision 15/CP.1, annex I.

<sup>a/</sup> Represents 8.3 per cent of the Convention budget in 1996 (one month of operating requirements), to be reviewed at COP 2.

2. *Takes note* of estimates of contributions, to offset expenditures set out in paragraph 1 above, as follows:

	<u>1996</u>	<u>1997</u>
	<i>(thousands of US\$)</i>	
IV.1 Contributions from the host Government <sup>b/</sup>		
IV.2 Contributions of staff by Governments and organizations	639.0	334.6
IV.3 Allotment of overhead for administration <sup>c/</sup>		
IV.4 Year-end balance from voluntary funds established by General Assembly resolution 45/212 <sup>d/</sup>		

3. *Estimates* that conference-servicing costs, provision for which has been requested from the General Assembly of the United Nations, will amount to \$3,100,000 for 1996 and \$2,200,000 for 1997; and that, should the General Assembly not accede to the request, the costs to the Parties (including overhead) will amount to \$3,503,000 for 1996 and \$2,486,000 for 1997;

4. *Approves* the staffing table for the core administrative budget as follows:

	<u>1996</u>	<u>1997</u>
(a) <u>Professional category and above</u>		
Head <sup>e/</sup>	1	1
D.2 <sup>e/</sup>	2	2
D.1	4	4
P.5	6.5	7
P.4	5	5
P.3	3	8.5
P.2	4	3
	----	----
Subtotal	25.5	30.5
(b) <u>General service category</u>		
	18	19
<b>TOTAL</b>	<b>43.5</b>	<b>49.5</b>

<sup>b/</sup> Amount will depend on decision on physical location.

<sup>c/</sup> Amount between \$400,000 and \$500,000 per annum, depending on consultations with the United Nations.

<sup>d/</sup> Amount will depend on the extrabudgetary contributions made during 1995 and on a decision of the General Assembly to transfer the funds.

<sup>e/</sup> See decision 14/CP.1, para.7.

5. *Authorizes* the head of the secretariat to make transfers, between each of the main appropriation lines set out in paragraph 1.I above, up to the aggregate limit of 15 per cent of the total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

6. *Recalls* that contributions are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures;

7. *Invites* all Parties to the Convention to pay promptly and in full, for each of the years 1996 and 1997, the contributions required to finance expenditures approved under paragraph 1 of this decision, as offset by estimated contributions noted under paragraph 2 herein, and the contributions which may result from the decision of the General Assembly referred to in paragraph 3 above; and

8. *Requests* the head of the secretariat to report to the Conference of the Parties on income and budget performance, and to propose any adjustment that might be needed in the Convention budget for 1996-1997.

*10th plenary meeting  
7 April 1995*

**Decision 18/CP.1**

**Other voluntary funding for the biennium 1996-1997**

*The Conference of the Parties,*

*Recalling* paragraphs 15 and 16 of the financial procedures for the Conference of the Parties, <sup>1/</sup>

*Having considered* the estimate of other voluntary funding needs for the biennium 1996-1997 (FCCC/CP/1995/5/Add.2),

1. *Invites* Parties to make contributions to the special fund for participation, referred to in paragraph 15 of the financial procedures, to meet requirements estimated at \$2,770,990 (including overhead of \$318,790) in 1996 and \$2,049,590 (including overhead of \$235,790) in 1997;
2. *Further invites* Parties to make contributions to meet other voluntary funding needs of the Convention secretariat of \$1,310,460 (including overhead of \$150,760) in 1996 and \$1,451,370 (including overhead of \$166,970) in 1997; and
3. *Requests* the head of the secretariat to report to the Conference of the Parties on the status of voluntary funds and to propose any adjustment that might be needed in voluntary funding for 1996-1997.

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> See decision 15/CP.1, annex I.



**Decision 19/CP.1**

**Extrabudgetary funding for the interim secretariat in 1995**

*The Conference of the Parties,*

*Having considered* the report of the Executive Secretary on extrabudgetary funding for the interim secretariat in 1995 (FCCC/CP/1995/5/Add.3),

1. *Takes note* of the estimates of requirements for extrabudgetary funding for 1995 submitted by the Executive Secretary (FCCC/CP/1995/5/Add.3); and

2. *Expresses* its support for the efforts of contributors and the interim secretariat to mobilize the extrabudgetary funds required for 1995, taking account of the desirability that contributions be untied.

*10th plenary meeting  
7 April 1995*

**Decision 20/CP.1**

**Establishment of a multilateral consultative  
process for the resolution of questions regarding  
the implementation of the Convention (Article 13)**

*The Conference of the Parties,*

*Recalling* Article 13 of the United Nations Framework Convention on Climate Change,

*Having considered* the recommendation of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change, at its tenth session, on the establishment of a multilateral consultative process and its design,<sup>1/</sup>

1. *Decides* to establish an ad hoc open-ended working group of technical and legal experts to study all issues relating to the establishment of a multilateral consultative process and its design;

2. *Requests* the ad hoc open-ended working group to report its findings to the Conference of the Parties at its second session.

*10th plenary meeting  
7 April 1995*

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<sup>1/</sup> A/AC.237/76, para. 114; see also A/AC.237/91/Add.1, section II, conclusion (p).

**Decision 21/CP.1**

**Date and venue of the second session  
of the Conference of the Parties and  
arrangements for the third session**

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985,

1. *Takes note* of the interest expressed by the Government of Uruguay in hosting the second session of the Conference of the Parties;
2. *Decides* that the second session of the Conference of the Parties shall be held no later than October 1996, at a date and venue to be confirmed no later than October 1995 by the Bureau of the Conference of the Parties. The session would be for a duration of one week, preceded by one week of sessions of subsidiary bodies, with provision for a third week of meetings, if required;
3. *Takes note* of the interest expressed by the Government of Japan in hosting the third or a subsequent session of the Conference of the Parties.

*10th plenary meeting  
7 April 1995*

## II. RESOLUTION ADOPTED BY THE CONFERENCE OF THE PARTIES

### Resolution 1/CP.1

#### Expression of gratitude to the Government and people of Germany

*The Conference of the Parties,*

*Having met* in Berlin from 28 March to 7 April 1995 at the invitation of the Government of Germany,

1. *Expresses its profound gratitude* to the Government of Germany for having made it possible for the Conference of the Parties to be held in Berlin and for the excellent facilities, staff and services so graciously placed at its disposal;

2. *Requests* the Government of Germany to convey to the city of Berlin and to the people of Germany the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*10th plenary meeting  
7 April 1995*

### III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

(a) Modalities for the functioning of operational linkages between the Conference of the Parties and the operating entity or entities of the financial mechanism

At its 10th plenary meeting, on 7 April 1995, the Conference endorsed the following agreed conclusions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change:

1. The Conference of the Parties, the supreme body of the Convention, and the entity or entities entrusted with the operation of the financial mechanism, shall agree upon arrangements to give effect to the provisions of Article 11.1 and 11.2 through the operational linkages which are discussed below;
2. In line with Article 11.1 of the Convention, the Conference of the Parties will, after each of its sessions, communicate to the governing body of the operating entity relevant policy guidance for implementation and action by that governing body, which shall accordingly ensure the conformity of the entity's work with the guidance of the Conference of the Parties. Guidance from the Conference of the Parties will address issues relating to policies, programme priorities and eligibility criteria, as well as possible relevant aspects of the activities of the operating entity that are related to the Convention;
3. The governing body of the operating entity has the responsibility of ensuring that funded projects related to the Convention are in conformity with the policies, eligibility criteria and programme priorities established by the Conference of the Parties. It will report regularly to the Conference of the Parties on its activities related to the Convention and on the conformity of those activities with the guidance received from the Conference of the Parties;
4. Regular reports by the Chairman or secretariat of the operating entity to its governing body will be made available to the Conference of the Parties through its secretariat. Other official documentation of the operating entity should also be made available to the Conference of the Parties through its secretariat;
5. In addition, the Conference of the Parties should receive and review at each of its sessions a report from the governing body of the operating entity which should include specific information on how it has applied the guidance and decisions of the Conference of the Parties in its work related to the Convention. This report should be of a substantive nature and incorporate the programme of future activities of this entity in the areas covered by the Convention and an analysis on how the entity, in its operations, implemented the policies, eligibility criteria and programme priorities related to the Convention established by the Conference of the Parties. In particular, a synthesis of the different projects under

implementation and a listing of the projects approved in the areas covered by the Convention, as well as a financial report including accounting and evaluation of its activities in the implementation of the Convention, indicating the availability of resources, should be included;

6. In order to meet the requirements of its accountability to the Conference of the Parties, reports submitted by the governing body of the operating entity should cover all its activities carried out in implementing the Convention, whether decisions on such activities are made by the governing body of the operating entity or by bodies operating under its auspices for the implementation of its programme. To this end, it shall make such arrangements with such bodies as might be necessary regarding the disclosure of information;

7. The funding decisions for specific projects should be agreed between the developing country Party concerned and the operating entity in conformity with policy guidance from the Conference of the Parties. However, if any Party considers that a decision regarding one of the specific projects does not comply with the policies, eligibility criteria and programme priorities established by the Conference of the Parties in the context of the Convention, the Conference of the Parties should analyse the observations presented and take decisions on the basis of compliance with such policies, eligibility criteria and programme priorities. In the event that the Conference of the Parties considers that this specific project decision does not comply with the policies, eligibility criteria and programme priorities established by the Conference of the Parties, it may ask the governing body of the operating entity for further clarification on this specific project decision and in due time ask for a reconsideration of that decision;

8. The Conference of the Parties will periodically review and evaluate the effectiveness of all modalities established in accordance with Article 11.3. Such evaluations will be taken into account by the Conference of the Parties in its decision, pursuant to Article 11.4, on the arrangements for the financial mechanism.

(b) Provision to developing country Parties of technical and financial support

At its 10th plenary meeting, on 7 April 1995, the Conference of the Parties took note of the following conclusion reached in Working Group II of the Intergovernmental Negotiating Committee at its eleventh session:

"Bearing in mind the views expressed by representatives, and without prejudice to the guidance that the Conference of the Parties may provide in the future, the interim secretariat was requested to continue to facilitate the provision of technical and financial support to Parties, in cooperation with its partners, and to periodically report back to the Conference of the Parties on progress achieved, so that further guidance could be provided."

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS SECOND SESSION, HELD AT GENEVA FROM 8 TO 19 JULY 1996**

**Addendum**

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

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## I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Decision 1/CP.2

#### Date and venue of the third session of the Conference of the Parties

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985,

*Recalling* its decision 1/CP.1 on the Berlin Mandate and decision 21/CP.1 on arrangements for the third session of the Conference of the Parties,

*Having received* the offer of the Government of Japan to host the third session of the Conference of the Parties in Kyoto and to cover the related costs involved,

1. *Accepts with gratitude* the generous offer of the Government of Japan to host the third session of the Conference of the Parties;
2. *Decides* that the third session of the Conference of the Parties shall be held in Kyoto, Japan, from 1 to 12 December 1997;
3. *Requests* the Executive Secretary to make satisfactory arrangements with the Government of Japan for it to host the conference in Kyoto and to meet the related costs.

*8th plenary meeting  
19 July 1996*

**Decision 2/CP.2**

**Programme of work of the Subsidiary Body for Implementation, 1996-1997**

*The Conference of the Parties,*

*Recalling* its decision 6/CP.1 on the subsidiary bodies established by the Convention,

1. *Takes note* of the programme of work 1996-1997 developed by the Subsidiary Body for Implementation contained in document FCCC/SBI/1996/11;
2. *Requests* the Subsidiary Body for Implementation to continue to undertake the tasks described in the programme of work with the assistance of the secretariat and to report on its work to the Conference of the Parties at its third session.

*8th plenary meeting  
19 July 1996*

## Decision 3/CP.2

### Secretariat activities relating to technical and financial support to Parties

*The Conference of the Parties,*

*Having considered* the progress report of the secretariat on this subject, in particular, on the activities known as CC:INFO, CC:TRAIN, CC:FORUM and CC:SUPPORT (FCCC/SBI/1996/10),

1. *Takes note* of the technical and financial support provided by the secretariat to Parties, particularly developing country Parties, to enhance their capacity to effectively implement their commitments under the Convention;
2. *Takes note* of the initial steps taken by the secretariat to expand and strengthen CC:INFO by providing assistance, on request, to Parties in the establishment of national sites on the World Wide Web regarding the implementation of the Convention;
3. *Takes note also* of the initial steps taken by the secretariat to expand and strengthen CC:FORUM by promoting, in cooperation with the United Nations Development Programme, the design and initiation of a programme in support of the preparation of national communications (CC:SUPPORT);
4. *Urges* all Parties to continue to make contributions to the Trust Fund for Supplementary Activities;
5. *Requests* the secretariat to prepare a progress report for consideration by the Subsidiary Body for Implementation at its sixth session on the state of advancement of these activities in the area of technical cooperation, and to report to the Conference of the Parties at its third session.

*8th plenary meeting  
19 July 1996*

**Decision 4/CP.2**

**Future work of the Ad Hoc Group on Article 13**

*The Conference of the Parties,*

*Recalling* Article 13 of the United Nations Framework Convention on Climate Change, and decision 20/CP.1,

*Having considered* the report of the Ad Hoc Group on Article 13 on its first session (FCCC/AG13/1995/2), in which the Group concluded that the consideration of a multilateral consultative process and its design would take considerable time and would not be completed before the close of the second session of the Conference of the Parties,

1. *Decides* that the work of the Group should continue beyond the second session of the Conference of the Parties;
2. *Requests* the Group to report to the Conference of the Parties at its third session on the progress of its work, if its work is not completed by that time;
3. *Further requests* that, if the Group's work has been completed by the third session of the Conference of the Parties, it should, in accordance with decision 20/CP.1, provide the Conference of the Parties with a report on its findings.

*8th plenary meeting  
19 July 1996*

**Decision 5/CP.2**

**Linkage between the Ad Hoc Group on Article 13  
and the Ad Hoc Group on the Berlin Mandate**

*The Conference of the Parties,*

*Recalling* Article 13 of the United Nations Framework Convention on Climate Change and the work being done by the Ad Hoc Group on Article 13,

*Recalling also* the work of the Ad Hoc Group on the Berlin Mandate,

*Decides* that the Ad Hoc Group on the Berlin Mandate may, in any consideration of a multilateral consultative process, seek such advice as may be deemed necessary from the Ad Hoc Group on Article 13 on this matter.

*8th plenary meeting  
19 July 1996*

## Decision 6/CP.2

### Second Assessment Report of the Intergovernmental Panel on Climate Change

*The Conference of the Parties,*

*Recalling* the mandate of the Subsidiary Body for Scientific and Technological Advice as given in Article 9 of the United Nations Framework Convention on Climate Change and decision 6/CP.1 to provide assessments of the state of scientific knowledge relating to climate change and its effects (Article 9.2 (a)) and, in this context, to:

(a) Summarize and, where necessary, convert the latest international scientific, technical, socio-economic and other information provided by competent bodies, including, *inter alia*, the Intergovernmental Panel on Climate Change, into forms appropriate to the needs of the Conference of the Parties;

(b) Compile and synthesize scientific, technical and socio-economic information on the global situation on climate change, provided by, *inter alia*, the Intergovernmental Panel on Climate Change, as well as on the latest developments in science, to the extent possible, and assess the implications thereof for the implementation of the Convention; and formulate requests to competent international scientific and technical bodies,

*Recalling also* that the Subsidiary Body for Scientific and Technological Advice held an exchange of views on the Second Assessment Report of the Intergovernmental Panel on Climate Change during its second and third sessions (FCCC/SBSTA/1996/8 and FCCC/SBSTA/1996/13), and the recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Notes* that the Second Assessment Report of the Intergovernmental Panel on Climate Change needs to be considered as a whole;
2. *Considers* the Second Assessment Report of the Intergovernmental Panel on Climate Change to be the most comprehensive and authoritative assessment now available of the scientific and technical information regarding global climate change;
3. *Expresses* its appreciation to the Intergovernmental Panel on Climate Change, particularly its Chairman and all its authors and scientists, for their excellent work in drawing up the Second Assessment Report;

4. *Welcomes* the commitment of the Intergovernmental Panel on Climate Change to undertake the work programme requested in support of the Subsidiary Body for Scientific and Technological Advice and the Ad Hoc Group on the Berlin Mandate;

5. *Urges* continuing cooperation between the Convention bodies and the Intergovernmental Panel on Climate Change.

*8th plenary meeting  
19 July 1996*



## Decision 7/CP.2

### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* the relevant provisions of chapter 34 of Agenda 21 on transfer of environmentally sound technology, cooperation and capacity-building,

*Recalling also* its decision 13/CP.1 on transfer of technology,

*Pursuant* to the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4.1, 4.4, 4.5, 4.7, 4.8, 4.9, 9.2 and 11.1,

*Having considered* the progress report presented by the Convention secretariat on commitments related to the transfer of environmentally sound technologies and know-how, as well as the inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change,

*Taking note* of paragraph 46 of document FCCC/CP/1996/12, wherein it is stated that the information on transfer of technology from Parties included in Annex II to the Convention (Annex II Parties) "differed considerably in format, thoroughness and level of detail and consequently a comprehensive portrayal of technology transfer activities is not possible at this stage",

*Expressing concern* over the slow progress in the implementation of decision 13/CP.1,

1. *Reaffirms* the full text of decision 13/CP.1 on transfer of technology;

2. *Requests* the Convention secretariat:

(a) To further enhance its progress reports on access to, and the transfer of, environmentally sound technology in accordance with decision 13/CP.1, paragraphs 1 (a) and (b) and 2 (a) and (b), and Article 4.5 of the Convention, based on the national communications from Parties included in Annex I to the Convention (Annex I Parties) due in April 1997; and to make suggestions with regard to further improvements in the format for information on existing environmentally sound technologies and know-how from Annex II Parties;

(b) To give high priority to the development and completion of a survey of the initial technology needs, as well as technology information needs, of Parties not included in Annex I to the Convention (non-Annex I Parties), with a view to providing a progress report to the Subsidiary Body for Scientific and Technological Advice at its fourth session;

(c) To initiate action, including consultations with Parties and relevant international organizations, *inter alia*, taking into account the ongoing work of the Climate Technology Initiative, to identify existing technology information activities and needs, with a view to developing options for building on existing specialized information centres and networks to provide fast and one-stop databases relating to state-of-the-art, environmentally sound and economically feasible technology and know-how in a manner that would be readily accessible to developing countries. The options should consider the need and resources required for improving existing, and setting up additional, technology information centres and networks;

(d) To expedite the preparation of reports on adaptation technology and the terms of transfer of technology and know-how conducive to mitigating and adapting to climate change, and, in preparing these reports, to draw on nominees with expertise in these fields from Parties. Such a roster of experts and its use in facilitating the work of the Convention secretariat should be evaluated by the Subsidiary Body on Scientific and Technological Advice and the Subsidiary Body for Implementation, taking into account the ongoing discussion on Intergovernmental Technical Advisory Panel(s);

(e) To organize a round table on transfer of technologies and know-how in conjunction with the third session of the Conference of the Parties;

3. *Requests* the Subsidiary Body for Implementation to evaluate and report on the transfer of technologies being undertaken between Annex II Parties and other Parties, and to do so by drawing on a roster of experts as referred to above, and to take into account the planned technical report of the Intergovernmental Panel on Climate Change on methodological and technical aspects of technology transfer;

4. *Urges:*

(a) Annex II Parties to include in their national communications the measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and submit the relevant reports to each session of the Conference of the Parties;

(b) Other Parties to include in their communications, where possible, information on measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

(c) Annex II Parties to expedite their efforts in the transfer of technology in fulfilment of their commitments under Article 4.5 and in recognition of Article 4.7 of the Convention;

(d) All Parties, particularly Annex II Parties, to improve the enabling environment, including the removal of barriers and the establishment of incentives, for private sector

activities that advance the transfer of technologies to address climate change and its adverse impacts;

(e) Annex I Parties to contribute technical and other expertise to the work of the Convention secretariat related to specialized technology information centres;

(f) In this context, non-Annex I Parties to cooperate with the secretariat in the survey of technology needs and capacities to the extent their own capacities permit and based on their current national assessments;

(g) Non-Annex I Parties to communicate initial information to the Convention secretariat not later than 1 December 1996 regarding technologies and know-how required to address climate change and its adverse effects that could be compiled by the secretariat into a detailed list of technology needs required by developing country Parties, taking into account that more elaborate technology needs would be included in their initial national communications; and

5. *Decides* to review, at the third session of the Conference of the Parties, and at each session of the Conference of the Parties thereafter, the implementation of Article 4.5 and 4.1(c) of the Convention as a separate agenda item under "matters relating to commitments".

*8th plenary meeting  
19 July 1996*

## **Decision 8/CP.2**

### **Activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Reaffirming* its decision 5/CP.1 on activities implemented jointly, whereby the Conference of the Parties is to review the progress of the pilot phase with a view to taking appropriate decisions on its continuation,

1. *Takes note* of the progress report on activities implemented jointly (FCCC/CP/1996/14 and Add.1);
2. *Decides* to continue the pilot phase;
3. *Invites* Parties to report in accordance with the initial reporting framework adopted by the Subsidiary Body for Scientific and Technological Advice at its second session (FCCC/SBSTA/1996/8, annex IV);
4. *Requests* the secretariat to support the work on issues relating to activities implemented jointly as agreed by the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice.

*8th plenary meeting  
19 July 1996*

## Decision 9/CP.2

### **Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4, 5, 6, 7.2, 9.2(b), 10.2, 11 and 12,

*Recalling* its decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention, decision 3/CP.1 on preparation and submission of national communications from the Parties included in Annex I to the Convention and decision 4/CP.1 on methodological issues,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and those of the Subsidiary Body for Implementation,

*Recognizing* that anthropogenic emissions and removals by sinks of all greenhouse gases should be reported in a complete, transparent and comparable way that avoids double-counting or incomplete counting,

1. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider, at its fourth session, any other possible additional revisions to the guidelines arising from, *inter alia*, any modifications to the Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider methodological issues relevant to national communications and, in particular, at its fourth session, to address those issues discussed in FCCC/SBSTA/1996/9/Add.1 and Add.2; and, if relevant conclusions on such issues can be drawn, to revise further the guidelines for the preparation of national communications as appropriate;

3. *Decides* that Parties included in Annex I to the Convention (Annex I Parties) should use the revised guidelines contained in the annex to this decision for the preparation of their second communications, taking into account decisions of the Subsidiary Body for Scientific and Technological Advice at its fourth session and, unless modified or replaced, for subsequent communications;

4. *Requests* Annex I Parties to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention:

(a) A second national communication<sup>1</sup> by 15 April 1997. For those Parties which were due to submit the first communication in 1996, an update of this communication is to be submitted by the same date; second national communications by Parties with economies in transition should in principle be submitted not later than 15 April 1998;

(b) National inventory data on emissions by sources and removals by sinks on an annual basis, by 15 April of each year, following the principles contained in decision 3/CP.1;

5. *Decides* that the four Parties that have invoked Article 4.6 of the Convention, requesting in their first communications flexibility to use base years other than 1990, be allowed this degree of flexibility, as follows:

- Bulgaria: to use 1989 as a base year;
- Hungary: to use the average of the years 1985 to 1987 as a base year;
- Poland: to use 1988 as a base year;
- Romania: to use 1989 as a base year;

6. *Requests* the Subsidiary Body for Implementation to consider any additional requests on the basis of Article 4.6 of the Convention and to take decisions as appropriate on its behalf, and to report thereon to the Conference of the Parties;

7. *Requests* that the Annex I Parties with economies in transition invoking Article 4.6 of the Convention in the implementation of their commitments should do so by explicitly indicating the nature of this flexibility (e.g., choice of a base year other than 1990, use of the revised guidelines for the preparation of national communications, schedule of submission of national inventory data other than indicated in paragraph 4 (b) above, etc.), and should state clearly the special consideration they are seeking and provide an adequate explanation of their circumstances;

8. *Decides* that the review process be continued in accordance with the relevant decisions of the Conference of the Parties;

9. *Requests* the secretariat to apply the procedures for the review, including in-depth reviews, as defined in decision 2/CP.1, to second national communications from Annex I Parties; the in-depth reviews are to be completed before the fifth session of the Conference of the Parties;

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<sup>1</sup> This term includes communications from the regional economic integration organization included in Annex I to the Convention.

10. *Requests* the secretariat to prepare the documentation on the results of the review of second national communications, including compilation and synthesis and/or other reports, according to schedules to be adopted by the subsidiary bodies. A first compilation and synthesis of second national communications from Annex I Parties should be available for consideration by the Conference of the Parties at its third session;

11. *Urges* those Annex I Parties that have not yet submitted their national inventory data on emissions by sources and removals by sinks, as requested by decision 3/CP.1, to do so as soon as possible;

12. *Concludes*, with respect to the reporting of national communications by Annex I Parties, that:

(b) Annex I Parties are fulfilling their Article 4.2(b) commitments to report in detail on national policies and measures on the mitigation of climate change;

(c) Annex I Parties are fulfilling their Article 12.3 commitments by reporting on their commitments regarding the transfer of technology and the provision of financial resources;

13. *Concludes*, with respect to the implementation of the Convention by Annex I Parties, that:

(a) Annex I Parties are fulfilling their Article 4.2 commitments to implement national policies and take corresponding measures on the mitigation of climate change but that, according to available information, for many Annex I Parties urgent further actions will be needed to return greenhouse gas emissions to their 1990 levels by 2000;

(b) The challenges which Annex I Parties currently face in meeting the aim to return greenhouse gas emissions to their 1990 levels by 2000, and the efforts being made to address these challenges, will be relevant for the negotiations in the Ad Hoc Group on the Berlin Mandate on commitments for the post-2000 period;

(d) There is a need to address the concern expressed by some Parties that Parties included in Annex II to the Convention (Annex II Parties) are falling short of their commitments related to the transfer of technology and the provision of financial resources, keeping in mind that other Parties noted that some Annex II Parties are providing bilateral contributions and that all Annex II Parties contribute to the Global Environment Facility, and noting that these Parties are requested to enhance the reporting on these commitments through applying the revised guidelines contained in the annex to this decision.

**Annex**

**REVISED GUIDELINES FOR THE PREPARATION OF NATIONAL  
COMMUNICATIONS BY PARTIES INCLUDED IN ANNEX I  
TO THE CONVENTION**

1. The guidelines for the preparation of communications by Parties included in Annex I to the Convention (Annex I Parties) have three principal purposes:

(a) To assist Annex I Parties in meeting their commitments under Articles 4 and 12 of the Convention;

(b) To facilitate the process of considering the national communications, including the preparation of useful technical analysis and synthesis documentation, by encouraging the presentation of information in ways that are consistent, transparent and comparable; and

(c) To ensure that the Conference of the Parties has sufficient information, in accordance with Article 4.2(d), to carry out its responsibilities to review the implementation of the Convention and the adequacy of the commitments in Article 4.2(a) and (b).

**Coverage**

2. In accordance with Articles 4.1(j) and 12.1(b), a communication should address the full range of a Party's actions to implement all its Convention obligations, including those relating to adaptation, research, education and other actions, in addition to those to limit emissions and enhance sinks. With regard to Annex II Parties, this would include measures to implement Article 4.3, 4.4 and 4.5.

3. In accordance with Articles 4 and 12, a communication should address all anthropogenic emissions and removals of all greenhouse gases not controlled by the Montreal Protocol.

**Cross-cutting issues**

4. Quantitative data related to inventories and projections of greenhouse gas emissions and removals should be presented on a gas-by-gas basis in units of mass (Gg) with emissions by sources listed separately from removals by sinks, except in cases where it is technically impossible to separate information on sources and sinks in the area of land-use change and forestry.

5. In addition to communicating emissions in units of mass, Parties may choose also to use global warming potentials (GWPs) to reflect their inventories and projections in carbon dioxide-equivalent terms, using information provided by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report. Any use of GWPs should be based



on the effects of the greenhouse gases over a 100-year time horizon. In addition, Parties may also use other time horizons.

6. Taking into account the provisions of Article 4.2(b), the year 1990 should be the base year for inventories<sup>a</sup>. The provisions of Article 4.6 are relevant in this context for the Parties included in Annex I undergoing transition to a market economy, and those Parties in their communications should propose to the Conference of the Parties the kind of flexibility they are seeking pursuant to that Article.

7. The transparency of national communications is fundamental to the success of the process for the communication and consideration of information. This transparency is particularly important for inventories of emissions and removals of greenhouse gases and for projections and assessments of the effects of measures.

8. When national communications present quantitative data related to inventories and projections of greenhouse gas emission and removal levels, the level of uncertainty associated with these data and underlying assumptions should be discussed qualitatively and, where possible, quantitatively.

9. Parties should provide additional relevant background information to the secretariat, if possible, but not necessarily, in a working language of the secretariat. Such information should include documentation on emission factors used, activity data, and other relevant assumptions, as well as technical reports on the projections analysis.

10. When reporting on policies and measures and projections, Parties may refer to the "Methods for assessment of mitigation options" (chapter 27) and appendices 1-4, contained in "Climate Change 1995: IPCC Second Assessment Report, Volume III, Scientific-Technical Analyses of Impacts, Adaptations and Mitigation of Climate Change: Contribution of Working Group II of the IPCC."

#### Inventories

11. Article 12.1(a) requires that communications include a national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. At a minimum, information should be provided on the following greenhouse gases: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and sulphur hexafluoride (SF<sub>6</sub>). Parties should also provide information on the indirect greenhouse gases carbon monoxide (CO), nitrogen oxides (NO<sub>x</sub>) and non-methane volatile organic compounds (NMVOCs), and are encouraged to provide data on sulphur oxides. As new gases with significant global warming

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<sup>a</sup> In accordance with the decisions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change at its eight session.

potentials are identified, they should be included in the communications. Where methodological or data gaps exist, information should be presented in a transparent manner.

12. If Parties carry out any adjustments to inventory data, for example for climate variations or trade patterns in electricity, these adjustments should be reported in a transparent manner, with clear indications of the method followed. Both adjusted and unadjusted data should be provided.

13. Parties should also provide greenhouse gas inventory information for years subsequent to 1990. Data should be provided for each year (where appropriate, updated) for the period 1990-1994 and, where available, for 1995, for the second national communication. Subsequent national communications should provide data from 1990 and up to three years prior to the submission year, and, if possible, later years. If possible, data should also be provided in an electronic version which is compatible with the requirements of the secretariat.

14. The IPCC Guidelines for National Greenhouse Gas Inventories should be used in estimating, reporting and verifying inventory data. These inventory guidelines offer a default methodology available to any country that wishes to use it. Countries that already have an established and comparable methodology could continue to use that methodology, provided that they include sufficient documentation to back up the data presented. For Parties using the CORINAIR methodology or other "bottom-up" approaches, this would entail providing activity data and disaggregated emission factors as well as details of the correspondence between the IPCC source categories and those of the CORINAIR or other "bottom-up" approach used. Standard tables and formats recommended in the IPCC Guidelines for National Greenhouse Gas Inventories should be used for presentation of data.

15. With regard to possible double counting or non-counting of emissions, Parties should provide a brief description of how feedstocks have been considered in the industrial processes source category of the inventory, in particular in the production of iron and steel and non-ferrous metals, and in the chemical and petro-chemical industry. Parties should also provide a brief explanation of the way in which CO<sub>2</sub> emissions in the waste source category have been considered, in particular indicating whether the IPCC methodology has been followed in excluding CO<sub>2</sub> emissions from organic waste combustion or aerobic decomposition of biogenic products and including emissions from fossil-fuel based products (plastics and hydrocarbons).

16. To ensure transparency, enough information should be provided to allow the reconstruction of the inventory from national activity data, emission factors and other assumptions, and to assess the results. Annex I Parties should follow the IPCC Guidelines for National Greenhouse Gas Inventories with respect to the presentation of methodologies, activity data, emission factors and other assumptions. Standard data tables do not provide the level of detail necessary to enable the reconstruction of an inventory. In this connection,

IPCC worksheet 1.1, or other equivalent documentation, indicating the assumptions used to estimate CO<sub>2</sub> emissions from fuel combustion, in line with the IPCC Reference Approach, should be provided.

17. In providing information on emissions from international aviation and marine bunker fuels, and in accordance with the IPCC Guidelines for National Greenhouse Gas Inventories, Parties should include such data, in a separate category, in their inventories of emissions on the basis of fuel sold and should, as far as possible, not include them in total national emissions.

18. If Parties wish in addition to present their inventory data in other forms, *inter alia*, greenhouse gas emissions per capita, this information could be provided in a section of the national communication dealing with basic data (national circumstances). If possible, it would also be desirable to include some information on historical trends (for example, emissions and removals over the period 1970-1990) so as to put the inventory information in context.

19. In providing information on sequestration and emissions of carbon in the land-use change and forestry sector, as well as in agricultural soils, Parties should provide the information in the worksheets provided in the IPCC Guidelines for National Inventories, or equivalent documentation. Emissions of other greenhouse gases associated with these activities should also be listed, as appropriate. Historical trends should be included where available. Even if Parties do not use the IPCC default methodology, the results should be presented using the IPCC reporting format.

#### Policies and measures

20. Article 12.2 requires Annex I Parties to communicate information on policies and measures they have adopted to implement their commitments under Article 4.2(a) and (b). The national communications should describe all of a Party's policies and measures implemented or committed to that the Party believes contribute significantly to its efforts to reduce emissions and enhance sinks of greenhouse gases. These actions need not have as a primary objective the limitation of greenhouse gas emissions.

21. Parties are also encouraged to provide information on actions implemented by regional and local governments or the private sector, ensuring that double-counting is avoided. However, some aggregation may be appropriate to maximize the utility of such information. The communications could also note policies and measures that have been adopted in the context of international or regional efforts towards coordination, as appropriate, of economic and administrative instruments in accordance with Article 4.2(e)(i).

22. The overall policy context for the policies and measures adopted should be presented. This could include reference to other relevant policies as well as elaboration of national greenhouse gas targets.

23. Communications of policies and measures should be organized by gas and by sector. This should, to the extent possible, be consistent with the categories set out in the IPCC Guidelines for National Greenhouse Gas Inventories. Wherever possible the description and evaluation of each policy and measure should examine reductions in all of the relevant gases listed in paragraph 11 above. Their description should, in principle, be structured along the following lines, as appropriate:<sup>b</sup>

#### Carbon dioxide

- Cross-sectoral
- Energy and transformation industries
- Transport
- Industry (energy-related)
- Industry (non-energy)
- Residential, commercial and institutional
- Fugitive fuel emissions
- Agriculture
- Land-use change and forestry

#### Methane

- Waste management (including sewage treatment)
- Agriculture (non-energy)
- Fugitive fuel emissions
- Industry (non-energy)
- Industry (energy-related)
- Land-use change and forestry

#### Nitrous oxide

- Industry (non-energy)
- Industry (energy-related)
- Agriculture (non-energy)
- Transport
- Energy and transformation industries
- Land-use change and forestry

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<sup>b</sup> Parties need include only those sectors where they have specific policies or measures to describe. Sectors might be further disaggregated, or other sectors added, as appropriate. Impacts of policies and measures should be included under each appropriate gas and sector. They need be described only once, where they have the most significant impact, with appropriate cross-references.

Other greenhouse gases and precursors<sup>c</sup>

- Transport
- Energy and transformation industries
- Industry (non-energy)
- Industry (energy-related)
- Residential, commercial and institutional
- Land-use change and forestry
- Solvent and other product use
- Waste management (including sewage treatment)

24. To facilitate transparency, enough detail should be provided about each individual policy and measure described in the text of the national communication to allow a third party to understand the action's objective and degree of implementation, as well as how the greenhouse gas effects of the action will be monitored over time. The following information should be included in the description of individual policies and measures:

- (a) Objective(s) of the measure in terms of the gas(es) and sector(s) targeted;
- (b) Type of policy instrument used by the measure (e.g. economic instrument, regulation or guideline, voluntary agreement, information, education and training, research and development related to mitigation measures);
- (c) How the policy or measure interacts with other policies and measures described;
- (d) Status of implementation of, and/or commitment to, the policy or measure. (This should, where appropriate, make reference to a section of the national communication related to national circumstances that describes the policy-making process in the country or organization);
- (e) How the measure is expected to function or is functioning;
- (f) Monitoring through intermediate indicators of progress for policies and measures. (These may be related to legislative processes, emissions-related activities or the broader objectives of the policies and measures);
- (g) A quantitative estimate of the mitigation impact of the policy or measure or, if unavailable, a ranking of individual policies and measures according to their relative importance in mitigation; and

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<sup>c</sup> Other greenhouse gases might be disaggregated if appropriate.

(h) Information (including details of the calculation methodologies) relating to the cost of the policy or measure, to the extent possible.

Parties should use table 1 in appendix III below to summarize the information provided on policies and measures, with all fields of the table completed, to the extent possible.

25. Parties should report on action taken to implement commitments under Article 4.2(e)(ii) of the Convention, which requires that Parties identify and periodically review their own policies and practices which encourage activities that lead to greater levels of anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol than would otherwise occur. Parties should also provide the rationale for such actions in the context of their national circumstances.

26. Under Article 12.1(b), Parties may also briefly describe in a separate section of the national communication, policies and measures under consideration that have not yet been adopted.

#### Activities implemented jointly

27. Bearing in mind that a separate and distinct process for reporting on activities implemented jointly has been established by decision 5/CP.1, and by the adoption by the SBSTA at its second session of the initial framework for reporting activities implemented jointly, Parties may wish to include relevant summary information on activities implemented jointly.

#### Projections and assessment of effects of measures

28. In accordance with Article 4.2(b), national communications should include a projection of future greenhouse gas emission and removal levels. The projection should, to the extent possible, incorporate the effects of policies and measures that are implemented or committed to when the national communication is produced (that is, a "with measures" scenario). In the interest of transparency, Parties should include baseline projections, indicating, using table 1, which measures are included and which measures are additional to these baseline projections.

29. At a minimum, projections would be made of future emissions and removals of the following greenhouse gases: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, PFCs, HFCs and SF<sub>6</sub>. Parties are encouraged to provide projections of the indirect greenhouse gases CO, NO<sub>x</sub> and NMVOCs, as well as sulphur oxides. Where methodological or data gaps exist, information should be presented in a transparent manner.

30. The Convention requires that Parties provide information on projected anthropogenic emissions by sources and removals by sinks (Article 4.2(b)) as well as specific estimates of the effects of policies and measures on those levels (Article 12.2(b)). An effective process for the consideration of such information requires that such projections be provided for at

least one common reference year. Taking account of the time period specified in Article 4.2(a), data should be provided for the year 2000. In view of the objective of the Convention and the intent to modify longer-term trends in emissions, Parties should also include projections on a quantitative basis for the years 2005 and 2010, and should make their best efforts to provide estimates for 2020, recognizing that uncertainties will vary from gas to gas and will be greater in more distant years.

31. While Parties should present the projection on a gas-by-gas basis, as indicated in paragraph 4 above, they should also disaggregate the results by sector.

32. Parties should summarize the projections data in accordance with the categorization in the summary tables of the IPCC Guidelines on National Greenhouse Gas Inventories, using tables 2 to 7 in appendix III below.

33. Parties are encouraged to include separately projections of emissions from international bunker fuels and/or provide information which will facilitate international projections of bunker fuel emissions.

34. Parties are encouraged to present projections from levels of emissions in 1990 -- or other base years for some Annex I Parties with economies in transition -- that are consistent with base year inventory data. Any differences should be explained.

35. In accordance with Article 12.2(b), national communications should provide a specific estimate of the total effect on greenhouse gas emissions and removals of policies and measures. This specific estimate should, to the extent possible, take into account all policies and measures implemented or committed to (as outlined in paragraph 20 above).

36. In addition, Parties should, wherever possible, provide estimates of the effect of individual policies and measures on future greenhouse gas emissions and removals. This section could also describe the effects of the sequence of the implementation of policies and measures or the effects of a combination of instrument types or synergies with other measures. Parties may also describe the mechanisms that lead to reductions, as well as how they arrived at their estimates.

37. In the interests of transparency, when projecting greenhouse gas emissions and removals, and estimating the specific and total effect of policies and measures on emissions and removals, Parties should:

(a) Be free to use the model(s) and/or approach(es) they are most familiar with and which, in their view, provide the most accurate results;

(b) Provide enough information to allow a third party to obtain a qualitative understanding of the model(s) and/or approach(es) used and their relationship to each other;

(c) Summarize strengths and weaknesses of the model(s) and/or approach(es) used and provide an indication of their scientific and technical credibility; and

(d) Ensure that the model(s) and/or approach(es) used account for any overlap or synergies that may exist between different policies and measures.

38. To ensure transparency, national communications should include enough information to provide a third party with a quantitative understanding of the key assumptions used to develop projection(s) of greenhouse gas emissions and removals and estimate(s) of the total effects of policies and measures on emissions and removals. Taking into account paragraph 6 above, values of key variables should be clearly presented for the base year and values of key assumptions for 2000, and for other years, preferably 1995, 2005, 2010 and 2020. Parties should also provide information for the base year and 2000 on other key outputs of the model(s) and/or approach(es) used. This could include, *inter alia*, projected energy balances. Parties should, to the extent possible, summarize key variables and assumptions by completing table 8 in appendix III below. In addition, Parties may draw upon the illustrative lists of possible key assumptions and outputs included in appendix I below.

39. If, in the projections analysis, Parties carry out any adjustments to base year emissions, for example for climate variations or trade patterns in electricity, these adjustments should be reported in a transparent manner, with clear indications of the method followed. Both adjusted and unadjusted data should be provided.

40. When providing a qualitative discussion of the uncertainty associated with the results of projections and specific estimates of effects (see paragraph 8 above), Parties are encouraged to present the findings of sensitivity analyses, illustrating how the results would be affected by changes in key assumptions.

#### Vulnerability assessment and adaptation measures

41. A communication should review briefly the expected impacts of climate change for the Party concerned and outline the actions taken to implement Article 4.1(b) and (e) with regard to adaptation. Parties are encouraged to use the IPCC Technical Guidelines for Assessing Climate Change Impacts and Adaptations. Parties could refer, *inter alia*, to integrated plans for coastal zone management, water resources and agriculture. Parties are also encouraged to report on specific results of scientific research in the field of vulnerability assessment and adaptation.

#### Financial resources and transfer of technology and know-how

42. In accordance with Article 12.3, Annex II Parties shall provide separately detailed information on the activities undertaken in 1994, 1995 and, if available, in 1996 to give effect to each of their different commitments under Article 4.3, 4.4, and 4.5, as follows:



(a) Indicate what "new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1" have been provided. They shall indicate clearly how they have determined resources as being "new and additional";

(b) Provide, to the extent possible, detailed information on the provision of financial resources to meet the agreed full incremental costs incurred by developing countries in their implementation of measures covered under Article 4.1 of the Convention;

(c) Provide detailed information on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation to those adverse effects;

(d) Provide detailed information on measures taken to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies<sup>d</sup> and know-how to other Parties, particularly developing country Parties; and

(e) Report separately, to the extent possible, their activities for the financing of access by developing countries of "hard" or "soft" environmentally sound technologies, with reference to table 11 in appendix III below.

43. Parties shall, when reporting activities related to the promotion, facilitation and financing of the transfer of, or access to, environmentally sound technologies, clearly distinguish between activities undertaken by the public sector and by the private sector. Noting the need to be flexible in reporting private sector activities, Parties should indicate in what way activities by the private sector help meet the commitments of Parties under Article 4.3, 4.4 and 4.5 of the Convention.

44. When communicating information on the provision of financial resources, Annex II Parties shall distinguish between financial contributions to the interim operating entity of the financial mechanism, to regional and other multilateral institutions and programmes, and financial resources provided through bilateral channels to other Parties. These Parties should complete tables 9a, 9b, 10a and 10b contained in appendix III below.

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<sup>d</sup> The term "transfer of technology", as used in this note, encompasses practices and processes such as "soft" technologies, for example, capacity building, information networks, training and research, as well as "hard" technologies, for example, equipment to control, reduce or prevent anthropogenic emissions of greenhouse gases in the energy, transport, forestry, agriculture, and industry sectors, to enhance removals by sinks, and to facilitate adaptation.

#### Research and systematic observation

45. Pursuant to Articles 4.1(g), 5 and 12.1(b), Annex I Parties should communicate information on their actions relating to research and systematic observation. This could include, *inter alia*, information on:

- (a) Research on the impacts of climate change;
- (b) Modelling and prediction, including global circulation models;
- (c) Climate process and climate system studies;
- (d) Data collection, monitoring and systematic observation, including data banks;
- (e) Socio-economic analysis, including analysis of both the impacts of climate change and response options; and
- (f) Technology research and development.

46. The communications could address both domestic programmes and international programmes (for example, the World Climate Programme and the International Geosphere-Biosphere Programme), and the IPCC. They should also reflect actions taken to support related capacity-building in developing countries.

47. The communications should be limited to reporting on actions undertaken rather than the results of such efforts. For example, the results of research studies or model runs should not be included in this section.

#### Education, training and public awareness

48. In accordance with Articles 4.1(i), 6 and 12.1(b), Annex I Parties should communicate information on their actions relating to education, training and public awareness. This would include information on relevant domestic programmes and participation in international activities. For example, the extent of public participation in the preparation or domestic review of the national communication could be reflected.

#### Special considerations

49. Some Annex I Parties may, in the context of their communications, seek to be accorded "flexibility" or "consideration", in accordance with Article 4.6 and 4.10 of the Convention. If this were to be the case, those Parties should be expected to state clearly the special consideration they are seeking and to provide an adequate explanation of their circumstances.

Basic data (national circumstances)

50. Although not explicitly required by the Convention, a Party may wish to provide other information relevant to its greenhouse gas emission/removal profile. This would permit readers to put the information on its implementation of the Convention in context, could help to explain certain trends and would provide data valuable in the analysis and aggregation of the submissions. The information would tend to be "historical" in character, although the appropriate time period would vary from country to country. Relevant information could include the following:

(a) Population profile, for example, growth rates, population density and distribution, with some historical perspective (e.g. 1970-1990), and greenhouse gas emission per capita;

(b) Geographic profile;

(c) Climatic profile, for example, data on heating and cooling degree days and rainfall;

(d) Economic profile, for example, gross domestic product (GDP), GDP per capita (expressed in domestic currency and purchasing power parities (PPP)), GDP growth rates, GDP by sector, and imports and exports, agricultural subsidies, with some historical perspective (e.g. 1970-1990), and greenhouse gas emissions per GDP;

(e) Energy profile, for example, energy prices, energy taxes, energy subsidies, vehicle taxes, fuel taxes, electricity prices, information on the market structure of electricity, natural gas, coal and oil markets, energy consumption (by sector, fuel type, per capita, per unit of GDP), domestic production of energy as proportion of total domestic energy consumption, energy intensity and 1990 energy pricing for commercial and non-commercial consumers (including taxes), with some historical perspective (e.g. 1970-1990);

(f) Social profile, for example, information such as average dwelling size, number of vehicles per capita and per family unit, and personal and freight traffic (billions km/person) by type (air, rail, road and public/private);

(g) For sectors emitting large quantities of greenhouse gases, an outline of which level of government has responsibility for implementing which policies and measures that have an impact on greenhouse gas emissions; and

(h) Information relating to the application of and experience with indicators for performance in greenhouse gas mitigation. Such indicators might address overall national performance and sectoral/sub-sectoral performance.

51. Parties are encouraged to report emission estimates associated with exports of electricity in a separate category. Parties are also encouraged to report on the national generation from all sources by fuel and estimates of the average transmission losses. Exporting and importing countries are encouraged to report on the annual aggregate quantity of electricity trade in kilowatt hours, as well as to whom electricity was sent and the associated quantities (including associated transmission losses).

#### Structure and executive summary

52. The minimum set of information identified in these guidelines should be communicated by a Party to the Conference of the Parties in a single document. Any additional or supporting information may be supplied in the main document or through other documents such as a technical annex.

53. A communication should include an executive summary that would present the key information and data from the full document. The executive summaries will be translated and distributed widely. In view of the limits on translation, it would be useful to envisage an executive summary of no more than 10 pages.

54. Parties are encouraged to organize the information communicated according to the indicative outline provided in appendix II below.

#### Language

55. National communications may be submitted in one of the working languages of the United Nations. This would be without prejudice to the ulterior determination of official and working languages for the Conference of the Parties and its subsidiary bodies and for the Convention secretariat. Annex I Parties are also encouraged to submit, to the extent possible and where relevant, a translation of their communication into English.

#### Length

56. The length of a communication should be decided by the submitting Party. Every effort should be made to avoid overly lengthy communications in order to reduce the paper burden and to facilitate the consideration process. Parties are encouraged to provide electronic versions of communications which are compatible with the requirements of the secretariat.

## **Appendix I**

### **Examples of key assumptions that may be required to project greenhouse gas emissions and removals or to estimate the specific effects of policies and measures and their costs**

- GDP level (national currency) and annual growth rate (consistent with economic forecasts of the Party)
- Assumptions on exchange rates between the domestic currency and the United States dollar
- Population level (millions) and compound annual growth rate
- Interest rate and public sector discount rate, where available
- Annual rate of autonomous energy efficiency improvement in total and by sector
- Total housing, including turnover (number of dwellings)
- Commercial floor space, including turnover (thousands of square kilometres)
- Vehicle-kilometres travelled by vehicle type (thousands)
- Policy context (description of significant measures that reduce emissions or enhance removals that have been incorporated in the projection, as well as how they were incorporated)
- Rate of penetration and absolute levels of use of new end-use technologies

### **Examples of other key outputs that may be produced when projecting greenhouse gas emissions and removals or estimating the specific effects of policies and measures**

- Primary energy production by fuel type (petajoules)
- Primary energy demand by fuel type, as well as electricity (petajoules)
- Energy demand by sector (petajoules)
- Final energy consumption by end-use (petajoules)
- Head of livestock (thousands by species)
- Rice cultivation (area cultivated in hectares)
- Nitrogen fertilizer and manure use (tonnes of nitrogen)
- Forest area cleared (thousands of hectares)
- Waste landfilled (tonnes)
- Waste water biochemical oxygen demand (kg)
- Energy imports/exports (petajoules)
- Primary energy per unit of production in the industrial and commercial sectors
- Energy consumption per square metre in the residential and commercial sectors
- Primary energy for transport (per tonne-km or passenger-km)
- Electricity and heat produced per unit of fuel used in thermal power stations

## **Appendix II**

### **Indicative outline for presentation of information in communications**

1. Executive summary
2. Introduction
3. National circumstances
4. Inventories of anthropogenic greenhouse gas emissions and removals
5. Policies and measures
6. Projections and effects of policies and measures
7. Expected impacts of climate change and vulnerability assessment
8. Adaptation measures
9. Financial assistance and technology transfer
10. Research and systematic observation
11. Education, training and public awareness

**Appendix III**

**Table 1. Summary of policies and measures: CO<sub>2</sub>**

<sup>1</sup> Parties should use an asterisk (\*) to indicate that a measure is not included in the baseline projection.

Name of policy/ measure <sup>1</sup>	Type of instrument	Objective and/or Method of achieving reduction (including description of how effects take place)	Sector	Status of implementation (planned/ implemented; legislation passed or not; status of funding)	Estimate of mitigation impact				Monitoring: intermediate indicator of progress
					2000	2005	2010	2012	
1.									
2. etc.									

Similar tables should be completed for CH<sub>4</sub>, N<sub>2</sub>O, NO<sub>x</sub>, NMVOCs, CO, PFCs, SF<sub>6</sub> and HFCs, noting that if Parties do not provide projections for NO<sub>x</sub>, NMVOCs and CO, they need not complete the columns on "estimate of mitigation impact" in the tables relating to these gases.

**Table 2. Summary of projections of anthropogenic emissions of CO<sub>2</sub> (gigagrams)**

	1990	1995	2000	2005	2010	2020
Fuel combustion: energy and transformation industries						
Fuel combustion: industry						
Fuel combustion: transport						
Fuel combustion: other						
Other						
Total						

**Table 3. Summary of projections of removals of CO<sub>2</sub> by sinks and reservoirs (gigagrams)**

	1990	1995	2000	2005	2010	2020
Agriculture						
Land-use change and forestry						
Other						
Total removals						



**Table 4. Summary of projections of anthropogenic emissions of CH<sub>4</sub> (gigagrams)**

	1990	1995	2000	2005	2010	2020
Fuel combustion						
Fugitive emissions from fuels						
Industrial processes						
Enteric fermentation						
Animal wastes						
Rice cultivation						
Waste						
Other						
Total						

**Table 5. Summary of projections of anthropogenic emissions of N<sub>2</sub>O (gigagrams)**

	1990	1995	2000	2005	2010	2020
Transport						
Other energy sources						
Industrial processes						
Agriculture						
Waste						
Other						
Total						

**Table 6. Summary of projections of anthropogenic emissions of other greenhouse gases (gigagrams)**

	1990	1995	2000	2005	2010	2020
SF <sub>6</sub>						
HFCs						
PFCs						
Other (specify)						

**Table 7. Summary of projections of anthropogenic emissions of precursors and SO<sub>x</sub> (gigagrams)**

	1990	1995	2000	2005	2010	2020
CO						
NO <sub>x</sub>						
NMVOCS						
SO <sub>x</sub>						

**Table 8. Summary of key variables and assumptions in the projections analysis**

	1990	1995	2000	2005	2010	2020
World coal prices (US\$/ton)						
World oil prices (US\$/bbl)						
Domestic energy prices (by fuel type and for electricity) for different relevant sectors (e.g. residential, commercial and institutional; industry; transport)						
GDP (domestic currency)						
Population (millions)						
New vehicle efficiency (by vehicle type) (litres/100km)						
Average vehicle km travelled						
Primary energy demand (Petajoules)						
Index of manufacturing production (1990=100)						
Index of industrial production (1990=100)						
Other						

**Table 9a. Financial contributions to the operating entity or entities of the financial mechanism, regional and other multilateral institutions and programmes**

	Contributions (millions of US dollars)		
	1994	1995	1996*
Global Environment Facility			
Multilateral institutions			
1. World Bank			
2. International Finance Corporation			
3. African Development Bank			
4. Asian Development Bank			
5. European Bank for Reconstruction and Development			
6. Inter-American Development Bank			
7. United Nations Development Programme			
8. Other			
a)			
b)			
c)			
Multilateral scientific programmes			
1.			
2.			
3.			
4.			
5.			
Multilateral technology programmes			
1.			
2.			
3.			
4.			
5.			
Multilateral training programmes			
1.			
2.			
3.			
4.			
5.			

\* If available.

**Table 9b. New and additional financial contributions to the operating entity or entities of the financial mechanism, regional and other multilateral institutions and programmes**

	Contributions (millions of US dollars)		
	1994	1995	1996*
Global Environment Facility			
Multilateral institutions 1. World Bank 2. International Finance Corporation 3. African Development Bank 4. Asian Development Bank 5. European Bank for Reconstruction and Development 6. Inter-American Development Bank 7. United Nations Development Programme 8. Other a) b) c)			
Multilateral scientific programmes 1. 2. 3. 4. 5.			
Multilateral technology programmes 1. 2. 3. 4. 5.			
Multilateral training programmes 1. 2. 3. 4. 5.			

\* If available.

**Table 10a. Bilateral financial contributions related to the implementation of the Convention, 1994**

(millions of US dollars)

Recipient country	Mitigation						Adap-tation	Other*
	Energy	Transport	Forest	Agriculture	Waste manage-ment	Industry		
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20. All other								

\* For greenhouse gas inventories, as under Article 4.1(a).

Similar tables should be completed for 1995 and, if available, for 1996.

**Table 10b. New and additional bilateral financial contributions related to the implementation of the Convention, 1994  
(millions of US dollars)**

Recipient country	Mitigation						Adap-tation	Other*
	Energy	Transport	Forest	Agriculture	Waste manage-ment	Industry		
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20. All other								

\* For greenhouse gas inventories, as under Article 4.1(a).

Similar tables should be completed for 1995 and, if available, for 1996.

**Table 11. Projects or programmes that promote, facilitate and/or finance transfer of or access to "hard" and "soft" technologies**

Project / programme title:			
Purpose:			
Recipient country	Sector	Total funding	Years in operation
Description:			
Ministry or company, contact person, address and phone number:			
Impact on greenhouse gas emissions/sinks (optional):			

This table should also be used to provide a detailed description of selected private sector projects or programmes that promote, facilitate and/or finance transfer of or access to "hard" and "soft" technologies in 1994, 1995 or, if available, in 1996, as described in paragraph 42 (e) of the above annex.

## Decision 10/CP.2

### **Communications from Parties not included in Annex I to the Convention: guidelines, facilitation and process for consideration**

*The Conference of the Parties,*

*Recalling* Article 12.1, 12.5 and 12.7 of the United Nations Framework Convention on Climate Change,

*Recalling also* its decision 8/CP.1 on first communications from Parties not included in Annex I to the Convention and decision 4/CP.1 on methodological issues,

*Noting* that, in accordance with Article 12.5 of the Convention, each Party not included in Annex I to the Convention shall make its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3, and that Parties that are least developed may make their initial communication at their discretion,

*Recognizing* that, in accordance with Article 4.7, the extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology, and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties,

*Having considered* that from its first session, in accordance with Article 12.7, the Conference of the Parties shall arrange for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under this Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4. Such support may be provided by other Parties, by competent international organizations and by the secretariat, as appropriate,

1. *Requests* the Convention secretariat:

(a) In accordance with Article 8.2(c), to facilitate assistance to Parties, particularly developing country Parties, in the preparation of their initial communications, through the organization of workshops at the regional level; to provide a forum for the exchange of experiences in the development of emission factors and activity data for the estimation of the



inventory, as well as, on request, for other elements of information in the initial communication; and to provide a report to the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice at each of their sessions; and

(b) To make available to the Subsidiary Body for Implementation, at each of its sessions, details of the financial support made available to Parties not included in Annex I to the Convention (non-Annex I Parties) from the interim operating entity of the financial mechanism for the preparation of their initial communications, including projects in this regard proposed by each Party, the funding decision and the date and amount of funds made available to the Party;

2. *Decides:*

(a) That non-Annex I Parties should use the guidelines contained in the annex to the present decision when preparing their initial communications under the Convention;

(b) That the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with Article 4.1, and the provisions of Article 3 and Article 4.3, 4.4, 4.5, 4.7, 4.8, 4.9 and 4.10, be taken into account by the Conference of the Parties in considering matters related to their initial communications; and

(c) That non-Annex I Parties which wish to submit voluntarily additional information may use elements from the guidelines approved for Parties included in Annex I to the Convention when preparing their initial communications.

*8th plenary meeting  
19 July 1996*

1.

**Annex**

**GUIDELINES FOR THE PREPARATION OF INITIAL COMMUNICATIONS  
BY PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION**

2. The guidelines for the preparation of initial communications by Parties not included in Annex I to the Convention (non-Annex I Parties) have five principal objectives, taking into account Article 4.7:

(a) To assist non-Annex I Parties in meeting their commitments under Article 12.1;

(b) To encourage the presentation of information in ways that are, to the extent possible, consistent, transparent and comparable as well as flexible, and to take into account specific national situations and requirements for support to improve the completeness and reliability of activity data, emission factors and estimations;

(c) To serve as policy guidance to the interim operating entity of the financial mechanism for the timely provision of financial support needed by the developing country Parties to meet the agreed full costs in complying with their obligations under Article 12.1, as referred to in decision 11/CP.2;

(d) To facilitate the process of preparation, compilation and consideration of the communications, including the preparation of compilation and synthesis documentation; and

(e) To ensure that the Conference of the Parties has sufficient information to carry out its responsibilities to assess the overall aggregated effects of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change, and to assess the implementation of the Convention.

**Scope**

3. In accordance with Article 12.1, the communication should include:

(a) A national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties;

(b) A general description of steps taken or envisaged by the Party to implement the Convention; and

(c) Any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends.

#### National circumstances

4. In presenting the information, non-Annex I Parties should specify their national and regional development priorities, objectives and circumstances on the basis of which they will address climate change and its adverse impacts. The description of these circumstances can cover a wide range of information. In addition to information which can be conveniently presented in a table (see table I below), Parties may present basic economic, geographic and climatic information, as well as other factors relevant to climate change of any nature, such as, for example, features of their economy which may affect their ability to deal with climate change.

5. Parties may provide a brief description of existing institutional arrangements which are relevant to the preparation of the inventory on a continuing basis, or a list of perceived deficiencies in this area.

6. Parties may also present information on their specific needs and concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures, specially on:

- (a) Small island countries;
- (b) Countries with low-lying coastal areas;
- (c) Countries with arid and semi-arid areas, forested areas and areas liable to forest decay;
- (d) Countries with areas prone to natural disasters;
- (e) Countries with areas liable to drought and desertification;
- (f) Countries with areas of high urban atmospheric pollution;
- (g) Countries with areas with fragile ecosystems, including mountainous ecosystems;
- (h) Countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products;

(i) Landlocked and transit countries; and

(j) Other special considerations foreseen in Article 4.9 (least developed countries) and Article 4.10 (fossil-fuel dependency), as appropriate.

6. In presenting the information, wherever applicable, Parties should present numerical indicators. For example, they might present data expressed in terms of affected percentage of land area, population, gross domestic product (GDP), etc.

#### Inventory

7. There is a clear need for adequate and additional financial resources, technical support and technology transfer to supplement the efforts towards capacity building for preparation of the national inventories.

8. The Guidelines for the National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptation or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change (IPCC) should be used by non-Annex I Parties, as appropriate and to the extent possible, in the fulfilment of their commitments under the Convention.

9. Information should be provided on the following greenhouse gases: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O), to the extent the Party's capacities permit. In addition, Parties are encouraged to include in their national inventories the fully-fluorinated compounds, as appropriate. Other greenhouse gases included in the IPCC methodology may be included at the discretion of the Parties. Emissions from bunker fuels should be reported separately from national emissions.

10. Parties should strive to present the best available data in a table (see table II below), to the extent their capacities permit, and try to identify the areas where the data may be further improved in future communications through national capacity building. Additional information, such as, for example, expression of the results in terms of socio-economic, geographical indicators deemed relevant by each country, may also be provided.

11. As recognized by the IPCC in its Second Assessment Report, there is still great uncertainty associated with net anthropogenic emissions resulting from activities other than combustion of fossil fuels. Such activities include, *inter alia*, methane emissions from agriculture and waste sectors, coal mining, biomass burning; carbon dioxide emissions from land use change and forestry; and nitrous oxide emissions from all sectors. Since the emissions resulting from these activities depend on local circumstances, and make up a large proportion of the national emissions of non-Annex I Parties, such Parties should make efforts to obtain field observation data to decrease the uncertainties associated with the inventory of these emissions, taking into account the further development of the IPCC methodology.

12. It is further recognized that such improvement of the quality of emission data, in addition to improving the transparency and comparability of national emissions inventories, also improves knowledge of the relationship between global emissions and resulting atmospheric concentration of greenhouse gases, and therefore aids significantly the task of estimating the emission limitations or reductions required to achieve a given concentration level of greenhouse gases, the ultimate objective of the Convention.

13. Non-Annex I Parties are thus encouraged to formulate cost-effective national, and where appropriate regional, programmes aiming at the improvement of the quality of local emission factors and appropriate data gathering, and to submit requests for financial and technical assistance to the interim operating entity of the financial mechanism of the Convention in addition to their request for support for the preparation of their initial communications.

14. Non-Annex I Parties should provide the best available data in their inventory. To this end such data should be provided for the year 1994. Alternatively, non-Annex I Parties may provide such data for the year 1990.

#### General description of steps

15. In accordance with Article 12.1, each non-Annex I Party should communicate a general description of steps taken or envisaged by the Party to implement the Convention. Taking into account the chapeau of Article 4.1, the initial communication should seek to include, as appropriate:

(a) Programmes related to sustainable development, research and systematic observation, education and public awareness, training, etc;

(b) Policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems;

(c) Policy frameworks for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, fisheries, and forestry, with a view to integrating climate change impact information, as appropriate, into national planning processes;

(d) In the context of undertaking national communications, building of national, regional and/or sub-regional capacity, as appropriate, to integrate climate change concerns in medium and long-term planning;

(e) Programmes containing measures the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of increase in greenhouse gas emissions and enhancement of removals by sinks.

Other information

16. In accordance with Article 12.7 the Conference of the Parties should use the information in initial communications in arranging for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under Article 12, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4.

17. Developing country Parties may, in accordance with Article 12.4, 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.

18. Non-Annex I Parties may provide any other information relevant to the achievement of the objective of the Convention, including, if feasible, material relevant for calculation of global emission trends, constraints and obstacles, etc.

Financial and technological needs and constraints

19. Non-Annex I Parties may describe the financial and technological needs and constraints associated with the communication of information. In particular, and following the recommendations of the Conference of the Parties that have evolved through its subsidiary bodies, the description may cover needs and constraints associated with the further improvement of national communications, including reduction of the margin of uncertainty in emission and removal variables through appropriate institutional and capacity-building.

20. According to national priorities, non-Annex I Parties may include a description of financial and technological needs associated with activities and measures envisaged under the Convention.

21. Information on national technological needs related to measures to facilitate adequate adaptation to climate change may be included in the communication.

22. Information on relevant financial and technological needs relating to the assessment of national, regional and/or sub-regional vulnerability to climate change may be added in the communication. This may include, where appropriate, information related to data-gathering systems to measure climate change effects in particularly vulnerable countries or regions or to strengthen such systems; and identification of a near-term research and development agenda to understand sensitivity to climate change.

23. There is a need to take into full consideration the circumstances and vulnerabilities of developing country Parties, keeping in mind that the extent to which developing countries will effectively implement their commitments under Convention will depend on the effective

implementation by developed countries of their commitments under the Convention related to financial resources and transfer of technology.

Timing of submission of the initial communication

24. In accordance with Article 12.5, the timing of submission of the initial communication is within three years of entry into force of the Convention for that Party or of the availability of financial resources in accordance with Article 4.3.

Structure and executive summary

25. The information provided in accordance with these guidelines should be communicated by a Party to the Conference of the Parties in a single document. Any additional or supporting information may be supplied through other documents such as a technical annex.

26. The initial communication should include an executive summary that would present the key information and data from the full document. The executive summary will be translated and distributed widely. It would be useful to envisage an executive summary of no more than 10 pages.

Language

27. The communications may be submitted in one of the official languages of the United Nations. Non-Annex I Parties are also encouraged to submit, to the extent possible and where relevant, a translation of their communications into English.

**Table I. National circumstances**

Criteria	1994
Population	
Relevant areas (square kilometres)	
GDP (1994 US\$ )	
GDP per capita (1994 US\$ )	
Estimated share of the informal sector in the economy in GDP (percentage)	
Share of industry in GDP (percentage)	
Share of services in GDP (percentage)	
Share of agriculture in GDP (percentage)	
Land area used for agricultural purposes (square kilometres)	
Urban population as percentage of total population	
Livestock population (disaggregate as appropriate)	
Forest area (square kilometres, define as appropriate)	
Population in absolute poverty	
Life expectancy at birth (years)	
Literacy rate	

**Note:** Parties may also report on the rate of change of the above indicators to the extent possible; data in this table should be as disaggregated as possible and include information on individual sectors.



**Table II. Initial national greenhouse gas inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol**

<b>Greenhouse Gas Source and Sink Categories</b>	<b>CO<sub>2</sub></b>	<b>CH<sub>4</sub></b>	<b>N<sub>2</sub>O</b>
<b>Total (Net) National Emission (Gigagram per year)</b>	X	X	X
<b>1. All Energy</b>	X	X	X
<i>Fuel combustion</i>			
Energy and transformation industries	X		X
Industry	X		
Transport	X		
Commercial-institutional	X		
Residential	X		
Other (please specify)	X	X	
Biomass burned for energy		X	
<i>Fugitive Fuel Emission</i>			
Oil and natural gas systems		X	
Coal mining		X	
<b>2. Industrial Processes</b>	X		X
<b>3. Agriculture</b>		X	X
<i>Enteric Fermentation</i>		X	
<i>Rice Cultivation</i>		X	
<i>Savanna Burning</i>		X	
<i>Others</i> (please specify)		X	X
<b>4. Land Use Change and Forestry</b>	X		
<i>Changes in Forest and other woody biomass stock</i>	X		
<i>Forest and Grassland Conversion</i>	X		
<i>Abandonment of Managed Lands</i>	X		
<b>5. Other Sources as appropriate and to the extent possible (please specify)</b>	X	X	X

**Note 1:** X - Data to be presented to the extent the Party's capacities permit (Article 12.1(a)).

**Note 2:** Non-Annex I national communications will include the information in this table, and a description of assumptions and methods used, and the values of emission coefficients, where these differ from IPCC assumptions, methods and values.

**Note 3:** Efforts should be made to report the estimated range of uncertainty, where appropriate.

## Decision 11/CP.2

### Guidance to the Global Environment Facility

*The Conference of the Parties,*

*Recalling* Article 11.1 and 11.3 of the United Nations Framework Convention on Climate Change,

*Recalling also* Articles 12.5, 4.3, 4.7 and 4.8 thereof,

*Bearing in mind* its decision 11/CP.1 on initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism and its conclusions reached at its second session,

*Noting* the report of the Global Environment Facility to the Conference of the Parties at its second session (FCCC/CP/1996/8),

*Expressing concern* over the difficulties encountered by developing country Parties in receiving the necessary financial assistance from the Global Environment Facility owing to, *inter alia*, the application of the Global Environment Facility operational policies on eligibility criteria, disbursement, project cycle and approval, the application of its concept of incremental costs, and guidelines which impose considerable administrative and financial costs on developing country Parties,

*Also expressing concern* over the difficulties encountered by these Parties in seeking funds from the Global Environment Facility, as the interim operating entity of the financial mechanism of the Convention, for the preparation of their initial national communications,

*Welcoming* the information by the Global Environment Facility on its efforts to ensure that funding activities are in conformity with guidance provided by the Conference of the Parties and, in particular, its expedited procedures to support enabling activities in the climate change focal area,

1. *Decides* to adopt the following guidance to the Global Environment Facility, as the interim operating entity of the financial mechanism of the Convention. In this regard, the Global Environment Facility should:

(a) In the initial period, implement strategies on enabling activities in accordance with decision 11/CP.1 which facilitate endogenous capacity-building, including data collection and archiving, consistent with the policy guidance, programme priorities and eligibility criteria provided to it by the Conference of the Parties;

(b) In providing the financial resources needed by developing country Parties to meet the agreed full incremental costs of implementing measures covered by Article 4.1 of the Convention in accordance with Article 4.3, take steps to facilitate this provision of financial resources, including the enhancement of transparency and the flexible and pragmatic application of its concept of incremental costs on a case-by-case basis;

(c) Together with its implementing agencies, expedite the approval and the disbursement of financial resources to meet the agreed full costs incurred by the developing country Parties in complying with their obligations under Article 12.1 of the Convention, in accordance with Article 4.3, and in particular for the initial and subsequent preparation of national communications of non-Annex I Parties. In this regard, the guidelines and format adopted by the Conference of the Parties at its second session on the preparation of initial national communications by non-Annex I Parties contained in decision 10/CP.2 shall form the basis for the funding of communications from non-Annex I Parties under Article 12.1 of the Convention;

(d) Consider country-specific needs and other approaches which may be used for several countries with similar needs, upon request, and take into account that the preparation of national communications is a continuing process;

(e) When funding the agreed full costs for the preparation of national communications from non-Annex I Parties, finance the agreed full incremental costs of projects related to other commitments contained in the Convention only upon request of the Party concerned;

2. *Invites* developing country Parties that are interested in receiving assistance for enabling activities, in particular for the preparation of national communications in accordance with Article 12 of the Convention, to avail themselves of the financial resources being made available from the financial mechanism for such purposes;

3. *Requests* the Global Environment Facility, as the interim operating entity of the financial mechanism, to report to the Conference of the Parties at its third session on the

implementation of this guidance, including on experience gained in the application of the concept of agreed full incremental costs;

4. *Requests* the Subsidiary Body for Implementation at its fifth session to undertake the review process referred to in decision 9/CP.1 and to report on the outcome to the Conference of the Parties at its third session.

*8th plenary meeting*

*19 July 1996*

**Decision 12/CP.2**

**Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility**

*The Conference of the Parties,*

*Recalling* Article 11.3 of the United Nations Framework Convention on Climate Change,

*Recalling also* its decision 9/CP.1 on the maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention,

*Having considered* the recommendation of the Subsidiary Body for Implementation,

1. *Takes note* of Part Two, section III (a), paragraph 5, of the report of the Conference of the Parties at its first session,<sup>d</sup> which states that the Conference of the Parties should receive and review at each of its sessions a report from the Global Environment Facility;
2. *Adopts* the Memorandum of Understanding annexed to the present decision, thereby bringing it into force;
3. *Requests* the Executive Secretary to inform the Council of the Global Environment Facility of this decision.

*8th plenary meeting  
19 July 1996*

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<sup>d</sup> FCCC/CP/1995/7/Add.1.

Annex

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CONFERENCE  
OF THE PARTIES TO THE UNITED NATIONS FRAMEWORK  
CONVENTION ON CLIMATE CHANGE AND THE COUNCIL OF THE  
GLOBAL ENVIRONMENT FACILITY**

This Memorandum of Understanding is concluded between the Conference of the Parties (hereinafter referred to as "the COP") to the United Nations Framework Convention on Climate Change (hereinafter referred to as "the Convention") and the Council of the Global Environment Facility (hereinafter referred to as the "Council of the GEF"), the international entity entrusted on an interim basis with the operation of the financial mechanism referred to in Article 11 of the Convention.

INTRODUCTION

*The Parties to this Memorandum of Understanding,*

*Recalling* Article 11 of the Convention and recognizing that the financial mechanism is to provide financial resources on a grant and concessional basis, including for the transfer of technology, and is to function under the guidance of and be accountable to the COP, which shall decide on its policies, programme priorities and eligibility criteria related to the Convention,

*Recalling* Article 11.1 which states that the operation of the financial mechanism shall be entrusted to one or more existing international entities,

*Recalling* also the decision of the first session of the COP on the maintenance of the interim arrangements referred to in Article 21.3 that the restructured GEF shall continue, on an interim basis, to be the international entity entrusted with the operation of the financial mechanism, referred to in Article 11,

*Recalling further* the willingness of the GEF to serve for the purposes of the financial mechanism of the Convention as provided in paragraph 6 of the Instrument for the Establishment of the Restructured Global Environment Facility (hereinafter referred to as "the Instrument"),

*Recalling* that, in accordance with Article 11.3, the COP and the entity or entities entrusted with the operation of the financial mechanism shall agree upon arrangements to give effect to Article 11.1 and 11.2,

*Recalling further* that, in accordance with paragraph 27 of the Instrument, the Council of the GEF is to consider and approve cooperative arrangements with the COP,

Have agreed as follows:

Purpose of arrangements

1. The purpose of this Memorandum is to give effect to the respective roles and responsibilities of the COP, the supreme body of the Convention, and the GEF, the international entity entrusted with the operation of the financial mechanism and to provide for the required interaction between them under Article 11 of the Convention and paragraphs 26 and 27 of the Instrument.

Determination and communication of guidance from the COP

2. The COP will, pursuant to Article 11.1, decide on policies, programme priorities and eligibility criteria related to the Convention for the financial mechanism which shall function under the guidance of and be accountable to the COP.

3. The COP will, after each of its sessions, communicate to the Council of the GEF any policy guidance approved by the COP concerning the financial mechanism.

Conformity with COP guidance

4. The Council will ensure the effective operation of the GEF as a source of funding activities for the purposes of the Convention in conformity with the guidance of the COP. It will report regularly to the COP on its activities related to the Convention and on the conformity of those activities with the guidance received from the COP.

Reconsideration of funding decisions

5. The funding decisions for specific projects should be agreed between the developing country Party concerned and the GEF in conformity with policy guidance from the COP. The Council of the GEF is responsible for approving the GEF work programmes. If any Party considers that a decision of the Council regarding a specific project in a proposed work programme does not comply with the policies, programme priorities and eligibility criteria established by the COP in the context of the Convention, the COP should analyse the observations presented to it by the Party and take decisions on the basis of compliance with such policies, programme priorities and eligibility criteria. In the event that the COP considers that this specific project decision does not comply with the policies, programme

priorities and eligibility criteria established by the COP, it may ask the Council of the GEF for further clarification on the specific project decision and in due time may ask for a reconsideration of that decision.

#### Reports from the GEF to the COP

6. Annual reports of the GEF will be made available to the COP through its secretariat. Other official public documentation of the GEF will also be made available to the COP through its secretariat. In order to meet the requirement of its accountability to the COP, the Annual Report of the GEF will cover all GEF-financed activities carried out in implementing the Convention, whether such activities are carried out by the GEF Implementing Agencies, the GEF Secretariat or by executing agencies implementing GEF-financed projects. To this end, the Council of the GEF will require all such bodies, with respect to GEF-financed activities, to comply with GEF policy on disclosure of information.

7. In its reporting on GEF-financed activities under the financial mechanism, the GEF should include specific information on how it has applied the guidance and decisions of the COP in its work related to the Convention. This report should be of a substantive nature and incorporate the programme of GEF activities in the areas covered by the Convention and an analysis of how the GEF, in its operations related to the Convention, has implemented the policies, programme priorities and eligibility criteria established by the COP. In particular, a synthesis of the different projects under implementation and a listing of the projects approved by the Council in the climate change focal area as well as a financial report with an indication of the financial resources required for those projects should be included. The Council should also report on its monitoring and evaluation activities concerning projects in the climate change focal area.

8. The Council of the GEF may seek guidance from the COP on any matter it considers relevant to the operation of the financial mechanism of the Convention.

#### Determination of funding necessary and available

9. In accordance with Article 11.3(d) of the Convention, which calls for arrangements to determine in a predictable and identifiable manner the amount of funding necessary and available for the implementation of the Convention and the conditions under which that amount shall be periodically reviewed, the COP and the Council shall jointly determine the aggregate GEF funding requirements for the purpose of the Convention. Procedures to facilitate such a joint determination will be developed by the COP and the Council and annexed to this Memorandum.



#### Cooperation between secretariats

10. The secretariats of the Convention and of the GEF shall cooperate and exchange on a regular basis views and experiences necessary to facilitate the effectiveness of the financial mechanism in assisting Parties to implement the Convention.

#### Representation in meetings of governing bodies

11. The participation of representatives of the Council of the GEF in meetings of the COP and of its subsidiary bodies will be governed by the rules of procedure of the COP. Likewise, the participation of representatives of the Convention in meetings of the Council of the GEF will be determined in accordance with the rules of procedure of the Council of the GEF. In formulating and applying its rules, each organization will make every effort to accord the other organization reciprocal representation privileges.

#### Review and evaluation of the financial mechanism

12. The COP will periodically review and evaluate the effectiveness of all modalities established in accordance with Article 11.3. Such evaluations will be taken into account by the COP in its decision, pursuant to Article 11.4, on arrangements for the financial mechanism.

#### Modification of the Memorandum of Understanding

13. This Memorandum of Understanding may only be modified in writing by agreement between the COP and the Council of the GEF.

#### Entry into effect

14. This Memorandum of Understanding shall come into force upon its approval by the COP of the Convention and the Council of the GEF.

#### Termination

15. This Memorandum of Understanding may be terminated by either Party giving six months' notice in writing to the other.

**Decision 13/CP.2**

**Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility: annex on the determination of funding necessary and available for the implementation of the Convention**

*The Conference of the Parties,*

*Recalling* Article 11.3 of the United Nations Framework Convention on Climate Change,

*Recalling* also its decision 9/CP.1 on the maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention and decision 10/1 on arrangements between the Conference of the Parties and the operating entity or entities of the financial mechanism,

*Having adopted* the Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility in decision 12/CP.1,

1. *Decides* to refer the text of the annex on the determination of funding necessary and available for the implementation of the Convention adopted by the Council of the Global Environment Facility and the draft annex submitted by the Group of 77 and China (FCCC/SBI/1996/L.4) for consideration by the Subsidiary Body for Implementation at its next session;
2. *Invites* Parties to submit any additional comments on the matter to the Convention secretariat by 30 September 1996;
3. *Requests* the Subsidiary Body for Implementation to report to the Conference of the Parties on the outcome of this matter.

*8th plenary meeting  
19 July 1996*

## Decision 14/CP.2

### Establishment of the permanent secretariat and arrangements for its functioning

*The Conference of the Parties,*

*Having considered* the report of the Executive Secretary on this subject,<sup>1</sup>

#### I. Administrative arrangements

1. *Takes note* with appreciation of the arrangements for United Nations administrative support to the Convention secretariat, including the financing of full administrative support from the proceeds of the overhead charge and *notes* that additional resources are expected to be made available for this purpose from the overhead charge on supplementary contributions;

#### II. Conference servicing

2. *Takes note* with appreciation of General Assembly resolution 50/115, paragraphs 8, 9 and 10, regarding the financing, from the regular programme budget of the United Nations, of the conference servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies;

3. *Takes note* of General Assembly resolution 50/232 on the budgeting of conference servicing and *requests* the Executive Secretary to keep Parties informed of any further decisions of the General Assembly, and their implications;

#### III. Senior posts

4. *Takes note* of the outcome of the consultations with the Secretary-General of the United Nations on the levels of remuneration of the post of the head of the Convention secretariat and of the two other senior posts in the approved staffing table for the core budget;

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<sup>1</sup> FCCC/CP/1996/6 and Add. 1-3.

5. *Takes note* with appreciation of the appointment of the Executive Secretary for two years from 1 January 1996 at the level of Assistant Secretary-General of the United Nations;

6. *Recalls* its decision to review at its third session the levels of remuneration of the three senior posts;

#### IV. Review

7. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at its fifth session on the results of the 1996 review of administrative support and of the Secretary-General's report to the fifty-first session of the General Assembly on the implementation of resolution 50/115.

#### V. Focal points and liaison arrangements

8. *Takes note* of the secretariat's plans for administrative and other liaison arrangements in Geneva until the end of 1997;

9. *Requests* Parties that have not yet done so to communicate to the secretariat their decision on the designation of focal points, as well as any need for liaison arrangements between their focal point and the secretariat in Bonn, so as to enable the Executive Secretary, in conjunction with other Convention secretariats and United Nations bodies, to explore the availability, cost, and funding of suitable liaison arrangements in Geneva and/or New York, and to report thereon to the Subsidiary Body for Implementation at its fifth session;

#### VI. Appreciation

10. *Expresses* its deep appreciation to the Government of Germany and the city of Bonn for the excellent facilities and support they are providing to the secretariat and looks forward to a smooth transition to the new location of the secretariat in Bonn.

*8th plenary meeting*

*19 July 1996*

## Decision 15/CP.2

### Agreement concerning the headquarters of the Convention secretariat

*The Conference of the Parties,*

*Recalling* its decision 16/CP.1 of 7 April 1995 accepting "the offer of the Government of the Federal Republic of Germany to host the Convention secretariat",

*Recalling also* that the Conference of the Parties, by its decision 14/CP.1, decided that the Convention secretariat should be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme, and decided further to review the functioning of the institutional linkage of the Convention secretariat to the United Nations, not later than 31 December 1999, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties,

1. *Approves* the conclusions of the Subsidiary Body for Implementation adopted at its second session on 8 March 1996 (FCCC/SBI/1996/9, para. 66), and the Agreement signed in Bonn on 20 June 1996 concerning the headquarters of the Convention secretariat (FCCC/CP/1996/MISC.1);

2. *Concludes* that the Conference of the Parties should consider, in the context of the review of the functioning of the institutional linkage of the Convention secretariat to the United Nations, whether the functions that have to be carried out by the secretariat necessitate that it be given juridical personality on the international plane.

*8th plenary meeting  
19 July 1996*

## Decision 16/CP.2

### Income and budget performance, and resource deployment for 1997

*The Conference of the Parties,*

*Recalling* its decision 17/CP.1, whereby it requested the head of the secretariat to report to the Conference of the Parties on income and budget performance, and to propose any adjustment that might be needed in the Convention budget for 1996-1997,

*Having considered* the related report of the Executive Secretary,<sup>1</sup>

#### I. Core Budget Fund

1. *Notes* that the net total requirements for the biennium 1996/1997 are currently estimated at \$13,573,500;
2. *Requests* the Executive Secretary to communicate to all Parties, by 1 November 1996, the indicative contributions payable for 1997, in the light of the above estimates and of contributions already made in 1996;
3. *Urges* Parties that have not paid their 1996 contributions to do so without further delay, and urges all Parties to pay their 1997 contributions when they fall due on 1 January 1997;
4. *Notes* that the revised estimates for the biennium continue to be based on, *inter alia*, the assumption that the costs of conference servicing will be financed from the regular budget of the United Nations, and requests the Executive Secretary to monitor related developments and report thereon as required;
5. *Takes note* that the Executive Secretary has responded and will continue to respond to evolving demands on core budget resources by using staff in a flexible manner and by redeploying them as needed within available resources and within the limits established by paragraph 5 of decision 17/CP.1;

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<sup>1</sup> FCCC/CP/1996/7 and Add.1.

6. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of estimated expenditure for 1997, and to review that level at its third session;

## II. Trust Fund for Participation in the UNFCCC process

7. *Takes note* of the information provided by the Executive Secretary on this Trust Fund in his report;

8. *Decides* to finance from the Fund the following activities, subject to availability of resources:

(a) The participation of representatives of eligible Parties in any meetings of such expert bodies as may be specifically convened by the Conference of the Parties or its subsidiary bodies;

(b) The participation of representatives of eligible Parties in intersessional meetings of the Bureaux of the Conference of the Parties or of its subsidiary bodies; and the participation of Bureau members in consultations or official meetings related to the Convention process.

9. *Invites* all Parties to continue to make contributions to this Fund;

## III. Trust Fund for Supplementary Activities

10. *Takes note* of the information provided by the Executive Secretary on this Trust Fund in his report;

11. *Expresses* its appreciation to the Government of Germany for the special contribution made to this Fund for each of the years 1996 and 1997;

12. *Invites* all Parties to continue to make contributions to this Fund;

## IV. Trust Funds established under General Assembly Resolution 45/212

13. *Expresses* its appreciation for the generous contributions, amounting to \$13,126,768, made during the lifetime of these Funds, which have considerably assisted the development of the Convention process;

V. Follow-up action

14. *Requests* the Executive Secretary to submit to the Conference of the Parties at its third session, through the Subsidiary Body for Implementation, a further report on financial performance for the biennium 1996/1997;

15. *Further requests* the Executive Secretary to provide to the Subsidiary Body for Implementation, at its fifth session in February/March 1997, some perspective of estimated financial requirements for the biennium 1998/1999.

*8th plenary meeting*

*19 July 1996*



**Decision 17/CP.2**

**Volume of documentation**

*The Conference of the Parties*

1. *Calls* on all Parties to limit, to the extent possible, requests for additional documentation, and also the volume of comments submitted for consideration by the Conference of the Parties or its subsidiary bodies;
2. *Requests* the Executive Secretary to limit, to the extent possible, the number and length of documents produced by the secretariat;
3. *Requests* the Executive Secretary to submit to the Subsidiary Body for Implementation, at its fifth session, further options for reducing the cost of documentation for the meetings of the Conference of the Parties and its subsidiary bodies.

*8th plenary meeting  
19 July 1996*

## II. RESOLUTION ADOPTED BY THE CONFERENCE OF THE PARTIES

### Resolution 1/CP.2

#### Expression of gratitude to the Government of Switzerland

##### *The Conference of the Parties*

1. *Expresses its profound gratitude* to the Government of Switzerland for facilitating the work of the Convention process since 1991, and for the hospitality and warm welcome extended to the participants at its second session;

2. *Also expresses its gratitude* to the relevant authorities of the Swiss Confederation and of the Republic and Canton of Geneva for all that they have done and continue to do to provide the Convention secretariat with a supportive working environment in the city of Geneva.

*9th plenary meeting*

*19 July 1996*

### III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

1. Action by the Depositary of the Convention

At its 2nd plenary meeting, on 8 July 1996, the Conference of the Parties requested the secretariat to report in due course to the Parties to the Convention, through the Subsidiary Body for Implementation, on the results of its consultations with the United Nations Office of Legal Affairs and on any action taken by the Depositary in response to the request from the Czech Republic and Slovakia that the name of Czechoslovakia be deleted from Annex I to the Convention, and that the names of the Czech Republic and the Slovak Republic be included in Annex I (see Part One, section II A, para. 10, of the present report).

2. Intergovernmental technical advisory panel(s)

At its 2nd plenary meeting, on 8 July 1996, the Conference of the Parties decided to request the Subsidiary Body for Scientific and Technological Advice to revert to the question of the establishment of international technical advisory panel(s), at a future session to be specified, in the light of any experience gained from the operation of any future roster of experts (see Part One, section VI A, para. 62, of the present report).

3. Special session of the General Assembly on Agenda 21

At its 4th plenary meeting, on 12 July 1996, the Conference of the Parties decided, in response to the invitation by the General Assembly in its resolution 50/113 to provide an input to its special session on Agenda 21, to request the Subsidiary Body for Implementation to consider this matter at its fifth session, in February 1997, and to provide an input to the special session of the General Assembly on behalf of the Conference of the Parties. It further requested the Convention secretariat to submit a brief report to the Subsidiary Body for Implementation, to facilitate its work on such an input (see Part One, section VIII, para. 69, of the present report).

4. Division of labour between the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice

At its 4th plenary meeting, on 12 July 1996, the Conference of the Parties decided to take up, at its third session, the question of the division of labour between the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, on the basis of recommendations made to it by the Chairmen of the two subsidiary bodies (see Part One, section II F, para. 24, of the present report).

## 5. The Geneva Ministerial Declaration

At its 7th plenary meeting, on 18 July 1996, the Conference of the Parties took note of the Geneva Ministerial Declaration and agreed that it should be annexed to the report of the Conference (see Part One, section IV, paras. 41 and 45, of the present report). For the text of the Declaration, see the annex below. For statements made in this connection, see Part One, annex IV, of the present report.

## 6. Calendar of meetings

At its 9th plenary meeting, on 19 July 1996, the Conference of the Parties, noting the recommendation of the Bureau that the SBSTA, the SBI and the Ad Hoc Group on Article 13 should not meet concurrently with the third session of the Conference of the Parties, agreed to the following calendar of meetings proposed by the Executive Secretary on the basis of discussions in the Bureau. The Conference also agreed that the Bureau would keep the calendar under review. (See Part One, section II G, para. 25, of the present report).

### Subsidiary Body for Scientific and Technological Advice

- Fourth session                      16 - 18 December 1996
- Fifth session                        24 - 28 February 1997
- Sixth session                        third quarter of 1997 (to be confirmed)

### Subsidiary Body for Implementation

- Fourth session                      10 - 11 December 1996
- Fifth session                        24 - 28 February 1997
- Sixth session                        third quarter of 1997 (to be confirmed)

### Ad Hoc Group on the Berlin Mandate

- Fifth session                        9 - 13 December 1996
- Sixth session                        3 - 7 March 1997
- Seventh session                    third quarter of 1997 (to be confirmed)
- Eighth session                      December 1997 (to be held concurrently with COP 3)

### Ad Hoc Group on Article 13

- Third session                        16 - 18 December 1996
- Fourth session                      in the period 24 February - 7 March 1997

### Conference of the Parties

- Third session                        1 - 12 December 1997

## Annex

### **The Geneva Ministerial Declaration\*\***

#### **The Ministers and other heads of delegations present at the second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change,**

*Noting* that this, our meeting at Ministerial level under the Convention, is a demonstration of our intention to continue to take an active and constructive role in addressing the threat of climate change,

1. *Recall* Article 2 of the Convention; the principles of equity and of common but differentiated responsibilities and respective capabilities in Article 3.1 of the Convention; and the provisions of Article 3.3 concerning precautionary measures; as well as the specific national and regional development priorities, objectives and circumstances of the Parties to the Convention;

2. *Recognize and endorse* the Second Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) as currently the most comprehensive and authoritative assessment of the science of climate change, its impacts and response options now available. Ministers believe that the Second Assessment Report should provide a scientific basis for urgently strengthening action at the global, regional and national levels, particularly action by Parties included in Annex I to the Convention (Annex I Parties) to limit and reduce emissions of greenhouse gases, and for all Parties to support the development of a Protocol or another legal instrument; and *note* the findings of the IPCC, in particular the following:

- The balance of evidence suggests a discernible human influence on global climate. Without specific policies to mitigate climate change, the global average surface temperature relative to 1990 is projected to increase by about 2C (between 1C and 3.5C) by 2100; average sea level is projected to rise by about 50 centimetres (between 15 and 95 centimetres) above present levels by 2100. Stabilization of atmospheric concentrations at twice pre-industrial levels will eventually require global emissions to be less than 50 per cent of current levels;

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\*\* For the action taken by the Conference of the Parties, see section 5 above.

- The projected changes in climate will result in significant, often adverse, impacts on many ecological systems and socio-economic sectors, including food supply and water resources, and on human health. In some cases, the impacts are potentially irreversible; developing countries and small island countries are typically more vulnerable to climate change;
- Significant reductions in net greenhouse gas emissions are technically possible and economically feasible by utilizing an array of technology policy measures that accelerate technology development, diffusion and transfer; and significant no-regrets opportunities are available in most countries to reduce net greenhouse gas emissions;

3. *Believe* that the findings of the Second Assessment Report indicate that the continued rise of greenhouse gas concentrations in the atmosphere will lead to dangerous interference with the climate system, given the serious risk of an increase in temperature and particularly the very high rate of temperature change;

4. *Recognize* also the need for continuing work by the IPCC to further reduce scientific uncertainties, in particular regarding socio-economic and environmental impacts on developing countries, including those vulnerable to drought, desertification or sea-level rise;

5. *Reaffirm* the existing commitments under the Convention, including those intended to demonstrate that Annex I Parties are taking the lead in modifying longer-term trends in emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, and *agree* to strengthen the process under the Convention for the regular review of the implementation of present and future commitments;

6. *Take note* that Annex I Parties are fulfilling their commitments to implement national policies and measures on the mitigation of climate change. Also *take note* that this is not the only commitment that Annex I Parties have made and that many of these Parties need to make additional efforts to overcome difficulties that they face in achieving the aim of returning their emissions of greenhouse gases to 1990 levels by 2000;

7. *Acknowledge* the considerable work done by the Ad Hoc Group on the Berlin Mandate (AGBM) since the first session of the Conference of the Parties, including the substantive proposals presented by a number of Parties, and *call on* all Parties to come forward with proposals to facilitate substantive negotiations beginning at the fifth session of the AGBM in December 1996;

8. *Instruct* their representatives to accelerate negotiations on the text of a legally-binding protocol or another legal instrument to be completed in due time for adoption at the third session of the Conference of the Parties. The outcome should fully encompass the remit of the Berlin Mandate, in particular:

- commitments for Annex I Parties regarding:
  - \* policies and measures including, as appropriate, regarding energy, transport, industry, agriculture, forestry, waste management, economic instruments, institutions and mechanisms;
  - \* quantified legally-binding objectives for emission limitations and significant overall reductions within specified time-frames, such as 2005, 2010, 2020, with respect to their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol;
- commitments for all Parties on continuing to advance the implementation of existing commitments in Article 4.1;
- a mechanism to allow the regular review and strengthening of the commitments embodied in a protocol or other legal instrument;
- commitments to a global effort to speed up the development, application, diffusion and transfer of climate-friendly technologies, practices and processes; in this regard, further concrete action should be taken;

9. *Welcome* the efforts of developing country Parties to implement the Convention and thus to address climate change and its adverse impacts and, to this end, to make their initial national communications in accordance with guidelines adopted by the Conference of the Parties at its second session; and *call on* the GEF to provide expeditious and timely support to these Parties and initiate work towards a full replenishment in 1997;

10. *Recognize* that the continuing advancement of existing commitments by developing country Parties, in the context of their national priorities for sustainable development, requires determined and timely action, in particular by Annex II Parties. Access to financial resources and to environmentally-sound technologies consistent with Article 4.3, 4.4, 4.5 and 4.7 will be most critical;

11. *Thank* the Government of the Swiss Confederation for its contribution to the work of the second session of the Conference of the Parties in Geneva and *look forward* to meeting again at the third session in Kyoto, in 1997, thanks to the generous offer of the Government of Japan.

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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS THIRD SESSION, HELD AT KYOTO  
FROM 1 TO 11 DECEMBER 1997

Addendum

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

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## I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Decision 1/CP.3

#### **Adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change**

*The Conference of the Parties,*

*Having reviewed* Article 4, paragraph 2(a) and (b), of the United Nations Framework Convention on Climate Change at its first session and having concluded that these subparagraphs are not adequate,

*Recalling* its decision 1/CP.1 entitled “The Berlin Mandate: Review of the adequacy of Article 4, paragraph 2(a) and (b), of the Convention, including proposals related to a protocol and decisions on follow-up”, by which it agreed to begin a process to enable it to take appropriate action for the period beyond 2000 through the adoption of a protocol or another legal instrument at its third session,

*Recalling further* that one aim of the process was to strengthen the commitments in Article 4, paragraph 2(a) and (b) of the Convention, for developed country/other Parties included in Annex I, both to elaborate policies and measures, and to set quantified limitation and reduction objectives within specified time-frames, such as 2005, 2010 and 2020, for their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol,

*Recalling also* that, according to the Berlin Mandate, the process will not introduce any new commitments for Parties not included in Annex I, but reaffirm existing commitments in Article 4, paragraph 1, and continue to advance the implementation of these commitments in order to achieve sustainable development, taking into account Article 4, paragraphs 3, 5 and 7,

*Noting* the reports of the Ad Hoc Group on the Berlin Mandate on its eight sessions,<sup>1</sup>

*Having considered with appreciation* the report presented by the Chairman of the Ad Hoc Group on the Berlin Mandate,

*Taking note with appreciation* of the report of the Chairman of the Committee of the Whole on the outcome of the work of the Committee,

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<sup>1</sup> FCCC/AGBM/1995/2 and Corr.1, and 7 and Corr.1; FCCC/AGBM/1996/5, 8, and 11; FCCC/AGBM/1997/3, 3/Add.1 and Corr.1, 5, 8 and 8/Add.1.

*Recognizing* the need to prepare for the early entry into force of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Aware* of the desirability of the timely commencement of work to pave the way for a successful outcome of the fourth session of the Conference of the Parties, to be held in Buenos Aires, Argentina,

1. *Decides to adopt* the Kyoto Protocol to the United Nations Framework Convention on Climate Change, annexed hereto;
2. *Requests* the Secretary-General of the United Nations to be the Depositary of this Protocol and to open it for signature in New York from 16 March 1998 until 15 March 1999;
3. *Invites* all Parties to the United Nations Framework Convention on Climate Change to sign the Protocol on 16 March 1998 or at the earliest opportunity thereafter, and to deposit instruments of ratification, acceptance or approval, or instruments of accession where appropriate, as soon as possible;
4. *Further invites* States that are not parties to the Convention to ratify or accede to it, as appropriate, without delay, so that they may become Parties to the Protocol;
5. *Requests* the Chairman of the Subsidiary Body for Scientific and Technological Advice and the Chairman of the Subsidiary Body for Implementation, taking into account the approved programme budget for the biennium 1998-1999 and the related programme of work of the secretariat,<sup>2</sup> to give guidance to the secretariat on the preparatory work needed for consideration by the Conference of the Parties, at its fourth session, of the following matters, and to allocate work thereon to the respective subsidiary bodies as appropriate:
  - (a) Determination of modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in greenhouse gas emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories shall be added to, or subtracted from, the assigned amounts for Parties to the Protocol included in Annex I to the Convention, as provided for under Article 3, paragraph 4, of the Protocol;
  - (b) Definition of relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability of emissions trading, pursuant to Article 17 of the Protocol;
  - (c) Elaboration of guidelines for any Party to the Protocol included in Annex I to the Convention to transfer to, or acquire from, any other such Party emission reduction units

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<sup>2</sup> FCCC/CP/1997/INF.1.

resulting from projects aimed at reducing anthropogenic emissions by sources or enhancing anthropogenic removals by sinks of greenhouse gases in any sector of the economy, as provided for under Article 6 of the Protocol;

(d) Consideration of and, as appropriate, action on suitable methodologies to address the situation of Parties listed in Annex B to the Protocol for which single projects would have a significant proportional impact on emissions in the commitment period;

(e) Analysis of the implications of Article 12, paragraph 10, of the Protocol;

6. *Invites* the Chairman of the Subsidiary Body for Scientific and Technological Advice and the Chairman of the Subsidiary Body for Implementation to make a joint proposal to those bodies, at their eighth sessions, on the allocation to them of preparatory work to enable the Conference of the Parties serving as the meeting of the Parties to the Protocol, at its first session after the entry into force of the Protocol, to accomplish the tasks assigned to it by the Protocol.

*12th plenary meeting  
11 December 1997*

**Annex**

**KYOTO PROTOCOL TO THE  
UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE**

*The Parties to this Protocol,*

*Being Parties to the United Nations Framework Convention on Climate Change, hereinafter referred to as “the Convention”,*

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

*Recalling the provisions of the Convention,*

*Being guided by Article 3 of the Convention,*

*Pursuant to the Berlin Mandate adopted by decision 1/CP.1 of the Conference of the Parties to the Convention at its first session,*

Have agreed as follows:

**Article 1**

For the purposes of this Protocol, the definitions contained in Article 1 of the Convention shall apply. In addition:

1. “Conference of the Parties” means the Conference of the Parties to the Convention.
2. “Convention” means the United Nations Framework Convention on Climate Change, adopted in New York on 9 May 1992.
3. “Intergovernmental Panel on Climate Change” means the Intergovernmental Panel on Climate Change established in 1988 jointly by the World Meteorological Organization and the United Nations Environment Programme.
4. “Montreal Protocol” means the Montreal Protocol on Substances that Deplete the Ozone Layer, adopted in Montreal on 16 September 1987 and as subsequently adjusted and amended.
5. “Parties present and voting” means Parties present and casting an affirmative or negative vote.
6. “Party” means, unless the context otherwise indicates, a Party to this Protocol.

7. “Party included in Annex I” means a Party included in Annex I to the Convention, as may be amended, or a Party which has made a notification under Article 4, paragraph 2(g), of the Convention.

## Article 2

1. Each Party included in Annex I, in achieving its quantified emission limitation and reduction commitments under Article 3, in order to promote sustainable development, shall:

(a) Implement and/or further elaborate policies and measures in accordance with its national circumstances, such as:

- (i) Enhancement of energy efficiency in relevant sectors of the national economy;
- (ii) Protection and enhancement of sinks and reservoirs of greenhouse gases not controlled by the Montreal Protocol, taking into account its commitments under relevant international environmental agreements; promotion of sustainable forest management practices, afforestation and reforestation;
- (iii) Promotion of sustainable forms of agriculture in light of climate change considerations;
- (iv) Research on, and promotion, development and increased use of, new and renewable forms of energy, of carbon dioxide sequestration technologies and of advanced and innovative environmentally sound technologies;
- (v) Progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors that run counter to the objective of the Convention and application of market instruments;
- (vi) Encouragement of appropriate reforms in relevant sectors aimed at promoting policies and measures which limit or reduce emissions of greenhouse gases not controlled by the Montreal Protocol;
- (vii) Measures to limit and/or reduce emissions of greenhouse gases not controlled by the Montreal Protocol in the transport sector;



- (viii) Limitation and/or reduction of methane emissions through recovery and use in waste management, as well as in the production, transport and distribution of energy;

(b) Cooperate with other such Parties to enhance the individual and combined effectiveness of their policies and measures adopted under this Article, pursuant to Article 4, paragraph 2(e)(i), of the Convention. To this end, these Parties shall take steps to share their experience and exchange information on such policies and measures, including developing ways of improving their comparability, transparency and effectiveness. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session or as soon as practicable thereafter, consider ways to facilitate such cooperation, taking into account all relevant information.

2. The Parties included in Annex I shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively.

3. The Parties included in Annex I shall strive to implement policies and measures under this Article in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, taking into account Article 3 of the Convention. The Conference of the Parties serving as the meeting of the Parties to this Protocol may take further action, as appropriate, to promote the implementation of the provisions of this paragraph.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol, if it decides that it would be beneficial to coordinate any of the policies and measures in paragraph 1(a) above, taking into account different national circumstances and potential effects, shall consider ways and means to elaborate the coordination of such policies and measures.

### **Article 3**

1. The Parties included in Annex I shall, individually or jointly, ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts, calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Annex B and in accordance with the provisions of this Article, with a view to reducing their overall emissions of such gases by at least 5 per cent below 1990 levels in the commitment period 2008 to 2012.

2. Each Party included in Annex I shall, by 2005, have made demonstrable progress in achieving its commitments under this Protocol.

3. The net changes in greenhouse gas emissions by sources and removals by sinks resulting from direct human-induced land-use change and forestry activities, limited to afforestation, reforestation and deforestation since 1990, measured as verifiable changes in carbon stocks in each commitment period, shall be used to meet the commitments under this Article of each Party included in Annex I. The greenhouse gas emissions by sources and removals by sinks associated with those activities shall be reported in a transparent and verifiable manner and reviewed in accordance with Articles 7 and 8.
4. Prior to the first session of the Conference of the Parties serving as the meeting of the Parties to this Protocol, each Party included in Annex I shall provide, for consideration by the Subsidiary Body for Scientific and Technological Advice, data to establish its level of carbon stocks in 1990 and to enable an estimate to be made of its changes in carbon stocks in subsequent years. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session or as soon as practicable thereafter, decide upon modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in greenhouse gas emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories shall be added to, or subtracted from, the assigned amounts for Parties included in Annex I, taking into account uncertainties, transparency in reporting, verifiability, the methodological work of the Intergovernmental Panel on Climate Change, the advice provided by the Subsidiary Body for Scientific and Technological Advice in accordance with Article 5 and the decisions of the Conference of the Parties. Such a decision shall apply in the second and subsequent commitment periods. A Party may choose to apply such a decision on these additional human-induced activities for its first commitment period, provided that these activities have taken place since 1990.
5. The Parties included in Annex I undergoing the process of transition to a market economy whose base year or period was established pursuant to decision 9/CP.2 of the Conference of the Parties at its second session shall use that base year or period for the implementation of their commitments under this Article. Any other Party included in Annex I undergoing the process of transition to a market economy which has not yet submitted its first national communication under Article 12 of the Convention may also notify the Conference of the Parties serving as the meeting of the Parties to this Protocol that it intends to use an historical base year or period other than 1990 for the implementation of its commitments under this Article. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall decide on the acceptance of such notification.
6. Taking into account Article 4, paragraph 6, of the Convention, in the implementation of their commitments under this Protocol other than those under this Article, a certain degree of flexibility shall be allowed by the Conference of the Parties serving as the meeting of the Parties to this Protocol to the Parties included in Annex I undergoing the process of transition to a market economy.

7. In the first quantified emission limitation and reduction commitment period, from 2008 to 2012, the assigned amount for each Party included in Annex I shall be equal to the percentage inscribed for it in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A in 1990, or the base year or period determined in accordance with paragraph 5 above, multiplied by five. Those Parties included in Annex I for whom land-use change and forestry constituted a net source of greenhouse gas emissions in 1990 shall include in their 1990 emissions base year or period the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in 1990 from land-use change for the purposes of calculating their assigned amount.
8. Any Party included in Annex I may use 1995 as its base year for hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride, for the purposes of the calculation referred to in paragraph 7 above.
9. Commitments for subsequent periods for Parties included in Annex I shall be established in amendments to Annex B to this Protocol, which shall be adopted in accordance with the provisions of Article 21, paragraph 7. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall initiate the consideration of such commitments at least seven years before the end of the first commitment period referred to in paragraph 1 above.
10. Any emission reduction units, or any part of an assigned amount, which a Party acquires from another Party in accordance with the provisions of Article 6 or of Article 17 shall be added to the assigned amount for the acquiring Party.
11. Any emission reduction units, or any part of an assigned amount, which a Party transfers to another Party in accordance with the provisions of Article 6 or of Article 17 shall be subtracted from the assigned amount for the transferring Party.
12. Any certified emission reductions which a Party acquires from another Party in accordance with the provisions of Article 12 shall be added to the assigned amount for the acquiring Party.
13. If the emissions of a Party included in Annex I in a commitment period are less than its assigned amount under this Article, this difference shall, on request of that Party, be added to the assigned amount for that Party for subsequent commitment periods.
14. Each Party included in Annex I shall strive to implement the commitments mentioned in paragraph 1 above in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention. In line with relevant decisions of the Conference of the Parties on the implementation of those paragraphs, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, consider what actions are necessary to minimize the adverse effects of climate change and/or the impacts of

response measures on Parties referred to in those paragraphs. Among the issues to be considered shall be the establishment of funding, insurance and transfer of technology.

#### **Article 4**

1. Any Parties included in Annex I that have reached an agreement to fulfil their commitments under Article 3 jointly, shall be deemed to have met those commitments provided that their total combined aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A do not exceed their assigned amounts calculated pursuant to their quantified emission limitation and reduction commitments inscribed in Annex B and in accordance with the provisions of Article 3. The respective emission level allocated to each of the Parties to the agreement shall be set out in that agreement.
2. The Parties to any such agreement shall notify the secretariat of the terms of the agreement on the date of deposit of their instruments of ratification, acceptance or approval of this Protocol, or accession thereto. The secretariat shall in turn inform the Parties and signatories to the Convention of the terms of the agreement.
3. Any such agreement shall remain in operation for the duration of the commitment period specified in Article 3, paragraph 7.
4. If Parties acting jointly do so in the framework of, and together with, a regional economic integration organization, any alteration in the composition of the organization after adoption of this Protocol shall not affect existing commitments under this Protocol. Any alteration in the composition of the organization shall only apply for the purposes of those commitments under Article 3 that are adopted subsequent to that alteration.
5. In the event of failure by the Parties to such an agreement to achieve their total combined level of emission reductions, each Party to that agreement shall be responsible for its own level of emissions set out in the agreement.
6. If Parties acting jointly do so in the framework of, and together with, a regional economic integration organization which is itself a Party to this Protocol, each member State of that regional economic integration organization individually, and together with the regional economic integration organization acting in accordance with Article 24, shall, in the event of failure to achieve the total combined level of emission reductions, be responsible for its level of emissions as notified in accordance with this Article.

#### **Article 5**

1. Each Party included in Annex I shall have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. Guidelines for such national systems, which shall incorporate the

methodologies specified in paragraph 2 below, shall be decided upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol at its first session.

2. Methodologies for estimating anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol shall be those accepted by the Intergovernmental Panel on Climate Change and agreed upon by the Conference of the Parties at its third session. Where such methodologies are not used, appropriate adjustments shall be applied according to methodologies agreed upon by the Conference of the Parties serving as the meeting of the Parties to this Protocol at its first session. Based on the work of, *inter alia*, the Intergovernmental Panel on Climate Change and advice provided by the Subsidiary Body for Scientific and Technological Advice, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall regularly review and, as appropriate, revise such methodologies and adjustments, taking fully into account any relevant decisions by the Conference of the Parties. Any revision to methodologies or adjustments shall be used only for the purposes of ascertaining compliance with commitments under Article 3 in respect of any commitment period adopted subsequent to that revision.

3. The global warming potentials used to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks of greenhouse gases listed in Annex A shall be those accepted by the Intergovernmental Panel on Climate Change and agreed upon by the Conference of the Parties at its third session. Based on the work of, *inter alia*, the Intergovernmental Panel on Climate Change and advice provided by the Subsidiary Body for Scientific and Technological Advice, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall regularly review and, as appropriate, revise the global warming potential of each such greenhouse gas, taking fully into account any relevant decisions by the Conference of the Parties. Any revision to a global warming potential shall apply only to commitments under Article 3 in respect of any commitment period adopted subsequent to that revision.

## Article 6

1. For the purpose of meeting its commitments under Article 3, any Party included in Annex I may transfer to, or acquire from, any other such Party emission reduction units resulting from projects aimed at reducing anthropogenic emissions by sources or enhancing anthropogenic removals by sinks of greenhouse gases in any sector of the economy, provided that:

- (a) Any such project has the approval of the Parties involved;
- (b) Any such project provides a reduction in emissions by sources, or an enhancement of removals by sinks, that is additional to any that would otherwise occur;
- (c) It does not acquire any emission reduction units if it is not in compliance with its obligations under Articles 5 and 7; and

(d) The acquisition of emission reduction units shall be supplemental to domestic actions for the purposes of meeting commitments under Article 3.

2. The Conference of the Parties serving as the meeting of the Parties to this Protocol may, at its first session or as soon as practicable thereafter, further elaborate guidelines for the implementation of this Article, including for verification and reporting.

3. A Party included in Annex I may authorize legal entities to participate, under its responsibility, in actions leading to the generation, transfer or acquisition under this Article of emission reduction units.

4. If a question of implementation by a Party included in Annex I of the requirements referred to in this Article is identified in accordance with the relevant provisions of Article 8, transfers and acquisitions of emission reduction units may continue to be made after the question has been identified, provided that any such units may not be used by a Party to meet its commitments under Article 3 until any issue of compliance is resolved.

#### **Article 7**

1. Each Party included in Annex I shall incorporate in its annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, submitted in accordance with the relevant decisions of the Conference of the Parties, the necessary supplementary information for the purposes of ensuring compliance with Article 3, to be determined in accordance with paragraph 4 below.

2. Each Party included in Annex I shall incorporate in its national communication, submitted under Article 12 of the Convention, the supplementary information necessary to demonstrate compliance with its commitments under this Protocol, to be determined in accordance with paragraph 4 below.

3. Each Party included in Annex I shall submit the information required under paragraph 1 above annually, beginning with the first inventory due under the Convention for the first year of the commitment period after this Protocol has entered into force for that Party. Each such Party shall submit the information required under paragraph 2 above as part of the first national communication due under the Convention after this Protocol has entered into force for it and after the adoption of guidelines as provided for in paragraph 4 below. The frequency of subsequent submission of information required under this Article shall be determined by the Conference of the Parties serving as the meeting of the Parties to this Protocol, taking into account any timetable for the submission of national communications decided upon by the Conference of the Parties.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for the preparation of the information required under this Article, taking into account guidelines for

the preparation of national communications by Parties included in Annex I adopted by the Conference of the Parties. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall also, prior to the first commitment period, decide upon modalities for the accounting of assigned amounts.

### **Article 8**

1. The information submitted under Article 7 by each Party included in Annex I shall be reviewed by expert review teams pursuant to the relevant decisions of the Conference of the Parties and in accordance with guidelines adopted for this purpose by the Conference of the Parties serving as the meeting of the Parties to this Protocol under paragraph 4 below. The information submitted under Article 7, paragraph 1, by each Party included in Annex I shall be reviewed as part of the annual compilation and accounting of emissions inventories and assigned amounts. Additionally, the information submitted under Article 7, paragraph 2, by each Party included in Annex I shall be reviewed as part of the review of communications.

2. Expert review teams shall be coordinated by the secretariat and shall be composed of experts selected from those nominated by Parties to the Convention and, as appropriate, by intergovernmental organizations, in accordance with guidance provided for this purpose by the Conference of the Parties.

3. The review process shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of this Protocol. The expert review teams shall prepare a report to the Conference of the Parties serving as the meeting of the Parties to this Protocol, assessing the implementation of the commitments of the Party and identifying any potential problems in, and factors influencing, the fulfilment of commitments. Such reports shall be circulated by the secretariat to all Parties to the Convention. The secretariat shall list those questions of implementation indicated in such reports for further consideration by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall adopt at its first session, and review periodically thereafter, guidelines for the review of implementation of this Protocol by expert review teams taking into account the relevant decisions of the Conference of the Parties.

5. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, with the assistance of the Subsidiary Body for Implementation and, as appropriate, the Subsidiary Body for Scientific and Technological Advice, consider:

(a) The information submitted by Parties under Article 7 and the reports of the expert reviews thereon conducted under this Article; and

(b) Those questions of implementation listed by the secretariat under paragraph 3 above, as well as any questions raised by Parties.

6. Pursuant to its consideration of the information referred to in paragraph 5 above, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall take decisions on any matter required for the implementation of this Protocol.

### **Article 9**

1. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall periodically review this Protocol in the light of the best available scientific information and assessments on climate change and its impacts, as well as relevant technical, social and economic information. Such reviews shall be coordinated with pertinent reviews under the Convention, in particular those required by Article 4, paragraph 2(d), and Article 7, paragraph 2(a), of the Convention. Based on these reviews, the Conference of the Parties serving as the meeting of the Parties to this Protocol shall take appropriate action.

2. The first review shall take place at the second session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. Further reviews shall take place at regular intervals and in a timely manner.

### **Article 10**

All Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, without introducing any new commitments for Parties not included in Annex I, but reaffirming existing commitments under Article 4, paragraph 1, of the Convention, and continuing to advance the implementation of these commitments in order to achieve sustainable development, taking into account Article 4, paragraphs 3, 5 and 7, of the Convention, shall:

(a) Formulate, where relevant and to the extent possible, cost-effective national and, where appropriate, regional programmes to improve the quality of local emission factors, activity data and/or models which reflect the socio-economic conditions of each Party for the preparation and periodic updating of national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, using comparable methodologies to be agreed upon by the Conference of the Parties, and consistent with the guidelines for the preparation of national communications adopted by the Conference of the Parties;

(b) Formulate, implement, publish and regularly update national and, where appropriate, regional programmes containing measures to mitigate climate change and measures to facilitate adequate adaptation to climate change:

(i) Such programmes would, *inter alia*, concern the energy, transport and industry sectors as well as agriculture, forestry and waste management. Furthermore, adaptation technologies and methods for improving spatial planning would improve adaptation to climate change; and



- (ii) Parties included in Annex I shall submit information on action under this Protocol, including national programmes, in accordance with Article 7; and other Parties shall seek to include in their national communications, as appropriate, information on programmes which contain measures that the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of increases in greenhouse gas emissions, and enhancement of and removals by sinks, capacity building and adaptation measures;

(c) Cooperate in the promotion of effective modalities for the development, application and diffusion of, and take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies, know-how, practices and processes pertinent to climate change, in particular to developing countries, including the formulation of policies and programmes for the effective transfer of environmentally sound technologies that are publicly owned or in the public domain and the creation of an enabling environment for the private sector, to promote and enhance the transfer of, and access to, environmentally sound technologies;

(d) Cooperate in scientific and technical research and promote the maintenance and the development of systematic observation systems and development of data archives to reduce uncertainties related to the climate system, the adverse impacts of climate change and the economic and social consequences of various response strategies, and promote the development and strengthening of endogenous capacities and capabilities to participate in international and intergovernmental efforts, programmes and networks on research and systematic observation, taking into account Article 5 of the Convention;

(e) Cooperate in and promote at the international level, and, where appropriate, using existing bodies, the development and implementation of education and training programmes, including the strengthening of national capacity building, in particular human and institutional capacities and the exchange or secondment of personnel to train experts in this field, in particular for developing countries, and facilitate at the national level public awareness of, and public access to information on, climate change. Suitable modalities should be developed to implement these activities through the relevant bodies of the Convention, taking into account Article 6 of the Convention;

(f) Include in their national communications information on programmes and activities undertaken pursuant to this Article in accordance with relevant decisions of the Conference of the Parties; and

(g) Give full consideration, in implementing the commitments under this Article, to Article 4, paragraph 8, of the Convention.

## Article 11

1. In the implementation of Article 10, Parties shall take into account the provisions of Article 4, paragraphs 4, 5, 7, 8 and 9, of the Convention.
2. In the context of the implementation of Article 4, paragraph 1, of the Convention, in accordance with the provisions of Article 4, paragraph 3, and Article 11 of the Convention, and through the entity or entities entrusted with the operation of the financial mechanism of the Convention, the developed country Parties and other developed Parties included in Annex II to the Convention shall:

- (a) Provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in advancing the implementation of existing commitments under Article 4, paragraph 1(a), of the Convention that are covered in Article 10, subparagraph (a); and

- (b) Also provide such financial resources, including for the transfer of technology, needed by the developing country Parties to meet the agreed full incremental costs of advancing the implementation of existing commitments under Article 4, paragraph 1, of the Convention that are covered by Article 10 and that are agreed between a developing country Party and the international entity or entities referred to in Article 11 of the Convention, in accordance with that Article.

The implementation of these existing commitments shall take into account the need for adequacy and predictability in the flow of funds and the importance of appropriate burden sharing among developed country Parties. The guidance to the entity or entities entrusted with the operation of the financial mechanism of the Convention in relevant decisions of the Conference of the Parties, including those agreed before the adoption of this Protocol, shall apply *mutatis mutandis* to the provisions of this paragraph.

3. The developed country Parties and other developed Parties in Annex II to the Convention may also provide, and developing country Parties avail themselves of, financial resources for the implementation of Article 10, through bilateral, regional and other multilateral channels.

## Article 12

1. A clean development mechanism is hereby defined.
2. The purpose of the clean development mechanism shall be to assist Parties not included in Annex I in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties included in Annex I in achieving compliance with their quantified emission limitation and reduction commitments under Article 3.

3. Under the clean development mechanism:

(a) Parties not included in Annex I will benefit from project activities resulting in certified emission reductions; and

(b) Parties included in Annex I may use the certified emission reductions accruing from such project activities to contribute to compliance with part of their quantified emission limitation and reduction commitments under Article 3, as determined by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

4. The clean development mechanism shall be subject to the authority and guidance of the Conference of the Parties serving as the meeting of the Parties to this Protocol and be supervised by an executive board of the clean development mechanism.

5. Emission reductions resulting from each project activity shall be certified by operational entities to be designated by the Conference of the Parties serving as the meeting of the Parties to this Protocol, on the basis of:

(a) Voluntary participation approved by each Party involved;

(b) Real, measurable, and long-term benefits related to the mitigation of climate change; and

(c) Reductions in emissions that are additional to any that would occur in the absence of the certified project activity.

6. The clean development mechanism shall assist in arranging funding of certified project activities as necessary.

7. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, elaborate modalities and procedures with the objective of ensuring transparency, efficiency and accountability through independent auditing and verification of project activities.

8. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall ensure that a share of the proceeds from certified project activities is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

9. Participation under the clean development mechanism, including in activities mentioned in paragraph 3(a) above and in the acquisition of certified emission reductions, may involve private and/or public entities, and is to be subject to whatever guidance may be provided by the executive board of the clean development mechanism.

10. Certified emission reductions obtained during the period from the year 2000 up to the beginning of the first commitment period can be used to assist in achieving compliance in the first commitment period.

### **Article 13**

1. The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to this Protocol.

2. Parties to the Convention that are not Parties to this Protocol may participate as observers in the proceedings of any session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. When the Conference of the Parties serves as the meeting of the Parties to this Protocol, decisions under this Protocol shall be taken only by those that are Parties to this Protocol.

3. When the Conference of the Parties serves as the meeting of the Parties to this Protocol, any member of the Bureau of the Conference of the Parties representing a Party to the Convention but, at that time, not a Party to this Protocol, shall be replaced by an additional member to be elected by and from amongst the Parties to this Protocol.

4. The Conference of the Parties serving as the meeting of the Parties to this Protocol shall keep under regular review the implementation of this Protocol and shall make, within its mandate, the decisions necessary to promote its effective implementation. It shall perform the functions assigned to it by this Protocol and shall:

(a) Assess, on the basis of all information made available to it in accordance with the provisions of this Protocol, the implementation of this Protocol by the Parties, the overall effects of the measures taken pursuant to this Protocol, in particular environmental, economic and social effects as well as their cumulative impacts and the extent to which progress towards the objective of the Convention is being achieved;

(b) Periodically examine the obligations of the Parties under this Protocol, giving due consideration to any reviews required by Article 4, paragraph 2(d), and Article 7, paragraph 2, of the Convention, in the light of the objective of the Convention, the experience gained in its implementation and the evolution of scientific and technological knowledge, and in this respect consider and adopt regular reports on the implementation of this Protocol;

(c) Promote and facilitate the exchange of information on measures adopted by the Parties to address climate change and its effects, taking into account the differing circumstances, responsibilities and capabilities of the Parties and their respective commitments under this Protocol;

(d) Facilitate, at the request of two or more Parties, the coordination of measures adopted by them to address climate change and its effects, taking into account the differing

circumstances, responsibilities and capabilities of the Parties and their respective commitments under this Protocol;

(e) Promote and guide, in accordance with the objective of the Convention and the provisions of this Protocol, and taking fully into account the relevant decisions by the Conference of the Parties, the development and periodic refinement of comparable methodologies for the effective implementation of this Protocol, to be agreed on by the Conference of the Parties serving as the meeting of the Parties to this Protocol;

(f) Make recommendations on any matters necessary for the implementation of this Protocol;

(g) Seek to mobilize additional financial resources in accordance with Article 11, paragraph 2;

(h) Establish such subsidiary bodies as are deemed necessary for the implementation of this Protocol;

(i) Seek and utilize, where appropriate, the services and cooperation of, and information provided by, competent international organizations and intergovernmental and non-governmental bodies; and

(j) Exercise such other functions as may be required for the implementation of this Protocol, and consider any assignment resulting from a decision by the Conference of the Parties.

5. The rules of procedure of the Conference of the Parties and financial procedures applied under the Convention shall be applied *mutatis mutandis* under this Protocol, except as may be otherwise decided by consensus by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

6. The first session of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be convened by the secretariat in conjunction with the first session of the Conference of the Parties that is scheduled after the date of the entry into force of this Protocol. Subsequent ordinary sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be held every year and in conjunction with ordinary sessions of the Conference of the Parties, unless otherwise decided by the Conference of the Parties serving as the meeting of the Parties to this Protocol.

7. Extraordinary sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol shall be held at such other times as may be deemed necessary by the Conference of the Parties serving as the meeting of the Parties to this Protocol, or at the written request of any Party, provided that, within six months of the request being communicated to the Parties by the secretariat, it is supported by at least one third of the Parties.

8. The United Nations, its specialized agencies and the International Atomic Energy Agency, as well as any State member thereof or observers thereto not party to the Convention, may be represented at sessions of the Conference of the Parties serving as the meeting of the Parties to this Protocol as observers. Any body or agency, whether national or international, governmental or non-governmental, which is qualified in matters covered by this Protocol and which has informed the secretariat of its wish to be represented at a session of the Conference of the Parties serving as the meeting of the Parties to this Protocol as an observer, may be so admitted unless at least one third of the Parties present object. The admission and participation of observers shall be subject to the rules of procedure, as referred to in paragraph 5 above.

#### **Article 14**

1. The secretariat established by Article 8 of the Convention shall serve as the secretariat of this Protocol.
2. Article 8, paragraph 2, of the Convention on the functions of the secretariat, and Article 8, paragraph 3, of the Convention on arrangements made for the functioning of the secretariat, shall apply *mutatis mutandis* to this Protocol. The secretariat shall, in addition, exercise the functions assigned to it under this Protocol.

#### **Article 15**

1. The Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation established by Articles 9 and 10 of the Convention shall serve as, respectively, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of this Protocol. The provisions relating to the functioning of these two bodies under the Convention shall apply *mutatis mutandis* to this Protocol. Sessions of the meetings of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of this Protocol shall be held in conjunction with the meetings of, respectively, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation of the Convention.
2. Parties to the Convention that are not Parties to this Protocol may participate as observers in the proceedings of any session of the subsidiary bodies. When the subsidiary bodies serve as the subsidiary bodies of this Protocol, decisions under this Protocol shall be taken only by those that are Parties to this Protocol.
3. When the subsidiary bodies established by Articles 9 and 10 of the Convention exercise their functions with regard to matters concerning this Protocol, any member of the Bureaux of those subsidiary bodies representing a Party to the Convention but, at that time, not a party to this Protocol, shall be replaced by an additional member to be elected by and from amongst the Parties to this Protocol.

### **Article 16**

The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, as soon as practicable, consider the application to this Protocol of, and modify as appropriate, the multilateral consultative process referred to in Article 13 of the Convention, in the light of any relevant decisions that may be taken by the Conference of the Parties. Any multilateral consultative process that may be applied to this Protocol shall operate without prejudice to the procedures and mechanisms established in accordance with Article 18.

### **Article 17**

The Conference of the Parties shall define the relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability for emissions trading. The Parties included in Annex B may participate in emissions trading for the purposes of fulfilling their commitments under Article 3. Any such trading shall be supplemental to domestic actions for the purpose of meeting quantified emission limitation and reduction commitments under that Article.

### **Article 18**

The Conference of the Parties serving as the meeting of the Parties to this Protocol shall, at its first session, approve appropriate and effective procedures and mechanisms to determine and to address cases of non-compliance with the provisions of this Protocol, including through the development of an indicative list of consequences, taking into account the cause, type, degree and frequency of non-compliance. Any procedures and mechanisms under this Article entailing binding consequences shall be adopted by means of an amendment to this Protocol.

### **Article 19**

The provisions of Article 14 of the Convention on settlement of disputes shall apply *mutatis mutandis* to this Protocol.

### **Article 20**

1. Any Party may propose amendments to this Protocol.
2. Amendments to this Protocol shall be adopted at an ordinary session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. The text of any proposed amendment to this Protocol shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate the text of any proposed amendments to the Parties and signatories to the Convention and, for information, to the Depositary.

3. The Parties shall make every effort to reach agreement on any proposed amendment to this Protocol by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. The adopted amendment shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

4. Instruments of acceptance in respect of an amendment shall be deposited with the Depositary. An amendment adopted in accordance with paragraph 3 above shall enter into force for those Parties having accepted it on the ninetieth day after the date of receipt by the Depositary of an instrument of acceptance by at least three fourths of the Parties to this Protocol.

5. The amendment shall enter into force for any other Party on the ninetieth day after the date on which that Party deposits with the Depositary its instrument of acceptance of the said amendment.

## **Article 21**

1. Annexes to this Protocol shall form an integral part thereof and, unless otherwise expressly provided, a reference to this Protocol constitutes at the same time a reference to any annexes thereto. Any annexes adopted after the entry into force of this Protocol shall be restricted to lists, forms and any other material of a descriptive nature that is of a scientific, technical, procedural or administrative character.

2. Any Party may make proposals for an annex to this Protocol and may propose amendments to annexes to this Protocol.

3. Annexes to this Protocol and amendments to annexes to this Protocol shall be adopted at an ordinary session of the Conference of the Parties serving as the meeting of the Parties to this Protocol. The text of any proposed annex or amendment to an annex shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate the text of any proposed annex or amendment to an annex to the Parties and signatories to the Convention and, for information, to the Depositary.

4. The Parties shall make every effort to reach agreement on any proposed annex or amendment to an annex by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the annex or amendment to an annex shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. The adopted annex or amendment to an annex shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance.

5. An annex, or amendment to an annex other than Annex A or B, that has been adopted in accordance with paragraphs 3 and 4 above shall enter into force for all Parties to this



Protocol six months after the date of the communication by the Depositary to such Parties of the adoption of the annex or adoption of the amendment to the annex, except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the annex or amendment to the annex. The annex or amendment to an annex shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary.

6. If the adoption of an annex or an amendment to an annex involves an amendment to this Protocol, that annex or amendment to an annex shall not enter into force until such time as the amendment to this Protocol enters into force.

7. Amendments to Annexes A and B to this Protocol shall be adopted and enter into force in accordance with the procedure set out in Article 20, provided that any amendment to Annex B shall be adopted only with the written consent of the Party concerned.

### **Article 22**

1. Each Party shall have one vote, except as provided for in paragraph 2 below.

2. Regional economic integration organizations, in matters within their competence, shall exercise their right to vote with a number of votes equal to the number of their member States that are Parties to this Protocol. Such an organization shall not exercise its right to vote if any of its member States exercises its right, and vice versa.

### **Article 23**

The Secretary-General of the United Nations shall be the Depositary of this Protocol.

### **Article 24**

1. This Protocol shall be open for signature and subject to ratification, acceptance or approval by States and regional economic integration organizations which are Parties to the Convention. It shall be open for signature at United Nations Headquarters in New York from 16 March 1998 to 15 March 1999. This Protocol shall be open for accession from the day after the date on which it is closed for signature. Instruments of ratification, acceptance, approval or accession shall be deposited with the Depositary.

2. Any regional economic integration organization which becomes a Party to this Protocol without any of its member States being a Party shall be bound by all the obligations under this Protocol. In the case of such organizations, one or more of whose member States is a Party to this Protocol, the organization and its member States shall decide on their respective responsibilities for the performance of their obligations under this Protocol. In such cases, the organization and the member States shall not be entitled to exercise rights under this Protocol concurrently.

3. In their instruments of ratification, acceptance, approval or accession, regional economic integration organizations shall declare the extent of their competence with respect to the matters governed by this Protocol. These organizations shall also inform the Depositary, who shall in turn inform the Parties, of any substantial modification in the extent of their competence.

### **Article 25**

1. This Protocol shall enter into force on the ninetieth day after the date on which not less than 55 Parties to the Convention, incorporating Parties included in Annex I which accounted in total for at least 55 per cent of the total carbon dioxide emissions for 1990 of the Parties included in Annex I, have deposited their instruments of ratification, acceptance, approval or accession.

2. For the purposes of this Article, “the total carbon dioxide emissions for 1990 of the Parties included in Annex I” means the amount communicated on or before the date of adoption of this Protocol by the Parties included in Annex I in their first national communications submitted in accordance with Article 12 of the Convention.

3. For each State or regional economic integration organization that ratifies, accepts or approves this Protocol or accedes thereto after the conditions set out in paragraph 1 above for entry into force have been fulfilled, this Protocol shall enter into force on the ninetieth day following the date of deposit of its instrument of ratification, acceptance, approval or accession.

4. For the purposes of this Article, any instrument deposited by a regional economic integration organization shall not be counted as additional to those deposited by States members of the organization.

### **Article 26**

No reservations may be made to this Protocol.

### **Article 27**

1. At any time after three years from the date on which this Protocol has entered into force for a Party, that Party may withdraw from this Protocol by giving written notification to the Depositary.

2. Any such withdrawal shall take effect upon expiry of one year from the date of receipt by the Depositary of the notification of withdrawal, or on such later date as may be specified in the notification of withdrawal.

3. Any Party that withdraws from the Convention shall be considered as also having withdrawn from this Protocol.

**Article 28**

The original of this Protocol, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

**DONE** at Kyoto this eleventh day of December one thousand nine hundred and ninety-seven.

**IN WITNESS WHEREOF** the undersigned, being duly authorized to that effect, have affixed their signatures to this Protocol on the dates indicated.

## Annex A

### Greenhouse gases

Carbon dioxide (CO<sub>2</sub>)

Methane (CH<sub>4</sub>)

Nitrous oxide (N<sub>2</sub>O)

Hydrofluorocarbons (HFCs)

Perfluorocarbons (PFCs)

Sulphur hexafluoride (SF<sub>6</sub>)

### Sectors/source categories

#### Energy

Fuel combustion

Energy industries

Manufacturing industries and construction

Transport

Other sectors

Other

Fugitive emissions from fuels

Solid fuels

Oil and natural gas

Other

#### Industrial processes

Mineral products

Chemical industry

Metal production

Other production

Production of halocarbons and sulphur hexafluoride

Consumption of halocarbons and sulphur hexafluoride

Other

#### Solvent and other product use

#### Agriculture

Enteric fermentation

Manure management

Rice cultivation

Agricultural soils

Prescribed burning of savannas

Field burning of agricultural residues

Other

Waste

Solid waste disposal on land

Wastewater handling

Waste incineration

Other

**Annex B**

<b><u>Party</u></b>	<b><u>Quantified emission limitation or reduction commitment</u></b> (percentage of base year or period)
Australia	108
Austria	92
Belgium	92
Bulgaria*	92
Canada	94
Croatia*	95
Czech Republic*	92
Denmark	92
Estonia*	92
European Community	92
Finland	92
France	92
Germany	92
Greece	92
Hungary*	94
Iceland	110
Ireland	92
Italy	92
Japan	94
Latvia*	92
Liechtenstein	92
Lithuania*	92
Luxembourg	92
Monaco	92
Netherlands	92
New Zealand	100
Norway	101
Poland*	94
Portugal	92
Romania*	92
Russian Federation*	100
Slovakia*	92
Slovenia*	92
Spain	92
Sweden	92
Switzerland	92
Ukraine*	100
United Kingdom of Great Britain and Northern Ireland	92
United States of America	93

\* Countries that are undergoing the process of transition to a market economy.

**Methodological issues related to the Kyoto protocol**

*The Conference of the Parties,*

*Recalling* its decisions 4/CP.1 and 9/CP.2,

*Endorsing* the relevant conclusions of the Subsidiary Body for Scientific and Technological Advice at its fourth session,<sup>1</sup>

1. *Reaffirms* that Parties should use the Revised 1996 Guidelines for National Greenhouse Gas Inventories of the Intergovernmental Panel on Climate Change to estimate and report on anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol;
2. *Affirms* that the actual emissions of hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride should be estimated, where data are available, and used for the reporting of emissions. Parties should make every effort to develop the necessary sources of data;
3. *Reaffirms* that global warming potentials used by Parties should be those provided by the Intergovernmental Panel on Climate Change in its Second Assessment Report (“1995 IPCC GWP values”) based on the effects of the greenhouse gases over a 100-year time horizon, taking into account the inherent and complicated uncertainties involved in global warming potential estimates. In addition, for information purposes only, Parties may also use another time horizon, as provided in the Second Assessment Report;
4. *Recalls* that, under the Revised 1996 Guidelines for National Greenhouse Gas Inventories of the Intergovernmental Panel on Climate Change, emissions based upon fuel sold to ships or aircraft engaged in international transport should not be included in national totals, but reported separately; and *urges* the Subsidiary Body for Scientific and Technological Advice to further elaborate on the inclusion of these emissions in the overall greenhouse gas inventories of Parties;
5. *Decides* that emissions resulting from multilateral operations pursuant to the Charter of the United Nations shall not be included in national totals, but reported separately; other emissions related to operations shall be included in the national emissions totals of one or more Parties involved.

*12th plenary meeting  
11 December 1997*

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<sup>1</sup> FCCC/SBSTA/1996/20, paras. 30 and 54.

**Decision 3/CP.3**

**Implementation of Article 4, paragraphs 8 and 9, of the Convention**

*The Conference of the Parties,*

*Noting* the provisions of Article 4, paragraphs 8 and 9, of the United Nations Framework Convention on Climate Change,

*Noting further* the provisions of Article 3 of the Convention and of the “Berlin Mandate” in its paragraph 1(b),<sup>1</sup>

1. *Requests* the Subsidiary Body for Implementation, at its eighth session, to undertake a process to identify and determine actions necessary to meet the specific needs of developing country Parties, specified under Article 4, paragraphs 8 and 9, of the Convention, arising from adverse effects of climate change and/or the impact of the implementation of response measures. Issues to be considered shall include actions related to funding, insurance and transfer of technology;

2. *Further requests* the Subsidiary Body for Implementation to report to the Conference of the Parties, at its fourth session, on the outcome of this process;

3. *Invites* the Conference of the Parties, at its fourth session, to take a decision on actions based on the conclusions and recommendations of this process.

*12th plenary meeting  
11 December 1997*

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<sup>1</sup> Decision 1/CP.1.



**Decision 4/CP.3**

**Amendments to the list in Annex I to the Convention under  
Article 4.2(f) of the Convention**

*The Conference of the Parties,*

*Recalling* Article 4.2 (f) of the United Nations Framework Convention on Climate Change,

*Having reviewed* available information regarding amendments to the lists in Annexes I and II to the Convention,

*Noting* that the Parties concerned have granted their approval to be included in the list in Annex I to the Convention,

*Bearing in mind* the procedure in Article 4.2 (f) of the Convention,

1. *Decides* to amend the list in Annex I to the Convention by:
  - (a) Deleting the name of Czechoslovakia;
  - (b) Including the names of Croatia<sup>a</sup>, the Czech Republic<sup>a</sup>, Liechtenstein, Monaco, Slovakia<sup>a</sup> and Slovenia<sup>a</sup>;
2. *Notes* that the entry into force of these amendments to the list included in Annex I to the Convention shall be subject to the same procedure as that for the entry into force of annexes to the Convention in accordance with Article 16.3 of the Convention.

*12th plenary meeting  
11 December 1997*

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<sup>a</sup> Countries that are undergoing transition to a market economy.

**Decision 5/CP.3**

**Date and venue of the fourth session of the Conference of the Parties**

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985,

*Having received* an offer from the Government of Argentina to host the fourth session of the Conference of the Parties in Buenos Aires and to cover the related costs involved,

1. *Accepts with gratitude* the generous offer of the Government of Argentina to host the fourth session of the Conference of the Parties;
2. *Decides* that the fourth session of the Conference of the Parties shall be held in Buenos Aires, Argentina, from 2 to 13 November 1998;
3. *Requests* the Executive Secretary to conclude a host country agreement with the Government of Argentina on arrangements for the fourth session of the Conference of the Parties.

*5th plenary meeting  
5 December 1997*

### Decision 6/CP.3

#### Communications from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, its decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention, decision 3/CP.1 on preparation and submission of national communications from the Parties included in Annex I to the Convention, decision 4/CP.1 on methodological issues and decision 9/CP.2 on the guidelines, schedule and process for consideration of communications from Parties included in Annex I to the Convention,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and those of the Subsidiary Body for Implementation,

1. *Calls upon* the Parties included in Annex I to the Convention (Annex I Parties), when submitting annually national greenhouse gas inventories, to follow the relevant parts of the revised UNFCCC guidelines for the preparation of national communications by Annex I Parties, as well as the relevant conclusions of the fourth session of the Subsidiary Body for Scientific and Technological Advice;

2. *Requests* the Convention secretariat:

(a) To prepare a full compilation and synthesis of second national communications from Annex I Parties for consideration at its fourth session;

(b) To collect, process and publish, on a regular basis, national greenhouse gas inventories submitted annually by Annex I Parties in accordance with decision 9/CP.2. In those years when the compilation and synthesis of national communications is prepared inventory data should be included. Publication of inventory data may be accompanied by relevant documentation prepared by the secretariat, for example, on evaluating compliance with the Intergovernmental Panel on Climate Change guidelines or addressing methodological or other issues related to reporting greenhouse gas emissions. It may also include or refer to relevant data from authoritative sources;

3. *Decides* that:

(a) In-depth reviews of second national communications from Annex I Parties should, as a general rule, include visits of review teams co-ordinated by the secretariat, based on the schedule of these reviews and on a visit programme agreed between the host countries and the secretariat. Parties concerned are urged to submit their comments on the draft in-

depth review reports produced by the review teams, if possible not later than eight weeks following receipt of the drafts;

(b) Executive summaries of national communications will be published in their original language as official UNFCCC documents, and also translated into the other official languages of the United Nations if they are less than 15 pages long in standard format. Full texts of the in-depth review reports will be published as official UNFCCC documents and translated into the other official languages of the United Nations.

*2nd plenary meeting*

*1 December 1997*

**Decision 7/CP.3**

**Cooperation with the Intergovernmental Panel on Climate Change**

*The Conference of the Parties,*

*Reaffirming* its decision 6/CP.2, paragraph 5, in which it urged continuing cooperation between the Convention bodies and the Intergovernmental Panel on Climate Change,

1. *Expresses* appreciation to the Intergovernmental Panel on Climate Change for its contribution to the Convention process, particularly through its prompt response to requests from the Subsidiary Body for Scientific and Technological Advice for technical papers, special reports and Guidelines for National Greenhouse Gas Inventories, as well as for its plans for the preparation of the Third Assessment Report; and, in this connection, *requests* the Subsidiary Body for Scientific and Technological Advice to give further consideration to issues related to the work of the Intergovernmental Panel on Climate Change and to formulate policy-relevant questions which should be addressed in the Third Assessment Report;
2. *Thanks* the Chairman Emeritus of the Intergovernmental Panel on Climate Change, Professor Bert Bolin, for his outstanding work and his valuable scientific contribution to the Convention process;
3. *Invites* the subsidiary bodies of the Convention, in particular the Subsidiary Body for Scientific and Technological Advice, to continue their cooperation with the Intergovernmental Panel on Climate Change.

*2nd plenary meeting  
1 December 1997*

### **Decision 8/CP.3**

#### **Development of observational networks of the climate system**

*The Conference of the Parties,*

*Recalling* Article 4.1(g) and Article 5 of the United Nations Framework Convention on Climate Change,

*Noting* the importance of the observations, analysis and research relevant to the various components of the climate system,

1. *Expresses* appreciation of the work carried out by the relevant intergovernmental organizations, particularly the development of such observational programmes as the Global Climate Observing System, the Global Ocean Observing System and the Global Terrestrial Observing System;
2. *Recognizes* the concerns raised by the relevant intergovernmental organizations with regard to the long-term sustainability of these observational systems;
3. *Urges* Parties to provide the necessary resources to reverse the decline in the existing observational networks and to support the regional and global observational systems being developed under the Global Climate Observing System, the Global Ocean Observing System and the Global Terrestrial Observing System, through appropriate funding mechanisms;
4. *Requests* the Subsidiary Body for Scientific and Technological Advice, with the assistance of the secretariat and in consultation with the Intergovernmental Panel on Climate Change, to consider the adequacy of these observational systems and to report on its conclusions to the Conference of the Parties at its fourth session.

*2nd plenary meeting  
1 December 1997*

### Decision 9/CP.3

#### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* the relevant provisions of the programme for the further implementation of Agenda 21 on the transfer of environmentally sound technologies adopted by the United Nations General Assembly at its nineteenth special session,

*Noting* the role of the public and private sectors in developing and disseminating environmentally sound and economically viable technologies related to the mitigation of, and adaptation to, climate change,

*Recognizing* the progress made by countries in fostering the institutional and regulatory environment necessary for the introduction of environmentally sound technologies and the need for continued efforts by Parties to remove existing market barriers to technology dissemination,

*Recalling* its decisions 13/CP.1 and 7/CP.2 on transfer of technology,

*Having considered* the progress reports presented by the Convention secretariat on the development and transfer of technology,<sup>1</sup>

1. *Reaffirms* its decisions 13/CP.1 and 7/CP.2 on transfer of technology;
2. *Requests* the Convention secretariat:

(a) To continue its work on the synthesis and dissemination of information on environmentally sound technologies and know-how conducive to mitigating, and adapting to, climate change; for example, by accelerating the development of methodologies for adaptation technologies, in particular decision tools to evaluate alternative adaptation strategies, bearing in mind the work programme on methodological issues approved by the Subsidiary Body for Scientific and Technological Advice at its sixth session;<sup>2</sup>

(b) To consult with the Global Environment Facility and other relevant international organizations, and solicit information on their capabilities and abilities to support the work of (an) international technology information centre(s), as well as national and regional centres, and to enhance support for national and regional centres, and to report to the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation on its findings;

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<sup>1</sup> FCCC/SB/1997/1, 3 and 4; and FCCC/SBSTA/1997/10.

<sup>2</sup> FCCC/SBSTA/1997/6, section IV, A.

(c) To consider specific case studies, as part of its work on terms of transfer of technologies, drawing on the experience of Parties, including demonstration projects, with the aim of evaluating barriers to the introduction and implementation of environmentally sound technologies and know-how, and of promoting their practical application;

3. *Requests* the Subsidiary Body for Implementation to consider options for funding (an) international technology information centre(s) and enhancing support for national or regional centres;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice to forward any conclusions regarding technology information centres and enhancing support for national or regional centres to the Subsidiary Body for Implementation for consideration;

5. *Urges* Parties:

(a) To create an enabling environment to help further stimulate private-sector investment in, and transfer of, environmentally sound technologies; and

(b) To improve reporting in national communications on technology needs and technology transfer activities, as indicated in the reporting guidelines adopted by the Parties.

*2nd plenary meeting  
1 December 1997*



**Decision 10/CP.3**

**Activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Acknowledging* the contributions of the Parties which submitted reports on activities implemented jointly under the pilot phase,

*Noting* the progress made in the pilot phase as evidenced in the synthesis report on activities implemented jointly<sup>1</sup> and the concise update on contact and activity information,<sup>2</sup>

1. *Takes note* of the synthesis report on activities implemented jointly;<sup>1</sup>
2. *Reaffirms* its decision 5/CP.1 on activities implemented jointly under the pilot phase;
3. *Adopts* the uniform reporting format contained in the report of the Subsidiary Body for Scientific and Technological Advice on the work of its fifth session,<sup>3</sup> and *invites* Parties to report in accordance with that format and to provide inputs to the secretariat on their experience in using it, so that, if necessary, changes can be incorporated.

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> FCCC/SBSTA/1997/12 and Corr.1-2, and Add.1.

<sup>2</sup> FCCC/SBSTA/1997/INF.3.

<sup>3</sup> FCCC/SBSTA/1997/4.

## Decision 11/CP.3

### Review of the financial mechanism

#### *The Conference of the Parties*

1. *Takes note of* the review process undertaken by the Subsidiary Body for Implementation in accordance with decision 11/CP.2;
2. *Decides* to continue the review process through the Subsidiary Body for Implementation, in accordance with the criteria established in the guidelines adopted by the Subsidiary Body for Implementation at its fifth session;<sup>1</sup>
3. *Reaffirms* its decision 9/CP.1;
4. *Requests* the secretariat to report to the Subsidiary Body for Implementation in accordance with paragraph 2 above.

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> FCCC/SBI/1997/6, annex II.

**Decision 12/CP.3**

**Annex to the Memorandum of Understanding on the determination of funding  
necessary and available for the implementation of the Convention**

*The Conference of the Parties*

1. *Takes note* of the approval by the Council of the Global Environment Facility of the annex to the Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility;
2. *Decides* to approve the annex to the Memorandum of Understanding, thereby bringing it into force.

*2nd plenary meeting  
1 December 1997*

### Decision 13/CP.3

#### **Division of labour between the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice**

*The Conference of the Parties,*

*Recalling* Articles 9 and 10 of the United Nations Framework Convention on Climate Change,

*Recalling also* its decision at its second session that the question of the division of labour between the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation should be taken up by the Conference of the Parties at its third session on the basis of recommendations made to it by the Chairmen of the two subsidiary bodies,<sup>1</sup>

*Having considered* the recommendations made by the Chairmen, through the conclusions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, as included in the reports of their sixth sessions,<sup>2</sup>

*Desiring* to elaborate further the division of labour between the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,

1. *Reaffirms* that the division of labour is governed by Articles 9 and 10 of the Convention, and by decision 6/CP.1 and other relevant decisions of the Conference of the Parties;

2. *Recalls* that, as indicated in decision 6/CP.1, the role of the subsidiary bodies can be broadly characterized as follows:

(a) The Subsidiary Body for Scientific and Technological Advice will be the link between the scientific, technical and technological assessments and the information provided by competent international bodies, and the policy-oriented needs of the Conference of the Parties;

(b) The Subsidiary Body for Implementation will develop recommendations to assist the Conference of the Parties in its review and assessment of the implementation of the Convention and in the preparation and implementation of its decisions;

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<sup>1</sup> FCCC/CP/1996/15/Add.1, section III, 4.

<sup>2</sup> FCCC/SBSTA/1997/6 and FCCC/SBI/1997/16.

3. *Decides* that the consideration of issues which are pertinent to both bodies should take place in a way which is efficient in the use of time during meetings, in order to avoid confusion and to reduce the overall workload. Therefore, in general, one of the bodies will take the overall responsibility in considering an issue. If necessary, it will request adequate and specific inputs from the other body. Where overall responsibility is not assigned, agendas should be organized to ensure that the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation avoid dealing with such issues in parallel sessions. On issues where this is not possible, consideration should be given to holding ad hoc joint sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation. On this basis, the provisions above are clarified as follows:

#### National communications from Parties

- (a) The Subsidiary Body for Implementation will have the overall responsibility for:
- (i) Developing guidelines on the processes for consideration of national communications;
  - (ii) Considering the information contained in national communications, other relevant documentation and compilation and synthesis reports, with a view to assisting the Conference of the Parties in undertaking its tasks under Article 7.2(e) of the Convention;
- (b) In co-operation with the Subsidiary Body for Implementation, the Subsidiary Body for Scientific and Technological Advice will have responsibility for:
- (i) Developing guidelines for the provision of comparable information, including all related methodological issues;
  - (ii) Considering, upon the request of the Subsidiary Body for Implementation, as appropriate, national communications and other relevant documentation, such as technical papers, with the aim of, *inter alia*, verifying methodologies used and making recommendations on their refinement, preparing scientific assessments on the effects of measures taken in the implementation of the Convention, reviewing projections and their assumptions, and assessing the comprehensiveness and effectiveness of mitigation and adaptation measures;

#### Development and transfer of technology

- (c) The Subsidiary Body for Implementation will, with inputs from the Subsidiary Body for Scientific and Technological Advice as appropriate, have responsibilities for

assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention with respect to the development and transfer of technology;

(d) As stipulated in the Convention, and as decided by the Conference of the Parties in decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have responsibility for providing advice on all scientific, technological and methodological aspects of the development and transfer of technology;

#### Consultations with non-governmental organizations

(e) Taking into account the competence of each subsidiary body, the Subsidiary Body for Implementation will have overall responsibility for all policy questions and relevant inputs related to issues dealing with consultation with non-governmental organizations, as appropriate;

(f) Should the Subsidiary Body for Scientific and Technological Advice or any other subsidiary body feel that non-governmental organizations could provide relevant inputs on an item being considered, that body could seek and consider such inputs;

(g) Provisional accreditation of individual non-governmental organizations will be the responsibility of the body concerned;

#### Activities implemented jointly

(h) The Subsidiary Body for Scientific and Technological Advice will have the responsibility for:

(i) Developing the framework for reporting, including consideration of scientific, technical and methodological aspects of the reports;

(ii) Preparing a synthesis report of activities for the Conference of the Parties;

(i) The Subsidiary Body for Implementation will have the responsibility for assisting the Conference of the Parties in reviewing the progress of the activities implemented jointly under the pilot phase, on the basis of inputs by the Subsidiary Body for Scientific and Technological Advice;

Research and systematic observation

(j) In accordance with Article 5 of the Convention, the Subsidiary Body for Scientific and Technological Advice will have the overall responsibility for issues related to research and systematic observation, drawing, where necessary, upon the Subsidiary Body for Implementation. The Subsidiary Body for Scientific and Technological Advice will also play a co-ordinating role in such activities related to climate change relevant to the implementation of the Convention;

(k) The Subsidiary Body for Implementation, with inputs from the Subsidiary Body for Scientific and Technological Advice as appropriate, will have the responsibility for assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention with respect to research and systematic observation;

Education, training and public awareness

(l) In further clarification of decision 6/CP.1, the Subsidiary Body for Scientific and Technological Advice will have the overall responsibility for providing advice on educational, training and public awareness programmes, as well as public access to information. When considering such issues, the Subsidiary Body for Scientific and Technological Advice will draw upon, *inter alia*, relevant international organizations;

(m) The Subsidiary Body for Implementation, with inputs from the Subsidiary Body for Scientific and Technological Advice as appropriate, will have responsibility for assisting the Conference of the Parties in the assessment and review of the effective implementation of the Convention with respect to education, training, and public awareness.

*2nd plenary meeting  
1 December 1997*

**Decision 14/CP.3**

**Future work of the Ad Hoc Group on Article 13**

*The Conference of the Parties,*

*Recalling* Article 13 of the United Nations Framework Convention on Climate Change, and decisions 20/CP.1 and 4/CP.2,

*Having considered* the report of the Ad Hoc Group on Article 13 on the work of its fifth session,<sup>1</sup> at which the Group agreed on a set of functions and procedures that could serve as a basis for further discussion in its consideration of a multilateral consultative process and its design,

*Taking note* that the Ad Hoc Group on Article 13 could not complete its work before the third session of the Conference of the Parties,

1. *Decides*, pursuant to its decision 4/CP.2, that the work of the Ad Hoc Group on Article 13 should continue beyond the third session of the Conference of the Parties;
2. *Invites* the Group to complete its work before the fourth session of the Conference of the Parties and, pursuant to decision 20/CP.1, provide the Conference of the Parties with a report on its findings;
3. *Requests* the Group to report to the Conference of the Parties at its fourth session on the progress of its work, if its work has not been completed by that time.

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> FCCC/AG13/1997/4.



### Decision 15/CP.3

#### Programme budget for the biennium 1998-1999

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures for the Conference of the Parties,

*Having considered* the proposed budget for the biennium 1998-1999 submitted by the Executive Secretary,<sup>1</sup>

*Noting* the annual contribution of the host Government, DM 1.5 million, which offsets planned expenditures,

1. *Approves* the programme budget for the biennium 1998-1999, amounting to US\$ 21,345,900,<sup>2</sup> for the purposes specified in table 1 below;
2. *Approves* the staffing table for the programme budget, including the post of the Executive Secretary at the level of Assistant Secretary-General and two other senior posts at the level of D-2, as contained in table 2 below;
3. *Approves* a contingency budget for conference servicing, amounting to \$ 5,184,900, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the regular United Nations budget for the biennium 1998-1999 (see table 3 below);<sup>3</sup>
4. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at its eighth session on the implementation of paragraph 3 above, and on the deployment of staff and financial resources to perform the tasks arising from the decision to adopt the Kyoto Protocol;
5. *Authorizes* the Executive Secretary to make transfers, between each of the main

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<sup>1</sup> FCCC/SBI/1997/10. In this connection, see also document FCCC/CP/1997/INF.1.

<sup>2</sup> This figure would be offset by the annual contributions of the host Government, amounting to DM 3 million, resulting in a net figure of US\$ 19,570,700 to be met in the form of contributions from Parties.

<sup>3</sup> By its resolution 52/119 (dated 18 December 1997), the General Assembly of the United Nations decided to include eight weeks of conference-servicing facilities for the Conference of the Parties and its subsidiary bodies in its calendar of conferences and meetings for the biennium 1998-1999. As a result, the contingency budget for conference servicing will not be included in the UNFCCC programme budget for the same biennium.

appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

6. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

7. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8(b) of the financial procedures and to pay promptly and in full, for each of the years 1998 and 1999, the contributions required to finance expenditures approved under paragraph 1 above, as offset by estimated contributions noted under the third paragraph of the preamble to this decision, and the contributions which may result from the decision of the General Assembly referred to in paragraph 3 above;

8. *Takes note* of the funding estimates for the Trust Fund for Participation in the United Nations Framework Convention on Climate Change Process and the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change specified by the Executive Secretary and included in table 5 below, and *invites* Parties to make contributions to these funds;

9. *Requests* the Executive Secretary to report to the Conference of the Parties at its fourth session on income and budget performance, and to propose any adjustments that might be needed in the Convention budget for the biennium 1998-1999.

Table 1: Programme budget for the biennium 1998-1999 (US\$ thousand)

<b>Expenditures</b>	<b>1998</b>	<b>1999</b>
<b>I. Programmes</b>		
Executive Direction and Management	621.3	642.8
Science and Technology	2,223.1	2,779.4
Implementation	2,333.6	2,553.0
Conference and Information Support	1,500.1	1,901.2
Resources, Planning and Coordination	1,599.5	1,807.6
Activities related to the Kyoto Protocol	242.3	462.9
<b>Subtotal (I)</b>	<b>8,519.8</b>	<b>10,146.9</b>
<b>II. Payments to the United Nations</b>		
Overhead charge <sup>a</sup>	1,107.6	1,319.1
<b>Subtotal (II)</b>	<b>1,107.6</b>	<b>1,319.1</b>
<b>III. Working capital reserve<sup>b</sup></b>	<b>99.7</b>	<b>152.6</b>
<b>Subtotal (III)</b>	<b>99.7</b>	<b>152.6</b>
<b>Total expenditure (I+II+III)</b>	<b>9,727.1</b>	<b>11,618.6</b>
<b>Income</b>		
Contribution from the host Government	887.6	887.6
<b>Total income</b>	<b>887.6</b>	<b>887.6</b>
<b>NET TOTAL</b>	<b>8,839.5</b>	<b>10,731</b>

<sup>a</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>b</sup> In accordance with paragraph 14 of the financial procedures (see decision 15/CP.1). This will bring the level of the working capital reserve to \$799,100 in 1998 and \$951,700 in 1999 (see paragraphs 17-19 of the financial procedures).

Table 2: Programme budget staffing table 1998-1999

		1998	1999
A.	Professional category and above		
	Executive Secretary	1	1
	D-2	2	2
	D-1	3.83	5
	P-5	5.75	6
	P-4	7.5	8
	P-3	9.5	12
	P-2	4.25	5
	<b>Subtotal (A)</b>	33.83	39
B.	General Service category	21	23
	<b>Subtotal (B)</b>	21	23
	<b>TOTAL (A+B)</b>	54.83	62

**Table 3:** Resource requirements for the conference servicing contingency (US\$ thousand)

<b>Item of expenditure</b>		<b>1998</b>	<b>1999</b>
I.	Meeting servicing <sup>a</sup>	419.4	431.5
II.	Documentation <sup>b</sup>	698.5	737.4
III.	Other requirements <sup>c</sup>	707.5	728.1
IV.	Travel of staff to meetings <sup>d</sup>	265.5	265.5
V.	Miscellaneous <sup>e</sup>	10.5	10.5
VI.	Contingencies and exchange rate fluctuation	63.0	65.2
<b>Subtotal</b>		2,164.4	2,238.2
VII.	Overhead charge <sup>f</sup>	281.4	291.0
VIII.	Working Capital Reserve <sup>g</sup>	203.0	6.9
<b>TOTAL</b>		2,648.8	2536.1

**Table 4:** Staffing requirements for the conference servicing contingency

	<b>1998</b>	<b>1999</b>
A. Professional category and above		
P-4	1	1
<b>Subtotal (A)</b>	1	1
B. General Service category	4	4
<b>Subtotal (B)</b>	4	4
<b>TOTAL (A+B)</b>	5	5

<sup>a</sup> Includes interpretation and meeting room staff.

<sup>b</sup> Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation.

<sup>c</sup> Includes remote translation requirements, key supervisory staff, freight, communications.

<sup>d</sup> Includes travel of interpreters and key supervisory staff, including planning missions.

<sup>e</sup> Includes estimated cost of initial stock of meeting stationery and supplies.

<sup>f</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>g</sup> In accordance with paragraph 14 of the financial procedures. The 1998 amount has been calculated as 8.3 per cent of the subtotal of I-VII; the 1999 amount has been calculated as the amount required to bring the carried-over 1998 reserve to 8.3 per cent of the subtotal of I-VII for 1999.

**Table 5:** Summary of other voluntary funding resource estimates for the biennium 1998-1999 (US\$ thousand)

<b>Proposed source of funding</b>	<b>1998</b>	<b>1999</b>
Trust Fund for Participation in the UNFCCC Process	2,256.1	2,324.4
Trust Fund for Supplementary Activities	2,062.6	2,086.2
<b>TOTAL</b>	<b>4,318.7</b>	<b>4,410.6</b>

*12th plenary meeting  
11 December 1997*

### Decision 16/CP.3

#### Financial performance of the Convention in the biennium 1996-1997

*The Conference of the Parties,*

*Recalling* its decision 16/CP.2, paragraph 14, whereby it requested the Executive Secretary to submit to the Conference of the Parties at its third session a further report on financial performance for the biennium 1996-1997,

*Recalling also* the financial rules for the Conference of the Parties,

1. *Takes note* of the information provided in documents FCCC/SBI/1997/18 and FCCC/SBI/1997/INF.7;
2. *Approves* the creation of a new trust fund for the special annual contribution of DM 3.5 million from the Government of Germany to finance events in Germany, made in accordance with the bilateral arrangements between the Government of Germany and the Convention secretariat, and *requests* the Executive Secretary to request the Secretary-General of the United Nations to establish the new trust fund, to be managed by the Executive Secretary;
3. *Urges* Parties that have still not paid their 1996 and/or 1997 contributions to the core budget to do so without delay;
4. *Requests* the Executive Secretary to submit to the Conference of the Parties at its fourth session, through the Subsidiary Body for Implementation, as appropriate, a final report on financial performance in the biennium 1996-1997, including audited financial statements, and an initial report on financial performance in 1998;
5. *Approves* transfers between the main appropriation lines to cover over-expenditures, for the Policy-making organs programme and the Implementation and planning programme, in excess of the 15 per cent transfer within each of the main appropriation lines that the Executive Secretary is at present authorized to make.<sup>1</sup>

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> See decision 17/CP.1, para. 5.

### Decision 17/CP.3

#### Arrangements for administrative support to the Convention secretariat

*The Conference of the Parties,*

*Recalling* the arrangements proposed by the Secretary-General of the United Nations for administrative support to the Convention secretariat,<sup>1</sup> provisionally accepted by the Conference of the Parties at its first session by its decision 14/CP.1,

1. *Takes note* of the information contained in document FCCC/SBI/1997/INF.2;
2. *Requests* the Executive Secretary to continue his discussions with the United Nations regarding administrative arrangements for the Convention, and to inform the Conference of the Parties, through the Subsidiary Body for Implementation, as appropriate, of any significant developments.

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> FCCC/CP/1995/5/Add.4.



## Decision 18/CP.3

### Volume of documentation

*The Conference of the Parties,*

*Recalling* its decision 17/CP.2, paragraph 2, whereby it requested the Executive Secretary to submit to the Subsidiary Body for Implementation, at its fifth session, further options for reducing the cost of documentation for the meetings of the Conference of the Parties and its subsidiary bodies,

1. *Takes note* of the efforts of the Convention secretariat to reduce the volume of documentation, as indicated in the note by the secretariat on volume of documentation;<sup>1</sup>

2. *Requests* the Executive Secretary to explore with the United Nations the possibility of ensuring unrestricted access to all language versions of the documents of the United Nations Framework Convention on Climate Change that the United Nations makes available on its optical disk system through a restricted page on the World Wide Web;

3. *Invites* the Parties:

(a) To limit the volume of their submissions for circulation to Convention bodies, including those that do not require translation;

(b) To focus the content of submissions on material pertinent to the forthcoming sessions of the subsidiary bodies and to seek to avoid repetition of previously presented statements;

(c) To limit their requests for numbers of hard copies of documents;

(d) To limit the requests for documents that need to be translated;

(e) To schedule the delivery of documents in a timely manner that corresponds to the capacity of the Convention bodies to consider them;

4. *Notes* the intention of the Executive Secretary to advise presiding officers on the feasibility of producing, in a timely manner, the documentation envisaged in the conclusions of subsidiary bodies, before those conclusions are adopted.

*2nd plenary meeting  
1 December 1997*

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<sup>1</sup> FCCC/SBI/1997/12, paras. 9-10.

## II. RESOLUTION ADOPTED BY THE CONFERENCE OF THE PARTIES

### Resolution 1/CP.3

#### Expression of gratitude to the Government and people of Japan

*The Conference of the Parties,*

*Having met* in Kyoto from 1 to 11 December 1997 at the invitation of the Government of Japan,

1. *Expresses its profound gratitude* to the Government of Japan for having made it possible for the third session of the Conference of the Parties to be held in Kyoto and for the excellent facilities, staff and services so graciously placed at its disposal;

2. *Requests* the Government of Japan to convey to the Prefecture and City of Kyoto, and to the people of Japan, the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*12th plenary meeting  
11 December 1997*

### **III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

1. Second review of the adequacy of Article 4.2(a) and (b) of the Convention

At its 3rd plenary meeting, on 3 December 1997, the Conference of the Parties decided to place the issue of the second review of the adequacy of Article 4.2(a) and (b) of the Convention on the agenda for its fourth session, and to request the subsidiary bodies and the secretariat to make all necessary preparations to facilitate future consideration of that item (see Part One, section III D, para. 63 of the present report).

2. Request by Turkey to be deleted from the lists in Annexes I and II to the Convention

At its 12th plenary meeting, on 11 December 1997, the Conference of the Parties requested the Subsidiary Body for Implementation, at its eighth session, to consider the request to delete the name of Turkey from the lists in Annexes I and II to the Convention, and to present a report to the Conference of the Parties at its fourth session for consideration and definitive action (see Part One, section III E, para. 68 of the present report).

3. Proposal by Brazil in document FCCC/AGBM/1997/MISC.1/Add.3

At its 5th plenary meeting, on 5 December 1997, the Conference of the Parties decided that the proposal presented by Brazil in document FCCC/AGBM/1997/MISC.1/Add.3 should be referred to the Subsidiary Body for Scientific and Technological Advice for its advice regarding the methodological and scientific aspects. It authorized the Subsidiary Body for Scientific and Technological Advice to seek inputs, as appropriate, from its roster of experts and from the Intergovernmental Panel on Climate Change, and requested it to make its advice available to the Conference of the Parties at its fourth session (see Part One, section III F, para. 69 of the present report).

4. Calendar of meetings of Convention bodies 1998-1999

At its 5th plenary meeting, on 5 December 1997, the Conference of the Parties adopted the following calendar of meetings of Convention bodies in 1998-1999 (see Part One, section II G, para. 35 of the present report):

1. First sessional period in 1998: from 2 to 12 June;
2. Second sessional period in 1998: from 2 to 13 November;
3. First sessional period in 1999: from 31 May to 11 June;
4. Second sessional period in 1999: from 25 October to 5 November.

**Table: Total carbon dioxide emissions of Annex I Parties in 1990,  
for the purposes of Article 25 of the Kyoto Protocol <sup>a</sup>**

<b>Party</b>	<b>Emissions (Gg)</b>	<b>Percentage</b>	
Australia	288,965	2.1	
Austria	59,200	0.4	
Belgium	113,405	0.8	
Bulgaria	82,990	0.6	
Canada	457,441		3.3
Czech Republic	169,514	1.2	
Denmark	52,100	0.4	
Estonia	37,797		0.3
Finland	53,900	0.4	
France	366,536	2.7	
Germany	1,012,443	7.4	
Greece	82,100	0.6	
Hungary	71,673	0.5	
Iceland	2,172	0.0	
Ireland	30,719	0.2	
Italy	428,941	3.1	
Japan	1,173,360	8.5	
Latvia	22,976	0.2	
Liechtenstein	208	0.0	
Luxembourg	11,343	0.1	
Monaco	71	0.0	
Netherlands	167,600	1.2	
New Zealand	25,530	0.2	
Norway	35,533	0.3	
Poland	414,930	3.0	
Portugal	42,148	0.3	
Romania	171,103	1.2	
Russian Federation	2,388,720	17.4	
Slovakia	58,278	0.4	
Spain	260,654	1.9	
Sweden	61,256	0.4	
Switzerland	43,600	0.3	
United Kingdom of Great Britain and Northern Ireland	584,078	4.3	
United States of America	4,957,022	36.1	
<b>Total</b>	<b>13,728,306</b>	<b>100.0</b>	

<sup>a</sup> Data based on the information from the 34 Annex I Parties that submitted their first national communications on or before 11 December 1997, as compiled by the secretariat in several documents (A/AC.237/81; FCCC/CP/1996/12/Add.2 and FCCC/SB/1997/6). Some of the communications included data on CO<sub>2</sub> emissions by sources and removals by sinks from land-use change and forestry, but since different ways of reporting were used these data are not included.



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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON ITS  
FOURTH SESSION, HELD AT BUENOS AIRES FROM  
2 TO 14 NOVEMBER 1998**

**Addendum**

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

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## I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Decision 1/CP.4

#### The Buenos Aires Plan of Action

*The Conference of the Parties,*

*Having considered and reached conclusions upon the items included in its agenda at its fourth session,<sup>1</sup>*

*Determined to strengthen the implementation of the United Nations Framework Convention on Climate Change and prepare for the future entry into force of the Kyoto Protocol to the Convention, and to maintain political momentum towards these aims,*

1. Adopts the Buenos Aires Plan of Action, as specified in its separate decisions on:
  - (a) The financial mechanism (decisions 2/CP.4 and 3/CP.4);
  - (b) Development and transfer of technologies (decision 4/CP.4);
  - (c) Implementation of Article 4.8 and 4.9 of the Convention (covering also Articles 2.3 and 3.14 of the Kyoto Protocol) (decision 5/CP.4);
  - (d) Activities implemented jointly under the pilot phase (decision 6/CP.4);
  - (e) The work programme on mechanisms of the Kyoto Protocol (decision 7/CP.4);
  - (f) Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, including work on the elements of the Protocol related to compliance and on policies and measures for the mitigation of climate change (decision 8/CP.4);
2. *Resolves to demonstrate substantial progress on each of the above-mentioned issues in accordance with the time-frames contained in the relevant decisions.*

*8th plenary meeting  
14 November 1998*

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<sup>1</sup> FCCC/CP/1998/15.



## Decision 2/CP.4

### Additional guidance to the operating entity of the financial mechanism

*The Conference of the Parties,*

*Recalling* its decisions 11/CP.1, 10/CP.2, 11/CP.2 and 12/CP.2,

*Recalling further* that the Global Environment Facility (GEF), as stated in its operational principles for the development and implementation of its work programme,<sup>1</sup> will maintain sufficient flexibility to respond to changing circumstances, including evolving guidance of the Conference of the Parties and experience gained from monitoring and evaluation activities,

*Welcoming* the New Delhi Statement of the First GEF Assembly<sup>2</sup> and the Report on the Second Replenishment of the GEF Trust Fund, completed in March 1998,<sup>3</sup>

*Noting* the continued concerns and difficulties encountered by developing country Parties with the availability and disbursement of financial resources, including for the transfer of technology, the problems arising from the GEF project cycle, the application of the concept of incremental costs, and the availability of resources through the GEF implementing/executing agencies,

*Noting also* the current and ongoing efforts of the GEF to address these concerns, *inter alia*, by streamlining its project cycle, increasing support for country-level coordination, strengthening its monitoring and evaluation programme, ensuring that its activities are country-driven and consistent with national priorities and objectives, further developing its resource allocation strategy to maximize the effectiveness of its climate change activities and making the process of determining incremental costs more transparent and pragmatic,

*Noting further* the need to examine and address climate change impacts and minimize the adverse impacts, in particular for the Parties identified in Article 4.8 of the United Nations Framework Convention on Climate Change,

1. Decides that, in accordance with Articles 4.3, 4.5 and 11.1 of the Convention, the GEF should provide funding to developing country Parties to:

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<sup>1</sup> Global Environment Facility, *Operational Strategy* (Washington, D.C., February 1996), p. 2.

<sup>2</sup> See document FCCC/CP/1998/12, annex B.

<sup>3</sup> Document GEF/C.11/6 of 24 March 1998.

(a) Implement adaptation response measures under Article 4.1 of the Convention for adaptation activities envisaged in decision 11/CP.1, paragraph 1(d)(ii) (Stage II activities) in particularly vulnerable countries and regions identified in Stage I activities, and especially in countries vulnerable to climate-related natural disasters, taking into account their preparatory adaptation planning frameworks in priority sectors, the completion of Stage I activities, and in the context of their national communications;

(b) Enable them, in light of their social and economic conditions and taking into account state-of-the-art environmentally sound technologies, to identify and submit to the Conference of the Parties their prioritized technology needs, especially as concerns key technologies needed in particular sectors of their national economies conducive to addressing climate change and minimizing its adverse effects;

(c) Build capacity for participation in systematic observational networks to reduce scientific uncertainties relating to the causes, effects, magnitude and timing of climate change, in accordance with Article 5 of the Convention;

(d) Meet the agreed full costs of preparing initial and subsequent national communications, in accordance with Articles 4.3 and 12.5 of the Convention and decision 11/CP.2, paragraph 1(d), by maintaining and enhancing relevant national capacity, so as to prepare the initial and second national communications which will take into account experiences, including gaps and problems identified in previous national communications, and guidelines established by the Conference of the Parties. Guidance on subsequent national communications will be provided by the Conference of the Parties;

(e) Assist them with studies leading to the preparation of national programmes to address climate change, compatible with national plans for sustainable development, in accordance with Article 4.1(b) of the Convention and paragraph 13 of the annex to decision 10/CP.2;

(f) Assist in developing, strengthening and/or improving national activities for public awareness and education on climate change and response measures, in full accordance with Article 6 of the Convention and decision 11/CP.1, paragraph 1(b)(iii), and taking into account, where appropriate, relevant GEF operational programmes;

(g) Support capacity-building for:

(i) The assessment of technology needs to fulfil the commitments of developing countries under the Convention, the identification of sources and suppliers of these technologies, and the determination of modalities for the acquisition and absorption thereof;

- (ii) Country-driven activities and projects to enable Parties not included in Annex I to the Convention (non-Annex I Parties) to design, evaluate and manage these projects;
  - (iii) Strengthening the capacity of non-Annex I Parties to host projects, including from project formulation and development to their implementation;
  - (iv) Facilitating national/regional access to the information provided by international centres and networks, and for working with those centres for the dissemination of information, information services, and transfer of environmentally sound technologies and know-how in support of the Convention;
2. *Requests* the GEF to continue to provide, and developing country Parties to avail themselves of, funding to translate, reproduce, disseminate and make available their initial national communications electronically;
3. *Encourages* the GEF to:
- (a) Further streamline its project cycle with a view to making project preparation simpler, less prescriptive, more transparent and country-driven;
  - (b) Further simplify and expedite its procedures for the approval and implementation of GEF-funded projects, including disbursements for such projects;
  - (c) Make the process for the determination of incremental costs more transparent, and its application more pragmatic;
4. *Requests* the GEF to ensure that its implementing/executing agencies are made aware of Convention provisions and decisions adopted by the Conference of the Parties in the performance of their GEF obligations and are encouraged, as a first priority, whenever possible, to use national experts/consultants in all aspects of project development and implementation;
5. *Further requests* the GEF to include in its report to the Conference of the Parties the specific steps it has undertaken to implement the provisions of this decision.

*8th plenary meeting  
14 November 1998*

### **Decision 3/CP.4**

#### **Review of the financial mechanism**

*The Conference of the Parties,*

*Recalling* its decisions 9/CP.1, 11/CP.2, 12/CP.2 and 11/CP.3,

*Taking note* of the study of the overall performance of the restructured Global Environment Facility,<sup>1</sup>

1. *Decides* that the restructured Global Environment Facility shall be an entity entrusted with the operation of the financial mechanism referred to in Article 11 of the United Nations Framework Convention on Climate Change;

2. *Decides also*, in accordance with Article 11.4 of the Convention, to review the financial mechanism every four years, on the basis of the guidelines as contained in the annex to this decision or as they may subsequently be amended, and to take appropriate measures.

*8th plenary meeting  
14 November 1998*

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<sup>1</sup> Gareth Porter, Raymond Cléménçon, Waafas Ofofu-Amaah and Michael Philips, *Study of GEF's Overall Performance*, Global Environment Facility, March 1998.

## **Annex**

### **GUIDELINES FOR THE REVIEW OF THE FINANCIAL MECHANISM**

#### **A. Objectives**

In accordance with Article 11.4 of the Convention, the objectives will be to review the financial mechanism and take appropriate measures regarding:

- (a) Its conformity with the provisions of Article 11 of the Convention;
- (b) Its conformity with the guidance of the Conference of the Parties (COP);
- (c) The effectiveness of the activities it funds in implementing the Convention;
- (d) Its effectiveness in providing financial resources on a grant or concessional basis, including for the transfer of technology, for the implementation of the Convention's objective on the basis of the guidance provided by the COP;
- (e) Its effectiveness in providing resources to developing country Parties under Article 4.3 of the Convention.

#### **B. Methodology**

The review shall draw upon the following sources of information:

- (a) Information provided by the Parties on their experiences regarding the financial mechanism;
- (b) Annual reviews by the COP on the conformity of the activities of the financial mechanism with the guidance of the COP;
- (c) The annual report of the Global Environment Facility (GEF) to the COP on its activities as the operating entity of the financial mechanism, the annual reports of the GEF and other relevant GEF policy and information documents;
- (d) Reports from the GEF monitoring and evaluation programme;
- (e) Reports from the United Nations Commission on Sustainable Development and relevant bilateral and multilateral funding institutions;
- (f) Relevant information provided by other intergovernmental and non-governmental organizations.

### **C. Criteria**

The effectiveness of the financial mechanism will be assessed taking into account the following:

- (a) The transparency of decision-making processes;
- (b) The adequacy, predictability and timely disbursement of funds for activities in developing country Parties;
- (c) The responsiveness and efficiency of the GEF project cycle and expedited procedures, including its operational strategy, as they relate to climate change;
- (d) The amount of resources provided to developing country Parties, including financing for technical assistance and investment projects;
- (e) The amount of finance leveraged;
- (f) The sustainability of funded projects.

## Decision 4/CP.4

### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* the relevant provisions of the programme for the further implementation of Agenda 21 on the transfer of environmentally sound technologies adopted by the United Nations General Assembly at its nineteenth special session, and decision 6/3 of the Commission on Sustainable Development,

*Further recalling* the provisions of the United Nations Framework Convention on Climate Change, including its Article 4.1, 4.3, 4.5, 4.7, 4.8 and 4.9 and Articles 9.2, 11.1, 11.5, 12.3 and 12.4,

*Noting* that reports are under preparation which will contribute substantially to the understanding of technology transfer issues, including the secretariat technical papers on terms of transfer and adaptation technologies, and the Intergovernmental Panel on Climate Change (IPCC) special report on technology transfer,

*Recognizing* the need for continued efforts by Parties to promote and cooperate in the development, application, diffusion and transfer of technologies,

*Recognizing* that the private sector plays, in some countries, an important role in the development, transfer and finance of technologies, and that the creation of enabling environments at all levels provides a platform to support the development, use and transfer of environmentally sound technologies and know-how,

*Having considered* the progress reports presented by the Convention secretariat on the development and transfer of technologies,

*Recalling and reaffirming* its decisions 13/CP.1, 7/CP.2 and 9/CP.3,

1. *Agrees* that strengthening the capacities and capabilities of developing country Parties to address climate change will help these Parties to contribute to the ultimate objective of the Convention and to achieve sustainable development;

2. *Encourages* all relevant international organizations to mobilize and facilitate efforts to provide financial resources needed by developing country Parties to meet their agreed incremental costs, including development and transfer of technologies, enhancement of endogenous capacities, implementation of such measures as improving energy efficiency,

exploiting renewable energies, enhancing sinks and preparing for adaptation to adverse effects of climate change;

3. *Requests* Parties included in Annex II to the Convention (Annex II Parties):

(a) To take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of environmentally sound technologies and know-how to developing country Parties and their access thereto;

(b) To support capacity-building and the strengthening of appropriate institutions in developing countries to enable the transfer of environmentally sound technologies and know-how;

4. *Further requests* Parties included in Annex I to the Convention (Annex I Parties), and in particular Annex II Parties:

(a) To assist developing country Parties in their efforts to build capacity and institutional frameworks to improve energy efficiency and utilization of renewable energies through multilateral and bilateral cooperative efforts;

(b) To provide assistance to developing country Parties to build capacity for sustainable management, conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems;

(c) To assist developing country Parties to build capacity to adapt to the adverse effects of climate change;

(d) To assist developing country Parties to strengthen their endogenous capacities and capabilities in the areas of technological and socio-economic research and systematic observation relevant to climate change and its associated adverse effects;

(e) Taking into account Article 6 of the Convention, to cooperate in and promote capacity-building of developing country Parties at the international, regional, sub-regional and national levels through cooperation programmes supported by United Nations and other multilateral agencies, as well as bilateral agencies;

5. *Requests* all Parties to enhance reporting in their national communications of technology cooperation and transfer activities and *invites* Parties not included in Annex I to the Convention (non-Annex I Parties) to include, where possible, their technology needs;



6. *Encourages* Parties to implement practical cooperation programmes and projects to promote and facilitate the transfer of technologies to reduce greenhouse gas emissions and facilitate adaptation to climate change and its adverse effects, while supporting sustainable development;

7. *Urges:*

(a) Annex I Parties, in their technology transfer activities, to take into account support for the development and enhancement of the endogenous capacities and technologies of developing country Parties;

(b) Annex II Parties to provide, as appropriate, for reference by developing country Parties, a list of environmentally sound technologies and know-how related to adaptation to and mitigation of climate change that are publicly owned, and to report in their national communications steps taken to implement Article 4.5 of the Convention;

(c) Non-Annex I Parties, in the light of their social and economic conditions, to submit their prioritized technology needs, especially those relating to key technologies to address climate change in particular sectors of their national economies, taking into account state-of-the-art environmentally sound technologies;

(d) Both developed and developing country Parties to create an enabling environment, as referred to in paragraph 2(e) of decision 6/3 of the Commission on Sustainable Development, to stimulate private sector investment in the transfer of environmentally sound technologies and know-how to developing countries and to promote the implementation of endogenous know-how;

8. *Invites* all Parties and interested international and non-governmental organizations to identify projects and programmes incorporating cooperative approaches to the transfer of technologies which they believe can serve as models for improving the diffusion and implementation of clean technologies under the Convention, and to provide information thereon to the secretariat, by 15 March 1999, for compilation into a miscellaneous document to be considered by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its tenth session;

9. *Requests* the Chairman of the SBSTA to establish a consultative process to consider the list of issues and questions contained in the annex to this decision, as well as any additional issues and questions subsequently identified by Parties, and to make recommendations on how they should be addressed in order to achieve agreement on a framework for meaningful and effective actions to enhance implementation of Article 4.5 of the Convention. Such a process should also consider issues identified in the secretariat progress report on transfer of

technology<sup>1</sup> and in submissions from Parties. The consultative process could include, resources permitting, regional meetings, regional workshops and a SBSTA workshop, arranged with the assistance of the secretariat and drawing upon the roster of experts and, as appropriate, experts engaged in the IPCC process;

10. *Further requests* the Chairman of the SBSTA to report on the outcome of the consultative process to the SBSTA at its eleventh session, with a view to recommending a decision for adoption by the Conference of the Parties at its fifth session;

11. *Invites* Parties to provide submissions to the secretariat, by 15 March 1999, on how the issues and questions listed in the annex to this decision should be addressed, as well as suggestions for additional issues and questions;

12. *Requests* the Convention secretariat:

(a) To continue its work on the synthesis and dissemination of information on environmentally sound technologies and know-how conducive to mitigating, and adapting to, climate change, and in so doing to complete its ongoing activities for 1999 as defined in the secretariat progress report;<sup>2</sup>

(b) In preparing the budget for the next biennium, to give priority to activities on the theme of building the capacity of Parties to enhance the transfer of environmentally sound technologies, as defined in the secretariat progress report,<sup>2</sup> including assessing and synthesizing information on environmentally sound technologies and know-how, and in so doing to identify specific tasks;

(c) To further strengthen its activities in support of capacity-building in developing country Parties with regard to the transfer of environmentally sound technologies and know-how.

*8th plenary meeting  
14 November 1998*

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<sup>1</sup> FCCC/CP/1998/6.

<sup>2</sup> Ibid.

**Annex**

Issues	Questions
<b>Practical steps to promote, facilitate and finance, as appropriate, transfer of, and access to, environmentally sound technologies and know-how</b>	
Promote the removal of barriers to technology transfer.	How should Parties promote the removal of barriers to technology transfer? Which barriers are a priority and what practical steps should be taken?
Initiate and promote the transfer of publicly owned technology and those in the public domain.	What publicly owned technologies are available? How could Annex II Parties report upon them? How should Annex II Parties promote the transfer of publicly owned technologies?
Promote bilateral and multilateral technology cooperation to facilitate technology transfer.	What additional bilateral and multilateral efforts to promote technology cooperation to facilitate technology transfer should be initiated? What should be the priority?
Consider appropriate mechanisms for technology transfer under the Convention.	Are existing multilateral mechanisms sufficient? Are new mechanisms needed for technology transfer? If so, what are appropriate mechanisms for the transfer of technologies among Parties in pursuance of Article 4.5 of the Convention?
Collaborate with relevant multilateral institutions to promote technology transfer.	What should be the objective of collaboration with relevant multilateral institutions to promote technology transfer and what practical steps should be taken?
Promote and facilitate, in collaboration with the financial mechanism and multilateral and bilateral institutions, the arrangement of financing of technology transfer.	What additional guidance should be given to the financial mechanism?
Promote and assist developing country Parties to access technology information.	What sort of information is needed and how can this best be done?
Facilitate access to emerging technologies.	How could access to emerging technologies be facilitated?
Facilitate the appropriate role of the private sector.	What role is the private sector playing in technology transfer? What additional role can the private sector play? What barriers prevent their greater participation?
<b>Support for the development and enhancement of endogenous capacities and technologies of developing country Parties</b>	
Provide technical advice on technology transfer to Parties, particularly developing country Parties.	What technical advice on technology transfer is needed? How should such advice be provided?

Issues	Questions
Promote capacity-building in developing country Parties through provision of concrete programmes.	What areas should be the focus of capacity- building and how should it be undertaken, e.g. what kinds of activities, programmes and institutional arrangements?
Assist developing country Parties, on request, to assess required technologies.	How, to whom and in what format should developing country Parties make their request for assistance to assess required technologies?
Promote and enhance access to relevant technical, legal and economic information at national and regional centres.	What technical, legal and economic information is needed ? What practical steps should be taken to promote and enhance access to such information by national and regional centres?
Develop a consensus on practical next steps to improve existing technology centres and networks in order to accelerate the diffusion of clean technologies in non-Annex I Party markets.	What type of process is needed to develop a consensus on practical next steps to improve existing technology centres and networks in order to accelerate the diffusion of clean technologies in non-Annex I Party markets. What type of arrangement is needed to monitor progress?
Promote an enabling environment for private sector participation.	What measures, programmes and activities can best help to create an appropriate enabling environment for private sector investment ?
<b>Assistance in facilitating the transfer of environmentally sound technologies and know-how</b>	
Oversee the exchange of information among Parties and other interested organizations on innovative technology cooperation approaches, and the assessment and synthesis of such information.	How should the Convention oversee the exchange of information among Parties and other interested organizations on innovative technology cooperation approaches, and the assessment and synthesis of such information?
Consider information on innovative technology cooperation approaches and develop recommendations to the Conference of the Parties which could be recognized more formally and widely implemented under the Convention.	How should information be compiled and synthesized on innovative technology cooperation approaches? When should recommendations on such approaches be forwarded to the Conference of the Parties?
Identify projects and programmes on technology cooperation, which can serve as models for improving the diffusion and implementation of clean technologies internationally under the Convention, and to provide information on these projects to the Convention secretariat.	How and when should information on projects and programmes of technology cooperation which Parties believe can serve as models for improving the diffusion and implementation of clean technologies internationally under the Convention be provided to the secretariat? How could information on such model programmes be evaluated?
<b>Other questions</b>	
<p>Can specific technology transfer goals be set?</p> <p>Can we develop indicators and accounting systems to track progress on technology transfer?</p> <p>Are particular institutional arrangements needed to monitor progress?</p>	

**Decision 5/CP.4****Implementation of Article 4.8 and 4.9 of the Convention  
(decision 3/CP.3 and Articles 2.3 and 3.14 of the Kyoto Protocol)**

*The Conference of the Parties,*

*Recalling* its decision 3/CP.3 on implementation of Article 4, paragraphs 8 and 9, of the United Nations Framework Convention on Climate Change,

*Recalling also* the provisions of Article 4.8 and 4.9 of the Convention,

*Noting* the provisions of Article 2.3 and Article 3.14 of the Kyoto Protocol to the Convention,

*Recognizing* that, in the implementation of the commitments in Article 4 of the Convention, the Parties shall give full consideration to what actions are necessary under the Convention, 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 adverse effects of climate change and/or the impact of the implementation of response measures,

*Noting* the provision under Article 12.8 of the Kyoto Protocol,

*Recognizing* the concern for sustainable development of the countries referred to in Article 4.8 and 4.9 of the Convention,

*Welcoming* the relevant work of the Intergovernmental Panel on Climate Change (IPCC), in particular its First and Second Assessment Reports, its recent Special Report on the Regional Impacts of Climate Change and its forthcoming Third Assessment Report, which will *inter alia* address issues relevant to Article 4.8 and 4.9 of the Convention,

*Noting*, however, that considerable uncertainties still persist with regard to the assessment of the adverse effects of climate change, particularly at the regional, sub-regional and national levels, and that in this context information gaps need to be filled, using in particular information contained in national communications from Parties included in Annex I to the Convention (Annex I Parties) and Parties not included in Annex I to the Convention (non-Annex I Parties),

*Noting also* that there is not enough information available on the adverse effects of climate change and the impact of the implementation of response measures, and that in this context also information gaps need to be filled, using in particular information contained in national communications from Annex I Parties and non-Annex I Parties,

1. *Decides* that the basic elements for further analysis should include the following:
  - (a) Identification of the adverse effects of climate change;
  - (b) Identification of the impacts of the implementation of response measures under the Convention;
  - (c) Identification of the specific needs and concerns of developing country Parties arising from such adverse effects and impacts defined through *inter alia* the national communications from non-Annex I Parties;
  - (d) Identification and consideration of actions, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns referred to in subparagraph (c) above;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA) to initiate a process of compilation and analysis of available information, which is needed to elaborate any actions necessary to implement Article 4.8 and 4.9 of the Convention;
3. *Further requests* the SBSTA to take into account information needs arising from the basic elements mentioned in paragraph 1 above, as well as the programme of work set out in the annex to this decision, in revising the guidelines for the preparation of national communications by Annex I Parties and non-Annex I Parties;
4. *Requests* the Subsidiary Body for Implementation (SBI) and the SBSTA to continue consideration of the implementation of Article 4.8 and 4.9 of the Convention at their tenth and eleventh sessions and to report thereon to the Conference of the Parties at its fifth session;
5. *Invites* the IPCC to provide, in its Third Assessment Report, a further scientific and technical assessment on matters related to Article 4.8 and 4.9 of the Convention;
6. *Decides* to adopt and implement the programme of work set out in the annex to this decision.

*8th plenary meeting  
14 November 1998*

**Annex  
PROGRAMME OF WORK**

ITEM	ACTION	OBJECTIVE	RESPONSIBILITY	DEADLINE
1	Submission of views on the issues to be discussed in the expert workshop	Identify factors that will help determine the adverse effects of climate change and/or the impact of implementation of response measures, the information available, existing information gaps and further information needed as well as views on methodologies, taking into account <i>inter alia</i> submissions already made to the COP and the subsidiary bodies on the implementation of Article 4.8 and 4.9 of the Convention	All Parties	End of April 1999
2	Consideration of the secretariat's compilation of national submissions	Define the expert workshop terms of reference	SBI 10, SBSTA 10	June 1999
3	Organization of the expert workshop, including budgetary issues	Produce input for SBSTA 11 and SBI 11	Chairman of SBSTA, with the assistance of the secretariat	September 1999
4	Further discussion on the implementation of Article 4.8 and 4.9 of the Convention considering the outcome of the workshop	Prepare report including conclusions and/or draft decision for COP 5	SBI 11, SBSTA 11	October/ November 1999
5	Identification of initial actions to address the implementation of Article 4.8 and 4.9 of the Convention, as well as Articles 2.3 and 3.14 of the Kyoto Protocol	Identify initial actions, including initial input for COP/MOP 1, in accordance with Articles 2.3 and 3.14 of the Kyoto Protocol	COP 5	October/ November 1999
6	Identification of any additional actions needed to address the implementation of Article 4.8 and 4.9 of the Convention, as well as Articles 2.3 and 3.14 of the Kyoto Protocol	Take a decision on any further actions	COP 6	November/ December 2000

## Decision 6/CP.4

### Activities implemented jointly under the pilot phase

*The Conference of the Parties,*

*Recalling* its decision 5/CP.1,

*Noting* its decision 7/CP.4 on the work programme on mechanisms of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Taking note* of the second synthesis report<sup>1</sup> and the update<sup>2</sup> on activities implemented jointly under the pilot phase prepared by the secretariat, and of the views expressed by Parties,<sup>3</sup>

*Recognizing* the need to address the issues identified in the second synthesis report, particularly in its main conclusions (chapter II),

1. *Decides* to continue the pilot phase, recognizing that such continuation should provide developing country Parties, in particular the least developed and small island developing States amongst them, as well as Parties with economies in transition, with the opportunity to enhance their capacity-building, and all Parties with the opportunity to gain further experience with activities implemented jointly;

2. *Invites* Parties to continue to submit new reports or updates on activities implemented jointly under the pilot phase, endorsed by designated national authorities for activities implemented jointly, using the uniform reporting format adopted by its decision 10/CP.3. The deadline for submission of reports to be considered in the third synthesis report is 8 June 1999;

3. *Reiterates* the invitation to Parties contained in decision 10/CP.3 to provide inputs to the secretariat on their experience in using the uniform reporting format. The deadline for submission of these inputs to be considered by the Subsidiary Body for Scientific and Technological Advice at its tenth session is 12 February 1999;

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<sup>1</sup> FCCC/CP/1998/2.

<sup>2</sup> FCCC/CP/1998/INF.3.

<sup>3</sup> FCCC/CP/1998/MISC.7 and Add. 1-4.



4. *Decides* to begin preparations for a review process of the pilot phase and *requests* the subsidiary bodies to address the process at their tenth sessions, with a view to the Conference of the Parties taking a conclusive decision on the pilot phase, and the progression beyond that, no later than the end of the present decade;

5. *Invites* Parties to submit to the secretariat their views on the process and information on experience gained and lessons learned with activities implemented jointly under the pilot phase, in order to facilitate the review process referred to in paragraph 4 above. The deadline for such submissions, to be considered by the Subsidiary Body for Scientific and Technological Advice at its tenth session, is 12 February 1999.

*8th plenary meeting  
14 November 1998*

## Decision 7/CP.4

### Work programme on mechanisms of the Kyoto Protocol

*The Conference of the Parties,*

*Being guided by Article 3 of the United Nations Framework Convention on Climate Change,*

*Recalling Articles 6, 12 and 17 on mechanisms of the Kyoto Protocol to the Convention,*

*Recalling also Article 3 of the Kyoto Protocol,*

*Recalling its decision 1/CP.3, paragraphs 5 and 6,*

*Having considered views submitted by Parties related to matters contained in decision 1/CP.3, paragraph 5 (b), (c) and (e) and paragraph 6,<sup>1</sup>*

1. *Decides* on the following work programme on mechanisms, including the list of elements in the annex to this decision, to be undertaken with priority given to the clean development mechanism, and with a view to taking decisions on all the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol at its sixth session, including, where appropriate, recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session on:

- (a) Guidelines concerning provisions under Article 6 of the Kyoto Protocol;
- (b) Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol, with the objective of ensuring transparency, efficiency and accountability through independent auditing and verification of project activities, and including implications of Article 12.10 of the Kyoto Protocol;
- (c) Relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability of emissions trading, pursuant to Article 17 of the Kyoto Protocol;

2. *Invites* Parties to submit further proposals on principles, modalities, rules and guidelines for the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol by the end of February 1999 as an input to technical workshops, and additional proposals, by 31 March 1999,

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<sup>1</sup> FCCC/CP/1998/MISC.7 and Add. 1-4; and FCCC/SB/1998/MISC.1 and Add.1/Rev.1, Add.2, Add.3/Rev.1 and Add. 4-6.

for compilation by the secretariat as a miscellaneous document for the subsidiary bodies at their tenth sessions;

3. *Requests* the secretariat, under the guidance of the Chairmen of the subsidiary bodies, to convene two technical workshops before 15 April 1999, based on inputs by Parties and drawing upon relevant contributions from United Nations agencies and intergovernmental and non-governmental organizations, in a manner that promotes coordination and cooperation and the effective use of scarce resources;

4. *Requests* the secretariat to prepare, for consideration by the subsidiary bodies at their tenth sessions, a plan for facilitating capacity-building in developing country Parties, especially the small island States and the least developed amongst them, for project activities under the clean development mechanism, and for facilitating the participation of Parties with economies in transition in the other mechanisms;

5. *Requests* the Chairmen of the subsidiary bodies, supported by the secretariat, to produce, based on submissions by Parties and bearing in mind linkages among the provisions relating to the mechanisms and other issues related to the Kyoto Protocol, a synthesis of proposals by Parties on matters addressed in paragraph 1 above for initial consideration by the subsidiary bodies at their tenth sessions.

*8th plenary meeting  
14 November 1998*

Annex**Work programme on mechanisms of the Kyoto Protocol: list of elements<sup>a</sup>**

<b>Provisions in the Kyoto Protocol</b>	<b>Elements</b>	<b>Subsidiary bodies</b>
	<b>General</b>	SBSTA /SBI
	(1) Application of relevant principles (2) Nature and scope of the mechanisms (3) Equity and transparency (4) Supplementarity (5) Climate change effectiveness (6) Institutional framework (7) Capacity-building (8) Adaptation (9) Compliance (10) Linkages (11) Inapplicability of Article 4.8 and 4.9 of the Convention and/or Article 2.3 and 3.14 of the Kyoto Protocol to the mechanisms <sup>b</sup> (12) Dependence of the ambitious environmental targets of the Kyoto Protocol upon availability of mechanisms (13) Importance of prompt decisions on workable mechanisms for ratification/entry into force (14) Principle of cost-effectiveness (15) Role of mechanisms in promoting compliance (16) Comparable treatment among Parties included in Annex B to the Kyoto Protocol, whether using Articles 6, 12, 17 or other means to achieve their Article 3 commitments (17) Maximizing the environmental benefits of mechanisms by assuring the lowest possible cost structures	

<sup>a</sup> The existence of elements in this list is without prejudice to inclusion of these items in the rules, modalities and guidelines developed for these mechanisms. Additional items can be added to this list.

<sup>b</sup> Unless otherwise specified, all references to Articles in this annex are to Articles of the Kyoto Protocol.

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	<p>(18) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization</p> <p>(19) Supplementarity (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria)</p> <p>(20) Linkages, inter alia interchangeability</p> <p>(21) Prerequisites for the use of the mechanisms (compliance, linkage with Articles 5, 7, 8)</p> <p>(22) Articles 2.3 and 3.14</p>	
	<b>Article 12 - Clean development mechanism (CDM)</b>	
<p>12.2</p> <p>3, 12.2</p> <p>12.2</p> <p>12.2</p> <p>12.2</p> <p>12.2</p> <p>12.8</p> <p>12.2, 12.7</p>	<p><u>Basic</u></p> <p>(1) Purpose of CDM projects</p> <p>(2) The "part of" commitments under Article 3</p> <p>(3) Compatibility with sustainable development priorities/strategies</p> <p>(4) Special needs of least developed countries</p> <p>(5) Criteria for project eligibility</p> <p>(6) Adaptation</p> <p>(7) Transparency, non-discrimination, prevention of distortion of competition</p> <p>(8) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization</p> <p>(9) Supplementarity to domestic actions for achieving compliance with reduction commitments under Article 3 (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria)</p> <p>(10) Prerequisites for the use of the CDM (compliance, linkage with Articles 5, 7, 8)</p>	<p>SBSTA /SBI</p>

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
<p>12.3 (b)</p> <p>12.5 (c)</p> <p>12.5 (b)</p> <p>12.5</p> <p>12.5 (c)</p> <p>12.3(a), 12.9</p> <p>12.7</p> <p>12.5, 12.7</p> <p>12.10</p> <p>3.3 &amp; 3.4</p>	<p><u>Methodological and technical</u></p> <p>(11) "Part of " Annex I commitments</p> <p>(12) Additionality criteria in project funding</p> <p>(13) Should there be any distinction between public/private funding?</p> <p>(14) Criteria for real, measurable and long-term benefits related to climate change</p> <p>(15) Criteria for certification</p> <p>(16) Criteria for project baseline</p> <p>(17) Definition of the concept of certified emission reductions</p> <p>(18) Systems for independent auditing and verification of project activities</p> <p>(19) Format for reporting</p> <p>(20) Implication of Article 12.10, including implications for a possible interim phase approach to the CDM and of the activities implemented jointly (AIJ) under the pilot phase</p> <p>(21) Outcome of methodological work on Articles 3.3 and 3.4</p> <p>(22) Environmental additionality and baselines</p> <p>(23) Categorization of projects</p> <p>(24) Criteria for sustainable development</p> <p>(25) Determination of additionality of emissions reductions/removals</p> <p>(26) Tracking of certified emission reductions</p> <p>(27) Fungibility among mechanisms</p> <p>(28) Compliance-related issues</p> <p>(29) Inclusion of sinks projects; all six greenhouse gases specified in the Kyoto Protocol</p>	<p>SBSTA</p>
<p>3, 12, 12.9, 12.10</p> <p>12.8</p> <p>12.8</p>	<p><u>Process</u></p> <p>(30) Acquisition and transfer of certified emission reduction units</p> <p>(31) Determination of share of proceeds for adaptation</p> <p>(32) Determination of share of proceeds for administration</p>	<p>SBI</p>

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
12.6 12.8 12.2	(33) Criteria and procedures for arranging funding for certified project activities (34) Criteria and procedures for assisting developing country Parties that are particularly vulnerable to meet adaptation costs (35) Approval by involved Parties of sustainable development (36) Approval by involved Parties of project (37) Certification of project activities and reductions (38) Reporting (39) Auditing and verification (40) Eligibility of AIJ projects under the CDM beginning in 2000 (41) Credit (starting from 2000) for qualifying projects begun before CDM rules become effective (42) Implications for benefits from CDM in considering whether to elaborate 'part of' in Article 12.3 (b)	
	<u>Institutional</u>	SBI
12.4	(43) Authority and guidance of the Conference of the Parties	
12.4	(44) Accountability of the executive board to the Conference of the Parties serving as the meeting of the Parties to the Protocol	
12.4, 12.5, 12.6, 12.7, 12.8, 12.9	(45) Functions of, relationship among and operational procedures of the Conference of the Parties, Conference of the Parties serving as the meeting of the Parties to the Protocol, the executive board and operational entities	
12.4, 12.7	(46) Executive board - constitution, composition, and functions - membership and rules of procedure, provisions for institutional and administrative support	
12.9	(47) Guidance regarding involvement of public and/or private entities	
12.5, 12.7	(48) Operational entities - identification/designation/accreditation; monitoring/auditing of operational entities	
12.2	(49) Responsibility of Parties (50) Overall institutional framework	

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	<b>Article 6 - Projects</b>	
6.1 6.1(d) 6.1	<u>Basic</u> (1) Criteria for Article 6 projects (2) "Supplemental to domestic actions" (3) Transparency (4) Implications of the AIJ pilot phase (5) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization (6) Supplementarity to domestic actions (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria) (7) Prerequisites for the use of Article 6 (compliance, linkage with Articles 5, 7 and 8) (8) Lack of authority to elaborate "supplemental to domestic actions"; inadvisability of doing so (9) Lack of authority to impose a charge for adaptation	SBSTA /SBI
6.1 6.1(b) 6.2 8.4 6.2 3.3, 3.4	<u>Methodological and technical</u> (10) Criteria for project baselines (11) Assessment of additionality (12) Verification and reporting (13) Guidelines for review of implementation of Article 6 by expert review teams (14) Guidelines for monitoring, reporting, verification (15) Outcome of methodological work on Articles 3.3 and 3.4 (16) Categorization of projects (17) Real, measurable and long-term environmental benefits (18) Independent certification and verification (19) Is further elaboration of guidelines necessary? (20) Fungibility among mechanisms	SBSTA



Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
6.1(a) 6.1(c), 3.10, 3.11, 6.3, 6.4 6.3 8.4 6.4, 16, 18 6.1	(21) Other compliance-related issues (22) How to assess project additionality/baselines (23) Tracking of emission reduction units  <u>Process</u> (24) Process for approval by Parties involved in projects (25) Acquisition and transfer of emission reduction units  (26) Authorization of legal entities (27) Process for reviewing Article 6 according to Article 8.4 (28) Consequences of non-compliance (29) Process for assessing compliance with Articles 5 and 7 (30) Independent certification and verification (31) Certification of emission reductions (32) Monitoring (33) Reporting (34) Eligibility of AIJ projects under Article 6 (35) Starting date for Article 6 projects	SBI
6.2  6.2 6.3.	<u>Institutional</u> (36) Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation  (37) Elaboration of guidelines as per Article 6.2 (38) Involvement of legal entities	SBI

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	<b>Article 17 - Emissions trading between Parties included in Annex B to the Kyoto Protocol</b>	SBSTA /SBI
17 3, 17 17, Convention 3, 17 17 17	<p>(1) Basis of rights and entitlements for emissions trading of Parties included in Annex B</p> <p>(2) "Supplemental to domestic actions"</p> <p>(3) Conformity with the principle of equity in the Convention</p> <p>(4) Real and verifiable reduction of greenhouse gas emissions</p> <p>(5) Elaboration of principles, modalities, rules and guidelines</p> <p>(6) Matters relating to verification, reporting and accountability</p> <p>(7) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization</p> <p>(8) Complementarity to domestic actions for the purpose of meeting commitments under Article 3 (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria)</p> <p>(9) Prerequisites for the use of Article 17 (compliance, linkage with Articles 5, 7 and 8)</p> <p>(10) Participation by legal entities</p> <p>(11) "Hot air "</p> <p>(12) Transparency</p> <p>(13) Accessibility</p> <p>(14) Non-discrimination</p> <p>(15) Non-distortion of competition</p> <p>(16) Liability</p> <p>(17) Reporting and tracking of trades</p> <p>(18) Interchangeability</p> <p>(19) Definition of tradeable unit</p> <p>(20) Determination and creation of rights and entitlements for emissions trading of Parties included in Annex B</p> <p>(21) Elements of principles, modalities, rules and guidelines for emissions trading</p>	

<b>Provisions in the Kyoto Protocol</b>	<b>Elements</b>	<b>Subsi- diary bodies</b>
	(22) Assigned amounts as basis for emissions trading (23) Tracking transfers and acquisitions in assigned amounts (24) Reporting on transfers and acquisitions in assigned amounts (25) National registries (26) Compliance-related issues (27) Eligibility (e.g. links to Articles 5 and 7) (28) Legal entities (29) Lack of authority to elaborate "supplemental to domestic actions"; inadvisability of doing so (30) Fungibility among mechanisms (31) Competitiveness issues (32) Lack of authority to impose a charge for adaptation	

## Decision 8/CP.4

### **Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol: matters related to decision 1/CP.3, paragraph 6**

*The Conference of the Parties,*

*Recalling* its decision 1/CP.3 on the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular paragraph 6 of that decision on the allocation of preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

*Further recalling* the functions and terms of reference of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, as contained in Articles 9 and 10 of the Convention and as elaborated by its decisions 6/CP.1 and 13/CP.3, and *noting* Article 15 of the Kyoto Protocol,

*Having considered* the proposal by the Chairmen of the subsidiary bodies on the allocation to those bodies of preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,<sup>1</sup>

*Recognizing* the need to maximize efficiency in the work of the subsidiary bodies and to avoid duplication and overlap,

*Taking into account* decisions<sup>2</sup> taken at its fourth session related to issues addressed in annexes I and II to this decision,

*Decides:*

(a) That the preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol shall be allocated to the subsidiary bodies as shown in annex I to this decision;

(b) That this work shall be carried out according to the initial list of work set out in annex II to this decision;

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<sup>1</sup> FCCC/CP/1998/3.

<sup>2</sup> Decisions 5/CP.4, 7/CP.4, 9/CP.4, 10/CP.4 and 11/CP.4.

(c) To invite the subsidiary bodies to report on these matters to the Conference of the Parties at its fifth session.

*8th plenary meeting  
14 November 1998*

Annex I

**ALLOCATION OF PREPARATORY WORK FOR THE CONFERENCE  
OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES  
TO THE KYOTO PROTOCOL AT ITS FIRST SESSION**

Task	Allocation
<b>Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session</b>	
Actions relating to Article 3.14 <sup>a</sup>	See decision 5/CP.4
Guidelines for national systems under Article 5.1 and methodologies for the application of adjustments under Article 5.2	SBSTA
Guidelines for the preparation of information under Article 7, with respect to both annual inventories and national communications from Annex I Parties	SBSTA, in cooperation with SBI
Guidelines for the review of implementation by expert review teams under Article 8	SBI, in cooperation with SBSTA
Modalities and procedures relating to the clean development mechanism under Article 12	See decision 7/CP.4 <sup>b</sup>
Procedures and mechanisms relating to compliance	Joint working group on compliance under SBI and SBSTA

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<sup>a</sup> Unless otherwise stated, references to Articles in annexes I and II to this decision are to Articles of the Kyoto Protocol.

<sup>b</sup> This decision also covers other mechanisms under the Kyoto Protocol.

<b>Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session or as soon as practicable thereafter</b>	
Consideration of ways to facilitate cooperation to enhance the individual and combined effectiveness of policies and measures under Article 2.1(b)	SBSTA
Modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in GHG emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4 <sup>c</sup>	SBSTA
Possible further elaboration of guidelines for the implementation of Article 6	See decision 7/CP.4 <sup>d</sup>
<b>Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol prior to the first commitment period</b>	
Modalities for the accounting of assigned amounts under Article 7.4	SBSTA
<b>Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as soon as practicable</b>	
Consideration of the application to the Protocol and modification, as appropriate, of the multilateral consultative process referred to in Article 13 of the Convention.	To be considered upon the establishment of the multilateral consultative process referred to in Article 13 of the Convention.

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<sup>c</sup> See also decision 9/CP.4, paragraph 3, relating to Article 3.3 of the Kyoto Protocol.

<sup>d</sup> This decision also covers other mechanisms under the Kyoto Protocol.

**Annex II**

**INITIAL LIST OF WORK FOR THE CONFERENCE OF THE PARTIES  
SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO  
PROTOCOL AT ITS FIRST SESSION**

<b>Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session</b>
<b>Actions relating to Article 3.14</b>
<ul style="list-style-type: none"> <li>• See decision 5/CP.4</li> </ul>
<b>Guidelines for national systems under Article 5.1 and methodologies for the application of adjustments under Article 5.2</b>
<ul style="list-style-type: none"> <li>• Work programme on methodological issues related to Article 5 referred to in FCCC/SBSTA/1998/9, para. 51(h), with a view to completion by COP 6</li> </ul>
<b>Guidelines for the preparation of information under Article 7, with respect to both annual inventories and national communications from Annex I Parties</b>
<ul style="list-style-type: none"> <li>• Work programme on issues related to Article 7.1 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6</li> <li>• Work programme on issues related to Article 7.2 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6</li> </ul>
<b>Guidelines for the review of implementation by expert review teams under Article 8</b>
<ul style="list-style-type: none"> <li>• Work programme on issues related to Article 8 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6</li> </ul>



**Modalities and procedures relating to the clean development mechanism under Article 12**

- See decision 7/CP.4<sup>e</sup>

**Procedures and mechanisms relating to compliance**

- Invitation to Parties to submit views to the secretariat on matters relating to compliance under the Kyoto Protocol by 1 March 1999, to be made available by the secretariat in a miscellaneous document
- Request to the secretariat to facilitate a one-day consultation among Parties<sup>f</sup> on matters related to compliance under the Kyoto Protocol immediately prior to the tenth session of the subsidiary bodies
- Establishment of a joint working group on compliance under the SBI and the SBSTA to:
  - Identify compliance-related elements in the Kyoto Protocol
  - Follow the development of these elements in various groups including, for example, elements on substantive rules and consequences of non-compliance, and identify gaps in order that they are addressed in the suitable forum
  - Develop procedures by which compliance with obligations under the Kyoto Protocol should be addressed, to the extent that they are not being considered by other groups
  - Ensure coherent approaches to developing a comprehensive compliance system
- Request to the joint working group on compliance, through the SBI and the SBSTA, to report on progress to COP 5
- Request to the COP 5 to take further steps including, if necessary, the establishment of an ad hoc working group on compliance or other procedure, with a view to adopting a decision at COP 6

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<sup>e</sup> This decision also covers other mechanisms under the Kyoto Protocol.

<sup>f</sup> Open to observers under rules 6 and 7 of the draft rules of procedure, as applied (see FCCC/CP/1996/2).

<p><b>Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session or as soon as practicable thereafter</b></p>
<p><b>Consideration of ways to facilitate cooperation to enhance the individual and combined effectiveness of policies and measures under Article 2.1(b)</b></p>
<ul style="list-style-type: none"><li>• Request to the secretariat to:<ul style="list-style-type: none"><li>– Prepare a report on "best practices" in policies and measures for consideration by SBSTA 11, based on Annex I Party national communications and their reviews and additional information submitted by Parties by 15 August 1999, as well as any other relevant information, with a view to strengthening the sharing of experience and exchange of information</li><li>– Organize a workshop to assess "best practices" in policies and measures on the basis of the conclusions of SBSTA 11, and report the results to COP 6</li></ul></li></ul>
<p><b>Modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in GHG emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4<sup>g</sup></b></p>
<ul style="list-style-type: none"><li>• Work programme as set forth in decision 9/CP.4, in accordance with the time-frames set out in that decision</li></ul>
<p><b>Possible further elaboration of guidelines for the implementation of Article 6</b></p>
<ul style="list-style-type: none"><li>• See decision 7/CP.4<sup>h</sup></li></ul>

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<sup>g</sup> See also decision 9/CP.4, paragraph 3, relating to Article 3.3 of the Kyoto Protocol.

<sup>h</sup> This decision also covers other mechanisms under the Kyoto Protocol.

**Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol prior to the first commitment period**

**Modalities for the accounting of assigned amounts under Article 7.4**

- Work programme on methodological issues related to Article 7 referred to in FCCC/SBSTA/1998/9, para. 55(h), with a view to completion by COP 6, or as soon as practicable

**Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as soon as practicable**

**Consideration of the application to the Protocol, and modification as appropriate, of the multilateral consultative process referred to in Article 13 of the Convention**

To be considered upon the establishment of the multilateral consultative process referred to in Article 13 of the Convention

## Decision 9/CP.4

### Land-use, land-use change and forestry

*The Conference of the Parties,*

*Recalling* decision 1/CP.3 on the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its paragraph 5(a),

*Noting* the conclusions on land-use, land-use change and forestry adopted by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its eighth session,

*Noting also with appreciation* the decision of the Intergovernmental Panel on Climate Change (IPCC) to prepare a special report on land-use, land-use change and forestry,

*Having considered* the report<sup>1</sup> prepared by the secretariat on a SBSTA workshop on data availability based on definitions used by Parties and international organizations in relation to Article 3.3 of the Kyoto Protocol, which was held coincident with an IPCC expert meeting from 24 to 25 September 1998, and the submissions by Parties on land-use, land-use change and forestry,<sup>2</sup>

1. *Decides* to confirm the understanding expressed in the conclusions of the SBSTA at its eighth session that the meaning of Article 3.3 of the Kyoto Protocol is as follows: the adjustment to a Party's assigned amount shall be equal to verifiable changes in carbon stocks during the period 2008 to 2012 resulting from direct human-induced activities of afforestation, reforestation and deforestation since 1 January 1990. Where the result of this calculation is a net sink, this value shall be added to the Party's assigned amount. Where the result of this calculation is a net emission, this value shall be subtracted from the Party's assigned amount;

2. *Decides* to endorse the other relevant conclusions on land-use, land-use change and forestry made by the SBSTA at its eighth session;

3. *Decides* to recommend, at its first session following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on definitions related to activities under Article 3.3 of the Kyoto Protocol;

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<sup>1</sup> FCCC/CP/1998/INF.4.

<sup>2</sup> FCCC/CP/1998/MISC.1 and Add.1-2, and FCCC/CP/1998/MISC.9 and Add.1-2.

4. *Decides* to recommend, at its first session following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in greenhouse gas emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4 of the Kyoto Protocol;

5. *Further decides* to recommend, at the first session practicable following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on guidelines for necessary supplementary information with respect to annual greenhouse gas inventories under the provisions of Article 7.1 and 7.4 of the Kyoto Protocol for reporting required in connection with Article 3.3 and 3.4 of the Kyoto Protocol;

6. *Requests* the SBSTA to consider, at its tenth session, the requirements necessary to fulfil the provisions of the first sentence of Article 3.4 of the Kyoto Protocol, and *invites* Parties to provide submissions on such requirements to the secretariat by 1 March 1999;

7. *Affirms* the importance of broad participation by Parties, particularly developing country Parties, in the work of the SBSTA on land-use, land-use change and forestry;

8. *Requests* the secretariat to compile, for consideration by the SBSTA at its tenth session, a list of policy and procedural issues associated with Article 3.3 and 3.4 of the Kyoto Protocol, based on existing submissions by Parties and any further submissions by Parties, and *invites* Parties to provide submissions on these issues to the secretariat by 1 March 1999;

9. *Also requests* the SBSTA, at its tenth session, to give further consideration to planning its work on land-use, land-use change and forestry;

10. *Invites* the IPCC to continue to provide the SBSTA with progress reports on its activities related to land-use, land-use change and forestry.

*5th plenary meeting  
11 November 1998*

## **Decision 10/CP.4**

### **Multilateral consultative process**

*The Conference of the Parties,*

*Recalling* Article 13 of the United Nations Framework Convention on Climate Change,

*Recalling also* its decisions 20/CP.1, 4/CP.2 and 14/CP.3,

*Recognizing* with appreciation the work done by the Ad Hoc Group on Article 13 on the issues relating to the establishment of a multilateral consultative process and its design,

*Noting* that the Ad Hoc Group has completed the task assigned to it in decision 20/CP.1,

*Having considered* the final report of the Ad Hoc Group on its sixth session,<sup>1</sup>

*Decides:*

(a) To approve the text of the multilateral consultative process prepared by the Ad Hoc Group on Article 13 and set out in the annex to this decision, with the exception of the issues in square brackets in paragraphs 8 and 9 thereof;

(b) To review those issues at the fifth session of the Conference of the Parties, with a view, when those issues have been resolved, to adopting a multilateral consultative process, to establishing the Multilateral Consultative Committee referred to therein, and to bringing the process into operation;

(c) To invite the President of the Conference of the Parties to conduct consultations on those issues during the inter-sessional period with the aim of identifying solutions thereto.

*3rd plenary meeting  
6 November 1998*

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<sup>1</sup> FCCC/AG13/1998/2.

## Annex

### MULTILATERAL CONSULTATIVE PROCESS

#### TERMS OF REFERENCE

##### Establishment

1. Pursuant to Article 13 of the United Nations Framework Convention on Climate Change, the Conference of the Parties hereby establishes a multilateral consultative process ("the process") in the form of a set of procedures to be served by a standing Multilateral Consultative Committee ("the Committee").

##### Objective

2. The objective of the process is to resolve questions regarding the implementation of the Convention, by:

- (a) Providing advice on assistance to Parties to overcome difficulties encountered in their implementation of the Convention;
- (b) Promoting understanding of the Convention;
- (c) Preventing disputes from arising.

##### Nature

3. The process shall be conducted in a facilitative, cooperative, non-confrontational, transparent and timely manner, and be non-judicial. Parties concerned shall be entitled to participate fully in the process.

4. The process shall be separate from, and without prejudice to, the provisions of Article 14 of the Convention (Settlement of Disputes).

##### How issues would be taken up

5. Questions regarding the implementation of the Convention may be raised, with supporting information, by:

- (a) A Party with respect to its own implementation;
- (b) A group of Parties with respect to their own implementation;

(c) A Party or a group of Parties with respect to the implementation by another Party or group of Parties;

(d) The Conference of the Parties.

#### Mandate of the Committee

6. The Committee shall, upon a request received in accordance with paragraph 5, consider questions regarding the implementation of the Convention in consultation with the Party or Parties concerned and, in light of the nature of the question, provide the appropriate assistance in relation to difficulties encountered in the course of implementation, by:

(a) Clarifying and resolving questions;

(b) Providing advice and recommendations on the procurement of technical and financial resources for the resolution of these difficulties;

(c) Providing advice on the compilation and communication of information.

7. The Committee shall not duplicate activities performed by other Convention bodies.

#### Constitution

8. The Committee shall consist of [10] [15] [25] members. It shall be composed of persons nominated by Parties who are experts in relevant fields, such as those of science, socio-economics and the environment. The Committee may draw upon such outside expertise as it deems necessary.

9. [The members of the Committee shall be designated by the Conference of the Parties for three years, based on equitable geographical distribution<sup>a</sup> and the principle of rotation [with one

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<sup>a</sup> The Group of 77 and China stated that they uphold the principle of "equitable geographical distribution" which is a well-established practice within the United Nations and strongly objected to the placement of the phrase "equitable geographical distribution" in square brackets by some Parties.



half to be designated by Annex I Parties and one half to be designated by non-Annex I Parties]<sup>b</sup>. Outgoing members may be re-appointed for one immediate consecutive term. The Chairmen of the subsidiary bodies of the Convention may participate in the meetings of the Committee as observers.]

#### Deliberations

10. The Committee shall meet at least once a year. Meetings of the Committee shall, whenever practicable, take place in conjunction with sessions of the Conference of the Parties or its subsidiary bodies.

11. The Committee shall report to each ordinary session of the Conference of the Parties on all aspects of its work, with a view to the Conference of the Parties taking whatever decisions it considers necessary.

#### Outcome

12. The conclusions and any recommendations of the Committee shall be sent to the Party or Parties concerned for its, or their, consideration. Such conclusions and recommendations shall be consistent with the mandate as described in paragraph 6 above. They may include:

(a) Recommendations regarding cooperation between the Party or Parties concerned and other Parties to further the objective of the Convention; and

(b) Measures that the Committee deems suitable to be taken by the Party or Parties concerned for the effective implementation of the Convention.

13. The Party or Parties concerned shall be given the opportunity to comment on the conclusions and recommendations. The Committee shall, in addition, forward its conclusions and recommendations and any written comments of the Party or Parties concerned to the Conference of the Parties in due time before its ordinary sessions.

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<sup>b</sup> Some Parties stated that the phrase "equitable geographical distribution" was not acceptable and that the following language should be inserted after the word "rotation":

with one half to be designated by Annex I Parties and one half to be designated by non-Annex I Parties.

These Parties also noted their view that "equitable geographical distribution" was not a well-established practice and was not applicable in this context.

Evolution

14. These terms of reference may be amended by the Conference of the Parties to take account of any amendment to the Convention, decisions of the Conference of the Parties or experience gained with the working of the process.

## Decision 11/CP.4

### National communications from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 5, 6, 7.2 and 9.2(b) and Articles 10.2, 11 and 12 thereof,

*Recalling* its decisions 9/CP.2 and 6/CP.3 on communications from Parties included in Annex I to the Convention (Annex I Parties), and decision 4/CP.3, which amended the list in Annex I to the Convention,

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation,

*Noting with appreciation* the second compilation and synthesis of second national communications from Annex I Parties,<sup>1</sup> prepared by the secretariat pursuant to decision 6/CP.3, paragraph 2(a), and the summary compilation of annual greenhouse gas inventory data from Annex I Parties,<sup>2</sup>

1. *Decides* that those Parties included in Annex I to the Convention by decision 4/CP.3 which have not submitted a first national communication should do so no later than six months after the entry into force of the amendment to Annex I, namely by 13 February 1999, or as soon as possible thereafter;

2. *Requests* Annex I Parties to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention:

(a) A third national communication<sup>3</sup> by 30 November 2001 and subsequent national communications on a regular basis, at intervals of three to five years, to be decided at a future session. The Parties referred to in paragraph 1 above should submit their second and subsequent national communications by the same dates;

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<sup>1</sup> FCCC/CP/1998/11 and Add. 1-2.

<sup>2</sup> FCCC/CP/1998/INF.9.

<sup>3</sup> This term includes communications from the regional economic integration organization included in Annex I to the Convention.

(b) National inventory data on emissions of greenhouse gases by sources and removals by sinks on an annual basis by 15 April for the period up to the last but one year prior to the year of submission;

(c) Summary tables of national inventory data in electronic format and in hard copy. Additional and explanatory information should also, to the extent possible, be submitted in electronic format as well as hard copy;

3. *Requests* its subsidiary bodies to consider the scope, modalities and options for the review process, including the review of annual inventory information, and the need for more thorough consideration of national circumstances and reporting requirements under the Kyoto Protocol to the Convention, and to report, as appropriate, to the Conference of the Parties, at its fifth session, on any proposed changes, with a view to adopting revised guidelines for the review process at its sixth session;

4. *Decides* that each national communication referred to in paragraph 2(a) above should be subject to an in-depth review coordinated by the secretariat and in accordance with the revised guidelines;

5. *Requests* the secretariat to explore options for interim reporting by Parties on specific issues, including via on-line forms or tables, and for the analysis and publication of such reporting as interim compilation and synthesis reports by the secretariat;

6. *Urges* Annex I Parties that have not already done so to submit their second national communications, which were due by 15 April 1997 or 1998, as soon as possible,

7. *Urges* Annex I Parties that have not already done so to submit national inventory data, which were due by April 15 1998, as soon as possible,

8. *Concludes*, with respect to the reporting of information in national communications from Annex I Parties, that:

(a) Those Parties are fulfilling their Article 4.2(b) commitments to report detailed information on national policies and measures on the mitigation of climate change, as described in the compilation and synthesis of second national communications;

(b) Information contained in second national communications was generally of a higher quality than in the first national communications, thus providing a better basis for evaluating the scope and achievements of national climate change mitigation strategies;

(c) Further efforts are required to improve adherence to the relevant guidelines so as to ensure greater completeness, consistency and comparability of the data and information, including on the implementation of Article 4.3, 4.4 and 4.5 of the Convention;

9. *Concludes*, with respect to the reporting of information in national communications from Parties included in Annex II to the Convention (Annex II Parties), that those Parties are fulfilling their Article 12.3 commitments by reporting on their commitments regarding the transfer of technology and the provision of financial resources, as described in the second compilation and synthesis, but that most of them do not follow the tabular format requested by the revised guidelines annexed to decision 9/CP.2. In this regard, every effort should be made by Annex II Parties to use the tabular format;

10. *Concludes*, with respect to the implementation of the Convention by Annex I Parties, and recognizing the need to take further action to achieve the ultimate objective of the Convention, that:

(a) As described in the second compilation and synthesis report, Annex I Parties collectively had by 1995 reduced their greenhouse gas emissions from 1990 levels by about 4.6 per cent; aggregate greenhouse gas emissions by Annex I Parties are projected to be approximately 3 per cent below 1990 levels in the year 2000 and about 8 per cent above 1990 levels in the year 2010;

(b) As described in the second compilation and synthesis report, greenhouse gas emissions from Annex I Parties with economies in transition declined by 28 per cent, while Annex II Parties as a whole exhibited growing aggregate greenhouse gas emissions, with an increase of 3.5 per cent from 1990 to 1995;

(c) Annex I Parties are fulfilling their Article 4.2 commitments to implement national policies and measures to mitigate climate change but, according to available information in the second compilation and synthesis report, many Annex I Parties will not return greenhouse gas emissions to 1990 levels by the year 2000;

11. *Notes* that Annex II Parties are providing bilateral contributions and all Annex II Parties contribute to the Global Environment Facility, and that there is a need to address the concern expressed by some Parties that Annex II Parties are falling short of their commitments related to the transfer of technology and the provision of financial resources;

12. *Invites* the SBSTA to consider the means by which the reporting requirements under the guidelines for the preparation of national communications by Annex I Parties in relation to the transfer of technology and the provision of financial resources might better identify and reflect the range of actions being taken by Annex II Parties. In this context, additional guidance should be provided by the SBI with respect to information needs and reporting on technology transfer and financial assistance;

13. *Decides* that Slovenia, having invoked Article 4.6 of the Convention requesting flexibility to use a base year other than 1990, should be allowed to use 1986 as a base year.

*8th plenary meeting  
14 November 1998*

## Decision 12/CP.4

### Initial national communications from Parties not included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4.1 and 10.2 (a) and Article 12.1, 12.4, 12.5, 12.6 and 12.7 thereof,

*Recalling* also its decisions on first communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2 and 11/CP.2,

*Noting* that, in accordance with Article 12.5 of the Convention, each non-Annex I Party shall make its initial communication within three years of entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3 of the Convention, and that Parties that are least developed may make their initial communications at their discretion,

*Noting* further the differentiated timetable for the submission of initial national communications from non-Annex I Parties,

*Having considered* that from its first session, in accordance with Article 12.7 of the Convention, the Conference of the Parties shall arrange for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under that Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4 of the Convention, and *having also considered* Article 12.4 of the Convention,

1. *Decides:*

(a) To consider the information communicated by non-Annex I Parties in assessing the overall aggregated effect of the steps taken by the Parties, pursuant to Article 10.2(a) of the Convention;

(b) That communications from non-Annex I Parties shall be considered in a facilitative, non-confrontational, open and transparent manner;

(c) That, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with Article 4.1 of the Convention and the provisions of Article 3 and Article 4.3, 4.4, 4.5, 4.7, 4.8,

4.9 and 4.10 of the Convention, be taken into account by the Conference of the Parties in considering matters related to their initial communications;

(d) To ensure that issues and concerns identified by non-Annex I Parties in their initial communications are brought to the attention of the Global Environment Facility (GEF) and, through it, as appropriate, its implementing agencies when undertaking the comprehensive review of enabling activities projects;

2. *Requests* the subsidiary bodies to consider issues raised in the first compilation and synthesis report of communications from non-Annex I Parties at their eleventh sessions under relevant items of their agendas;

3. *Requests* the Subsidiary Body for Implementation, at its eleventh session, to consider the information communicated by non-Annex I Parties in assessing the overall aggregated effect of the steps taken by Parties;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice to prepare scientific assessments of the overall aggregated effects of measures taken, in accordance with Article 9.2 (b) of the Convention;

5. *Decides* to continue to address the consideration of communications from non-Annex I Parties at its fifth session, with a view to taking a further decision on this matter;

6. *Requests* Parties to submit their views to the secretariat by 31 March 1999 on the consideration of communications from non-Annex I Parties, as well as the timing of second national communications, taking into account Article 12.5 of the Convention, for consideration by the Subsidiary Body for Implementation at its tenth session.

7. *Requests* the secretariat:

(a) To further facilitate assistance to developing country Parties, on request, in the compilation and communication of information required, in accordance with Article 8.2 (c) of the Convention;

(b) To compile and synthesize the information provided in initial national communications from non-Annex I Parties, as indicated in decision 10/CP.2, and in so doing to report on the problems encountered in the use of guidelines for the preparation of initial communications by non-Annex I Parties, and on other issues communicated by non-Annex I Parties, with a view, among other things, to further enhancing the comparability and focus of the communications;

(c) To prepare the first compilation and synthesis report of communications from non-Annex I Parties based on submissions received from Parties by 1 June 1999 and make that



report available to the subsidiary bodies at their eleventh sessions and to the Conference of the Parties at its fifth session;

(d) To compile and make available to Parties a list of projects submitted by non-Annex I Parties in accordance with Article 12.4 of the Convention;

(e) To compile and make available to the Subsidiary Body for Implementation a report containing views and concerns identified by non-Annex I Parties, and to ensure that such views are taken into account in the GEF review of enabling activities on climate change;

*8th plenary meeting*

*14 November 1998*

#### **Decision 13/CP.4**

### **Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues related to hydrofluorocarbons and perfluorocarbons**

*The Conference of the Parties,*

*Noting* the need to implement multilateral environmental agreements in a coherent way for the benefit of the global environment,

*Recalling* that the ultimate objective of the United Nations Framework Convention on Climate Change is to achieve stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system,

*Noting* the ongoing efforts to phase out ozone-depleting substances under the Montreal Protocol on Substances that Deplete the Ozone Layer, and that hydrofluorocarbons and perfluorocarbons are among the substances which are being used as replacements for ozone-depleting substances,

*Noting* further that hydrofluorocarbons and perfluorocarbons have high global warming potentials and are listed in Annex A to the Kyoto Protocol to the Convention for achieving quantified emission limitation and reduction commitments of aggregated anthropogenic carbon dioxide equivalent emissions of greenhouse gases by Parties included in Annex I to the Convention,

*Considering* that the Intergovernmental Panel on Climate Change (IPCC) is seeking to provide further scientific and technical information on present and future sources and levels of emissions of hydrofluorocarbons and perfluorocarbons, and options to mitigate those emissions,

*Noting* that the Subsidiary Body for Scientific and Technological Advice (SBSTA), with the assistance of the secretariat, is continuing its work on methodologies used by Parties for establishing estimates of emissions of hydrofluorocarbons and perfluorocarbons,

*Noting* further the need to consider available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons in the context of the Kyoto Protocol,

1. *Invites* Parties, the relevant bodies of the Montreal Protocol, the IPCC, intergovernmental organizations and non-governmental organizations to provide information to the secretariat, by 15 July 1999, on available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons, including their use as replacements for ozone-depleting substances;

2. *Encourages* the convening of a workshop by the IPCC and the Technology and Economic Assessment Panel of the Montreal Protocol in 1999 which will assist the SBSTA to establish information on available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons, and *invites* the IPCC to report on the results of such a joint workshop to the SBSTA at its eleventh session, if possible;

3. *Requests* the secretariat to compile the information provided, including, if available, the conclusions of the workshop, for consideration by the SBSTA at its eleventh session;

4. *Requests* the SBSTA to report on this information to the Conference of the Parties, at its fifth session, and to seek further guidance from the Conference of the Parties on this matter at that session.

*5th plenary meeting  
11 November 1998*

## Decision 14/CP.4

### Research and systematic observation

*The Conference of the Parties,*

*Recalling* Article 4.1(g)-(h) and Article 5 of the United Nations Framework Convention on Climate Change, and its decision 8/CP.3,

*Noting with appreciation* the comprehensive report on the adequacy of the global observing systems for climate,<sup>1</sup> prepared and coordinated by the Global Climate Observing System secretariat in the World Meteorological Organization on behalf of organizations participating in the Climate Agenda,

*Noting* the conclusions of the report that, *inter alia*, in many instances global and regional coverage is inadequate,

*Noting* the recommendations contained in the report to improve the global observing systems for climate,

*Noting* the ongoing work of the agencies participating in the Climate Agenda and others in support of global observing systems for climate, including their contributions to capacity-building,

*Recognizing* the significant national contributions made to the global observing systems for climate,

1. *Urges* Parties to undertake programmes of systematic observation, including the preparation of specific national plans, in response to requests from agencies participating in the Climate Agenda, based on the information developed by the Global Climate Observing System and its partner programmes;

2. *Urges* Parties to undertake free and unrestricted exchange of data to meet the needs of the Convention, recognizing the various policies on data exchange of relevant international and intergovernmental organizations;

3. *Urges* Parties to actively support capacity-building in developing countries to enable them to collect, exchange and utilize data to meet local, regional and international needs;

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<sup>1</sup> Contained in document FCCC/CP/1998/MISC.2 and summarized in document FCCC/CP/1998/7.

4. *Urges* Parties to strengthen international and intergovernmental programmes assisting countries to acquire and use climate information;
5. *Urges* Parties to actively support national meteorological and atmospheric observing systems, including measurement of greenhouse gases, in order to ensure that the stations identified as elements of the Global Climate Observing System networks, based on the World Weather Watch and Global Atmosphere Watch and underpinning the needs of the Convention, are fully operational and use best practices;
6. *Urges* Parties to actively support national oceanographic observing systems, in order to ensure that the elements of the Global Climate Observing System and Global Ocean Observing System networks in support of ocean climate observations are implemented, to support, to the extent possible, an increase in the number of ocean observations, particularly in remote locations, and to establish and maintain reference stations;
7. *Urges* Parties to actively support national terrestrial networks including observational programmes to collect, exchange and preserve terrestrial data according to the Global Climate Observing System and the Global Terrestrial Observing System climate priorities, particularly hydrosphere, cryosphere and ecosystem observations;
8. *Requests* Parties to submit information on national plans and programmes in relation to their participation in global observing systems for climate, in the context of reporting on research and systematic observation, as an element of national communications from Parties included in Annex I to the Convention (Annex I Parties) and, as appropriate, from Parties not included in Annex I to the Convention (non-Annex I Parties);
9. *Requests* the Subsidiary Body for Scientific and Technological Advice, in consultation with the agencies participating in the Climate Agenda, drawing *inter alia* on the information provided in the second national communications from Annex I Parties and, as appropriate, in the initial national communications from non-Annex I Parties, to inform the Conference of the Parties at its fifth session of developments regarding observational networks, difficulties encountered, *inter alia*, with respect to the needs of developing countries and options for financial support to reverse the decline in observational networks;
10. *Invites* the agencies participating in the Climate Agenda, through the Global Climate Observing System secretariat, to initiate an intergovernmental process for addressing the priorities for action to improve global observing systems for climate in relation to the needs of the Convention and, in consultation with the Convention secretariat and other relevant organizations, for identifying immediate, medium-term and long-term options for financial

support; and *requests* the secretariat to report results to the Subsidiary Body for Scientific and Technological Advice at its tenth session.

*5th plenary meeting  
11 November 1998*

#### **Decision 15/CP.4**

### **Review of information and possible decisions under Article 4.2(f) of the Convention**

*The Conference of the Parties,*

*Recalling* Article 4.2(f) of the United Nations Framework Convention on Climate Change and its decision 4/CP.3,

*Recalling* also the discussions concerning the request by Pakistan and Azerbaijan at its third session for the deletion of the name of Turkey from the lists included in Annexes I and II to the Convention,

*Having received* the "National Report on Climate Change" of Turkey, and *having taken under consideration* the issue of the deletion of the name of Turkey from the lists included in Annexes I and II to the Convention,

1. *Takes note* of the new information submitted on this issue at this session;
2. *Decides* to continue the review of this matter under Article 4.2(f) of the Convention at its fifth session;
3. *Requests* the Executive Secretary to place this matter on the agenda for such further review by the Conference of the Parties at its fifth session.

*3rd plenary meeting  
6 November 1998*

## **Decision 16/CP.4**

### **Impact of single projects on emissions in the commitment period**

*The Conference of the Parties,*

*Recalling* its decision 1/CP.3, paragraph 5 (d), relating to consideration by the Conference of the Parties of and, as appropriate, action on suitable methodologies to address the situation of Parties listed in Annex B to the Kyoto Protocol to the United Nations Framework Convention on Climate Change for which single projects would have a significant proportional impact on emissions in the commitment period,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice on this matter at its eighth and ninth sessions,

1. *Requests* the Subsidiary Body for Scientific and Technological Advice to report any additional information to the Conference of the Parties at its fifth session;
2. *Resolves* to take a conclusive decision on this matter, as appropriate, at its fifth session.

*5th plenary meeting  
11 November 1998*



## Decision 17/CP.4

### Administrative and financial matters

*The Conference of the Parties,*

*Recalling* its decision 16/CP.3, paragraph 4, and decision 17/CP.3, paragraph 2,

*Bearing in mind* General Assembly resolution 52/215 of 22 December 1997 revising the United Nations scale of assessments, and considering the recommendation of the Subsidiary Body for Implementation (SBI) to revise the indicative scale of contributions to the core budget on the basis of the revised United Nations scale of assessments,

*Having considered* the information contained in documents FCCC/CP/1998/8 and Add.1, FCCC/CP/1998/9, FCCC/CP/1998/10, FCCC/CP/1998/INF.1 and FCCC/CP/1998/INF.6,

#### I. Financial statements and audited reports, 1996-1997

1. *Takes note* of the audited financial statements for the biennium 1996-1997, and the audit reports by the Office of Internal Oversight Services and by the Board of Auditors of the United Nations;

2. *Expresses appreciation* to the United Nations for arranging the audits of the operations of the Convention secretariat, and for the valuable audit observations and recommendations, and *takes note* of those recommendations;

3. *Takes note also* of the actions already taken by the Executive Secretary to implement the recommendations made by both the internal and external auditors, and *urges* that the implementation be completed as soon as possible;

#### II. Financial performance, 1998-1999

4. *Takes note* of the initial report on financial performance in 1998, including the status of contributions to all the trust funds of the Convention;

5. *Expresses appreciation* to Parties that have paid their contributions to the core budget and to Parties which have made additional voluntary contributions towards the Trust Fund for Supplementary Activities;

6. *Reiterates* its appreciation for the contributions received from Parties to assist the participation of developing country Parties, particularly the least developed and small island developing countries, and *invites* Parties to continue contributing generously towards this end;

7. *Reiterates* its appreciation to the Government of Germany for its annual contribution of DM 3.5 million and its special contribution to the core budget of DM 1.5 million as host Government to the secretariat in Bonn;

8. *Urges* Parties which have not paid their contributions to the core budget for 1996, 1997 or 1998 to do so without further delay, and *recalls* that contributions for 1999 are due on 1 January 1999;

9. *Notes with concern* the significant carry-over from one biennium to the next, arising *inter alia* from late payment of contributions, and *requests* the Executive Secretary to present options on how to deal with this issue for consideration and recommendation by the SBI at its tenth session, with a view to taking a decision on this matter, if needed, at a future session of the Conference of the Parties;

### III. Administrative arrangements

10. *Takes note* of the developments reported by the Executive Secretary in his discussions with the United Nations regarding administrative arrangements for the Convention;

11. *Endorses* the efforts of the United Nations and the Executive Secretary to achieve a more rational and efficient approach to the administrative arrangements between the secretariat and the United Nations;

12. *Requests* the Executive Secretary to report to the SBI at its tenth session on progress made in implementing the new administrative arrangements;

13. *Takes note* of the cooperation between the Convention secretariat and the secretariats of the United Nations Convention to Combat Desertification and the Convention on Biological Diversity, and *invites* the Executive Secretary to consult with the heads of the secretariats of those Conventions and report to the SBI at its eleventh session;

### IV. Financial procedures

14. *Adopts* the indicative scale of contributions to the core budget contained in the annex to this decision, which is based on the revised United Nations scale of assessments and which follows the principle that all Parties should contribute to the Convention budget;

15. *Adopts* the new indicative scale for the biennium 1998-1999 adjusted so as to ensure that no Party contributes less than 0.001 per cent of the total; that no one contribution exceeds 25 per cent of the total; and that no contribution from a least developed country Party exceeds 0.01 per cent;

16. *Amends* paragraph 7 (a) of the financial procedures (as contained in decision 15/CP.1, annex I) to read as follows: "Contributions made each year by Parties on the basis of the indicative scale adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly";

V. Programme budget, 2000-2001

17. *Requests* the Executive Secretary to submit for consideration by the SBI at its tenth session a proposed programme budget for the biennium 2000-2001, including a contingency for conference services should this prove necessary in the light of decisions to be taken by the General Assembly at its fifty-fourth session;

18. *Requests* the SBI at its tenth session to recommend a programme budget for adoption by the Conference of the Parties at its fifth session.

*5th plenary meeting  
11 November 1998*

Annex

## INDICATIVE SCALE OF CONTRIBUTIONS TO THE CORE BUDGET OF UNFCCC: 1998-1999

Party	Indicative scale		Party	Indicative scale	
	1998	1999		1998	1999
Albania	0.003	0.003	Denmark	0.662	0.664
Algeria	0.112	0.09	Djibouti	0.001	0.001
Antigua and Barbuda	0.002	0.002	Dominica	0.001	0.001
Argentina	0.74	0.984	Ecuador	0.021	0.019
Armenia	0.026	0.011	Egypt	0.066	0.062
Australia	1.417	1.424	El Salvador	0.012	0.012
Austria	0.901	0.904	Eritrea	0.001	0.001
Azerbaijan	0.058	0.021	Estonia	0.022	0.014
Bahamas	0.014	0.014	Ethiopia	0.007	0.006
Bahrain	0.017	0.016	European Community	2.5	2.5
Bangladesh	0.01	0.01	Fiji	0.004	0.004
Barbados	0.008	0.008	Finland	0.518	0.521
Belgium	1.056	1.06	France	6.256	6.285
Belize	0.001	0.001	Gabon	(new)	0.014
Benin	0.002	0.002	Gambia	0.001	0.001
Bhutan	0.001	0.001	Georgia	0.056	0.018
Bolivia	0.008	0.007	Germany	9.277	9.425
Botswana	0.01	0.01	Ghana	0.01	0.007
Brazil	1.459	1.413	Greece	0.355	0.337
Bulgaria	0.043	0.018	Grenada	0.001	0.001
Burkina Faso	0.002	0.002	Guatemala	0.018	0.017
Burundi	0.001	0.001	Guinea	0.003	0.003
Cambodia	0.001	0.001	Guinea-Bissau	0.001	0.001
Cameroon	0.013	0.012	Guyana	0.001	0.001
Canada	2.722	2.646	Haiti	0.002	0.002
Cape Verde	0.001	0.002	Honduras	0.004	0.003
Central African Republic	0.002	0.001	Hungary	0.115	0.115
Chad	0.001	0.001	Iceland	0.031	0.031
Chile	0.109	0.126	India	0.294	0.287
China	0.868	0.935	Indonesia	0.167	0.177
Colombia	0.104	0.105	Iran (Islamic Republic of )	0.292	0.185
Comoros	0.001	0.001	Ireland	0.215	0.215
Congo	0.003	0.003	Israel	0.317	0.332
Cook Islands	0.001	0.001	Italy	5.196	5.22
Costa Rica	0.016	0.015	Jamaica	0.006	0.006
Côte d'Ivoire	0.012	0.009	Japan	17.322	19.203
Croatia	0.054	0.035	Jordan	0.008	0.006
Cuba	0.038	0.025	Kazakhstan	0.119	0.063
Cyprus	0.033	0.033	Kenya	0.007	0.007
Czech Republic	0.163	0.116	Kiribati	0.001	0.001
Democratic People's Republic of Korea	0.03	0.018	Kuwait	0.148	0.129
Democratic Republic of the Congo	0.008	0.007	Lao People's Democratic Republic	0.001	0.001

Party	Indicative scale		Party	Indicative scale	
	1998	1999		1998	1999
Latvia	0.044	0.023	Saint Lucia	0.001	0.001
Lebanon	0.015	0.015	Saint Vincent and the Grenadines	0.001	0.001
Lesotho	0.002	0.002	Samoa	0.001	0.001
Liechtenstein	0.005	0.006	San Marino	0.002	0.002
Lithuania	0.043	0.021	Saudi Arabia	0.572	0.547
Luxembourg	0.064	0.065	Senegal	0.006	0.006
Malawi	0.002	0.002	Seychelles	0.002	0.002
Malaysia	0.162	0.173	Sierra Leone	0.001	0.001
Maldives	0.001	0.001	Singapore	0.161	0.169
Mali	0.003	0.002	Slovakia	0.051	0.037
Malta	0.013	0.013	Slovenia	0.058	0.059
Marshall Islands	0.001	0.001	Solomon Islands	0.001	0.001
Mauritania	0.001	0.001	South Africa	0.352	0.352
Mauritius	0.009	0.009	Spain	2.477	2.488
Mexico	0.907	0.942	Sri Lanka	0.013	0.012
Micronesia (Federated States of)	0.001	0.001	Sudan	0.009	0.007
Monaco	0.003	0.004	Suriname	0.004	0.004
Mongolia	0.002	0.002	Swaziland	0.002	0.002
Morocco	0.039	0.039	Sweden	1.059	1.042
Mozambique	0.002	0.001	Switzerland	1.17	1.168
Myanmar	0.009	0.008	Syrian Arab Republic	0.06	0.061
Namibia	0.007	0.007	Tajikistan	(new)	0.005
Nauru	0.001	0.001	Thailand	0.152	0.16
Nepal	0.004	0.004	The Former Yugoslav Republic of Macedonia	(new)	0.004
Netherlands	1.56	1.567	Togo	0.002	0.001
New Zealand	0.213	0.212	Trinidad and Tobago	0.017	0.016
Nicaragua	0.002	0.001	Tunisia	0.027	0.027
Niger	0.002	0.002	Turkmenistan	0.014	0.008
Nigeria	0.067	0.038	Tuvalu	0.001	0.001
Niue	0.001	0.001	Uganda	0.004	0.004
Norway	0.583	0.586	Ukraine	0.653	0.29
Oman	0.048	0.049	United Arab Emirates	0.171	0.171
Pakistan	0.058	0.057	United Kingdom	4.89	4.891
Panama	0.015	0.012	United Republic of Tanzania	0.004	0.003
Papua New Guinea	0.007	0.007	United States of America	25	25
Paraguay	0.013	0.013	Uruguay	0.047	0.046
Peru	0.082	0.091	Uzbekistan	0.074	0.036
Philippines	0.074	0.077	Vanuatu	0.001	0.001
Poland	0.242	0.199	Venezuela	0.226	0.169
Portugal	0.355	0.401	Viet Nam	0.01	0.007
Qatar	0.032	0.032	Yemen	0.01	0.01
Republic of Korea	0.92	0.955	Yugoslavia	0.058	0.033
Republic of Moldova	0.041	0.017	Zambia	0.003	0.002
Romania	0.098	0.064	Zimbabwe	0.009	0.009
Russian Federation	2.768	1.429			
Saint Kitts and Nevis	0.001	0.001	TOTAL	100	100

## Decision 18/CP.4

### Attendance of intergovernmental and non-governmental organizations at contact groups

*The Conference of the Parties,*

*Having considered* the conclusions of the Subsidiary Body for Implementation at its eighth session on the involvement of non-governmental organizations in the Convention process,<sup>1</sup>

*Affirming* that negotiations under the Convention are a matter for the Parties,

*Considering* that arrangements for the attendance of observers at contact groups should also cover representatives of intergovernmental organizations,

*Recalling* Article 7.6 of the Convention and rules 6 and 7 of the draft rules of procedure being applied,<sup>2</sup>

1. *Decides* that the presiding officers of Convention bodies may invite representatives of intergovernmental and non-governmental organizations to attend as observers any open-ended contact group established under the Convention process, unless at least one third of the Parties present at the session of the Convention body setting up that contact group object, and on the understanding that the presiding officers of such contact groups may determine at any time during their proceedings that they should be closed to intergovernmental and non-governmental organizations;

2. *Invites* the presiding officers of Convention bodies, at the time of their establishment of such a contact group, to ascertain if there are objections from Parties to attendance by intergovernmental and non-governmental organizations at that contact group under the conditions set out in paragraph 1 above.

*2nd plenary meeting  
2 November 1998*

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<sup>1</sup> FCCC/SBI/1998/6, paras. 81-83.

<sup>2</sup> FCCC/CP/1996/2.

**Decision 19/CP.4**

**Calendar of meetings of Convention bodies 2000 - 2001**

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

1. *Decides* that the calendar of meetings of the Convention bodies for the years 2000-2001 shall be as follows:

- (a) First sessional period in 2000: from 5 to 16 June;
- (b) Second sessional period in 2000: November/December;<sup>1</sup>
- (c) First sessional period in 2001: from 21 May to 1 June;
- (d) Second sessional period in 2001: from 29 October to 9 November;

2. *Further decides* that, following current practice and assuming that the Conference of the Parties continues to meet annually, the second sessional period in each of these years would include a session of the Conference of the Parties.

*8th plenary meeting  
14 November 1998*

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<sup>1</sup> Dates to be determined.

## II. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Resolution 1/CP.4

#### Solidarity with Central America

*The Conference of the Parties,*

*Having learned*, with deep sadness, of the considerable loss of life and devastation caused by Hurricane Mitch in Honduras, Nicaragua, Guatemala, El Salvador, Belize, Costa Rica and Panama,

*Aware* of the high vulnerability of Central American countries to climate phenomena,

*Concerned* that global warming may be contributing to the worsening of weather, and *concluding* that further scientific investigation of the impacts of climate change and its relationship to extremes of weather is critical,

*Recognizing* as well that the unfortunate occurrences mentioned lend special urgency to our deliberations in this Conference, and oblige us to look for new opportunities for common cooperative actions,

1. *Expresses* to the people and governments of Central America its strongest solidarity in the tragic circumstances they are facing, which demonstrate the need to take action to prevent and mitigate the effects of climate change, particularly in the most vulnerable countries;
2. *Invites* the international community, including intergovernmental and non-governmental organizations, to lend immediate assistance;
3. *Urges* all governments, United Nations agencies, intergovernmental and non-governmental organizations, the private sector and society in general to continue their efforts to find permanent solutions to the factors which cause or may cause climate events, and to take steps to achieve the early entry into force of the Kyoto Protocol to the United Nations Framework Convention on Climate Change;
4. *Invites* support for the Central American initiatives from the Presidential Summit convened in San Salvador, El Salvador, on 9 November 1998, which calls for a sustainable



reconstruction plan for Central American countries, and for increased technical and financial assistance for Central America.

*8th plenary meeting  
14 November 1998*

**Resolution 2/CP.4**

**Expression of gratitude to the Government of the Republic of Argentina  
and to the City and people of Buenos Aires**

*The Conference of the Parties,*

*Having met* in Buenos Aires from 2 to 14 November 1998 at the invitation of the Government of the Republic of Argentina,

1. *Expresses its profound gratitude* to the Government of the Republic of Argentina for having made it possible for the fourth session of the Conference of the Parties to be held in Buenos Aires;

2. *Requests* the Government of the Republic of Argentina to convey to the City and to the people of Buenos Aires the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*8th plenary meeting  
14 November 1998*

### III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

1. Issues of mutual concern to the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity

At its 3<sup>rd</sup> plenary meeting, on 6 November 1998, the Conference of the Parties decided that issues of mutual concern to the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity should be taken up by the subsidiary bodies at their tenth sessions. The Chairmen of the subsidiary bodies, in consultation with the rest of the Bureau, should determine the allocation of those issues between the two subsidiary bodies (see Part One, section VIII, para. 92 of the present report).

2. Scientific and methodological aspects of the proposal by Brazil

At its 5<sup>th</sup> plenary meeting, on 11 November 1998, the Conference of the Parties took note of the following conclusions on this subject, adopted by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its ninth session:<sup>1</sup>

(a) The SBSTA noted the information provided by Brazil on recent scientific activities and on the workshop to be organized regarding the proposal presented by Brazil in document FCCC/AGBM/1997/MISC.1/Add.3. The SBSTA also noted the potential contribution of other relevant analyses to increase understanding of the methodological and scientific aspects of this proposal. The SBSTA invited the delegation of Brazil to inform the SBSTA at its tenth session of the results of its workshop and provide it with other relevant information;

(b) The SBSTA decided to further consider at its tenth session the scientific and methodological aspects of the proposal by Brazil.

The Conference of the Parties requested the SBSTA to inform it, at its fifth session, of any relevant information, taking into account the results of ongoing scientific activities and information from a workshop to be organized by Brazil on that issue (see Part One, section IV H, para. 73 of the present report).

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<sup>1</sup> See FCCC/SBSTA/1998/9, para. 29.



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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON ITS FIFTH SESSION,  
HELD AT BONN FROM 25 OCTOBER TO 5 NOVEMBER 1999**

**Addendum**

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

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## Decision 1/CP.5

### Implementation of the Buenos Aires Plan of Action

*The Conference of the Parties,*

Recalling its decision 1/CP.4, by which it expressed its determination to strengthen the implementation of the United Nations Framework Convention on Climate Change and prepare for the future entry into force of the Kyoto Protocol and to maintain political momentum towards these aims,

*Further recalling* its resolve to demonstrate substantial progress on each of the issues encompassed by the Buenos Aires Plan of Action in accordance with their respective time-frames,

*Encouraged* by the substantial progress achieved in the work specified in the Buenos Aires Plan of Action,

1. *Resolves* to continue this work in the spirit of progress demonstrated at its current session;
2. *Requests* its subsidiary bodies to intensify the preparatory work required to enable it to take decisions at its sixth session on issues included in the Buenos Aires Plan of Action;
3. *Requests* its President, with the assistance of the Bureau, to provide guidance to the subsidiary bodies; to take all necessary steps to intensify the negotiating process on all issues; and to recommend an effective organization of the work of its sixth session, in order to provide the basis for the decisions to be taken at that session, as called for in the Buenos Aires Plan of Action, with the aim, *inter alia*, of bringing the Kyoto Protocol into force as early as possible;
4. *Invites* all Parties to contribute to this preparatory work, substantively and, as appropriate, financially, *inter alia* to support adequate participation of developing countries, in particular the least developed countries and the small island developing states;
5. *Requests* the Executive Secretary to make the necessary arrangements and provide substantive support for this intensified work programme.

*8th plenary meeting  
4 November 1999*

**Decision 2/CP.5**

**Date and venue of the sixth session of the Conference of the Parties**

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985 entitled Pattern of conferences,

*Having received* an offer from the Kingdom of the Netherlands to host the sixth session of the Conference of the Parties in The Hague and to cover the related costs,

1. *Accepts with gratitude* the generous offer of the Kingdom of the Netherlands to host the sixth session of the Conference of the Parties;
2. *Decides* that the sixth session of the Conference of the Parties shall be held in The Hague, the Netherlands, from 13 to 24 November 2000;
3. *Requests* the Executive Secretary to conclude a host country agreement with the Government of the Netherlands on arrangements for the sixth session of the Conference of the Parties.

*9th plenary meeting  
4 November 1999*



### Decision 3/CP.5

#### **Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Article 4, Article 10.2 and Article 12,

*Recalling* its decision 3/CP.1 on preparation and submission of national communications from Parties included in Annex I to the Convention, 4/CP.1 on methodological issues, 9/CP.2 on communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration and 11/CP.4 on national communications from Parties included in Annex I to the Convention,

*Recognizing* that anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol should be reported in a transparent, consistent, comparable, complete and accurate way,

*Noting* that the revised guidelines for the preparation of national communications by Parties included in Annex I to the Convention, annexed to decision 9/CP.2, need to be updated to improve the transparency, consistency, comparability, completeness and accuracy of the reported national greenhouse gas inventories and other information,

*Noting* the ongoing process of improvement in guidance to Parties on the reporting of greenhouse gases inventories, in particular the work of the Intergovernmental Panel on Climate Change related to good practice in national inventory preparation, including managing uncertainty,

1. *Adopts* the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories;<sup>1</sup>

2. *Decides* that Parties included in Annex I to the Convention should use these UNFCCC guidelines on annual inventories for reporting inventories due by 15 April each year, beginning in the year 2000;

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<sup>1</sup> See FCCC/CP/1999/7.

3. *Invites* Parties included in Annex I to the Convention to submit separately, by 1 July 2001, information to the secretariat on experiences with using these guidelines, in particular the common reporting format, in the years 2000-2001;

4. *Requests* the secretariat to prepare a report on the use of these guidelines, in particular the common reporting format, taking into account, *inter alia*, experiences gained by Parties in using the guidelines, and by the secretariat in processing the common reporting format, and input from the Intergovernmental Panel on Climate Change, for consideration by the Subsidiary Body for Scientific and Technological Advice at its fifteenth session in considering possible revisions to these guidelines;

5. *Decides* that revisions to these guidelines, particularly the common reporting format, shall be considered by the Subsidiary Body for Scientific and Technological Advice at its fifteenth session with a view to submitting a decision for adoption by the Conference of the Parties at its seventh session.

*9th plenary meeting  
4 November 1999*

## Decision 4/CP.5

### **Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 6, 7.2, 9.2(b), 10.2, and 12 thereof,

*Recalling* its decisions 9/CP.2 and 11/CP.4 on national communications from Parties included in Annex I to the Convention,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and of the Subsidiary Body for Implementation,

*Noting* that the revised guidelines for the preparation of national communications by Parties included in Annex I to the Convention annexed to decision 9/CP.2 need to be updated to improve the transparency, consistency, comparability, completeness and accuracy of the information reported,

1. *Adopts* the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications;<sup>1</sup>
2. *Decides* that Parties included in Annex I to the Convention (Annex I Parties) should use Part II of the UNFCCC reporting guidelines for the preparation of their third national communications due by 30 November 2001, in accordance with decision 11/CP.4;
3. *Requests* Annex I Parties to provide a detailed report on their activities in relation to systematic observation, in accordance with the UNFCCC reporting guidelines on global climate observing systems adopted by decision 5/CP.5, in conjunction with their national communications;
4. *Urges* those Annex I Parties that have not submitted their first or second national communications, including those that were included in Annex I by decision 4/CP.3, to do so as soon as possible;

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<sup>1</sup> See FCCC/CP/1999/7.

5. *Urges* Parties included in Annex II to the Convention to assist Annex I Parties with economies in transition, through appropriate bilateral or multilateral channels, with technical aspects of the preparation of national communications.

*9th plenary meeting*

*4 November 1999*

## Decision 5/CP.5

### Research and systematic observation

*The Conference of the Parties,*

*Recalling* Articles 4.1(g), 4.1(h) and 5 of the United Nations Framework Convention on Climate Change,

*Recalling also* its decisions 8/CP.3, 2/CP.4, and 14/CP.4,

1. *Recognizes* the need to identify the priority capacity-building needs related to participation in systematic observation;
2. *Invites* the secretariat of the Global Climate Observing System, in consultation with relevant regional and international bodies, including the Global Environment Facility, to organize regional workshops on this issue;
3. *Urges* Parties to actively support and participate in these regional workshops;
4. *Invites* the secretariat of the Global Climate Observing System to continue to assist and facilitate the establishment of an appropriate intergovernmental process to identify the priorities for action to improve global observing systems for climate and options for their financial support;
5. *Requests* the secretariat of the Global Climate Observing System to report on this matter to the Subsidiary Body for Scientific and Technological Advice at its twelfth session;
6. *Urges* Parties to address deficiencies in the climate observing networks and invites them, in consultation with the secretariat of the Global Climate Observing System, to bring forward specific proposals for that purpose and to identify the capacity-building needs and funding required in developing countries to enable them to collect, exchange and utilize data on a continuing basis in pursuance of the Convention;
7. *Adopts* the UNFCCC reporting guidelines on global climate observing systems;<sup>1</sup>

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<sup>1</sup> See FCCC/CP/1999/7.

8. *Invites* all Parties to provide detailed reports on systematic observation in accordance with these guidelines, for Parties included in Annex I to the Convention in conjunction with their national communications, pursuant to decision 4/CP.5, and on a voluntary basis for Parties not included in Annex I;

9. *Invites* the Convention secretariat, in conjunction with the secretariat of the Global Climate Observing System, to develop a process for synthesizing and analysing the information submitted in accordance with the UNFCCC reporting guidelines on global climate observing systems.

*9th plenary meeting  
4 November 1999*

**Decision 6/CP.5**

**Guidelines for the technical review of greenhouse gas inventories  
from Parties included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4 and 7 thereof,

*Recalling* its decision 11/CP.4 on national communications from Parties included in Annex I to the Convention,

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation,

*Recognizing* the need to enhance the in-depth review of greenhouse gas inventories,

1. *Adopts* for a trial period covering inventory submissions due in 2000 and 2001 the guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention;<sup>1</sup>
2. *Requests* the secretariat to conduct annual initial checks and an annual synthesis and assessment of greenhouse gas inventories for all Parties included in Annex I to the Convention (Annex I Parties) beginning in 2000, in accordance with the above-mentioned guidelines for the technical review;
3. *Requests* the secretariat to conduct, during the trial period, individual reviews of the greenhouse gas inventories for a limited number of Annex I Parties which have volunteered to be reviewed, in accordance with the above-mentioned guidelines for the technical review;
4. *Requests* the secretariat to use different approaches to individual reviews by coordinating specifically:
  - (a) Five to seven desk reviews per year and two centralized reviews per year, each covering five to ten inventories, and
  - (b) Three or four in-country reviews per year;

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<sup>1</sup> See FCCC/CP/1999/7.

5. *Requests* the secretariat to produce a report on the technical reviews, assessing, *inter alia*, the advantages and disadvantages of different approaches, including human and financial resource requirements, for consideration by the Subsidiary Body for Implementation (SBI) as soon as practicable after the end of the trial period;
6. *Requests* the SBI to evaluate, on the basis of the secretariat report, the experience with the technical review, with a view to adopting revised guidelines for the technical review of inventories at the eighth session of the Conference of the Parties;
7. *Invites* Annex I Parties which are in a position to do so to volunteer to subject their inventories to an individual review during the trial period and to designate a government focal point for the coordination of the review;
8. *Urges* Annex I Parties to facilitate the review of their inventories by responding to the secretariat's requests for additional information or comments in a timely manner;
9. *Encourages* Parties to ensure that experts participating in the technical review of inventories have adequate time and, as appropriate, financial support to participate in the reviews;
10. *Requests* the secretariat to report to the SBI, at its thirteenth session, on progress with the implementation of this decision;
11. *Decides* to initiate the individual review of inventories for all Annex I Parties in 2003.

*9th plenary meeting  
4 November 1999*



## Decision 7/CP.5

### **First compilation and synthesis of initial communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1 and 10.2(a) and Article 12.1, 12.4, 12.5, 12.6 and 12.7,

*Recalling also* its decisions on initial communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, and 12/CP.4,

*Noting* that, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with Article 4.1 of the Convention and provisions of Article 3 and Article 4.3, 4.4, 4.5, 4.7, 4.8, 4.9 and 4.10 of the Convention, be taken into account by the Conference of the Parties in considering matters related to their initial communications,

*Noting* that, from its first session onward, in accordance with Article 12.7 of the Convention, the Conference of the Parties has arranged for the provision to developing country Parties of both technical and financial support, on request, in compiling and communicating information under that Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4 of the Convention,

*Having considered* the first compilation and synthesis of initial communications from Parties not included in Annex I to the Convention,<sup>1</sup> prepared by the secretariat pursuant to decision 12/CP.4,

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation,

1. *Requests*, in accordance with Article 12.5 of the Convention, each Party not included in Annex I to the Convention which has not made its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial

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<sup>1</sup> See FCCC/SBI/1999/11.

resources in accordance with Article 4.3 of the Convention, to do so as soon as possible, it being understood that Parties that are least developed countries may make their initial communications at their discretion;

2. *Requests* the Convention secretariat:

(a) To prepare the second compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention (non-Annex I Parties), based on submissions received from such Parties by 1 June 2000, and to make that report available to the subsidiary bodies with a view to its consideration by the Conference of the Parties at its sixth session;

(b) In preparing that compilation and synthesis, to report on problems encountered in using the guidelines for the preparation of initial national communications by non-Annex I Parties, and on other issues raised by non-Annex I Parties, with a view, among other things, to enhancing further the comparability and focus of the communications;

3. *Concludes*, with respect to the reporting of information by non-Annex I Parties that have submitted their initial national communications, that:

(a) Non-Annex I Parties are fulfilling their commitments under Article 4.1(a) of the Convention to make available to the Conference of the Parties national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol;

(b) Non-Annex I Parties are generally following the UNFCCC guidelines with a varied level of detail across the different communications;

4. *Concludes* that, in view of the problems encountered in the preparation of initial national communications, namely difficulties relating to the quality and availability of data, emission factors and methodologies for the integrated assessment of the effects of climate change and impacts of response measures, there is a need for maintaining and enhancing national capacities in non-Annex I Parties for the preparation of national communications;

5. *Concludes* that, although limitations have been encountered, the current guidelines facilitate reporting by Parties; that Parties have found ways to overcome these problems by providing additional information, particularly in relation to greenhouse gas inventories; and that further analysis of the problems in the use of the guidelines will be required when additional national communications are submitted;

6. *Concludes*, with respect to the implementation of the Convention by non-Annex I Parties, that, as described in the first compilation and synthesis of initial communications from Parties not included in Annex I to the Convention,<sup>2</sup> the reporting Parties are taking measures to address climate change and its adverse impacts.

*9th plenary meeting  
4 November 1999*

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<sup>2</sup> See footnote 1 above.

## Decision 8/CP.5

### Other matters related to communications from Parties not included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1, 4.3, 4.7, 10.2(a), 12.1 and 12.5,

*Recalling also* its decisions on communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, 2/CP.4 and 12/CP.4,

*Reaffirming* that the Global Environment Facility should provide funding for developing country Parties which are particularly vulnerable to the effects of climate change, for activities related to the assessment of vulnerability and adaptation options, in accordance with decisions 10/CP.2 and 2/CP.4,

*Having considered* the views of Parties on the provision of financial and technical support, on matters related to the consideration of communications from non-Annex I Parties and the timing of second national communications,<sup>1</sup>

*Drawing attention* to paragraph 1 (d) of decision 11/CP.2 on guidance to the Global Environment Facility, in which it is stated that the preparation of national communications is a continuing process,

*Noting* the concern expressed by non-Annex I Parties that lack of support for activities subsequent to the submission of national communications has seriously disrupted the implementation of the Convention at the national level,

*Encouraging* non-Annex I Parties to complete and submit their initial national communications, keeping in mind the timetable set in Article 12.5,

*Reiterating* the importance of sharing national experience in the preparation of national communications by non-Annex I Parties,

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<sup>1</sup> See FCCC/SBI/1999/MISC.3, FCCC/SBI/1999/MISC.4 and Add.1.

*Noting further* the importance of providing a forum for non-Annex I Parties to share national experience in the preparation of their national communications,

*Reiterating* the primary importance of providing financial and technical support for the preparation of such national communications,

1. *Decides:*

(a) That the consideration of national communications from Parties not included in Annex I to the Convention (non-Annex I Parties) shall be carried out in accordance with the relevant provisions of decision 12/CP.4;

(b) That the guidelines for the preparation of initial national communications by non-Annex I Parties contained in the annex to decision 10/CP.2, together with the guidance provided to the operating entity of the financial mechanism given in decision 11/CP.2, shall continue to be valid for all initial national communications;

(c) That a process of reviewing the guidelines for the preparation of national communications shall be initiated with the aim of improving them by the seventh session of the Conference of the Parties, taking into account information on the use of the guidelines contained in the compilation and synthesis report comprising a representative and meaningful number of national communications from non-Annex I Parties;

(d) That all Parties that have submitted their initial national communications before the adoption of revised guidelines for national communications, and wish to start the preparation of their second national communications before the seventh session of the Conference of the Parties, may do so using the initial guidelines; that the Global Environment Facility (GEF) shall provide funding for the preparation of the second national communications of such Parties, following the guidance to the GEF set out in decisions 11/CP.2 and 2/CP.4; and that Parties which start to prepare their second national communications after adoption of the revised guidelines shall use the revised guidelines;

2. *Decides further* that the frequency of submission of national communications by non-Annex I Parties shall be determined at its seventh session; for this purpose, adequate information from the operating entity of the financial mechanism on the effective availability of financial resources to non-Annex I Parties and the timing of disbursement of these resources to developing countries for the preparation of initial national communications will be necessary to determine the timetable for non-Annex I Party submissions, in accordance with Article 4.3 of the Convention;

3. *Decides also* to establish a consultative group of experts on national communications from Parties not included in Annex I to the Convention with the objective of improving national communications from non-Annex I Parties, in accordance with the annex to this decision;
4. *Decides* to reconsider the terms of reference of the consultative group of experts at its seventh session;
5. *Requests* the Convention secretariat to facilitate the work of the consultative group of experts in accordance with Article 8.2(c) of the Convention and decision 10/CP.2, paragraph 1 (a), by:
  - (a) Coordinating meetings of the consultative group of experts and compiling reports on its regional workshops and meetings for consideration by the subsidiary bodies;
  - (b) Making information on those experts, by expertise and region, available on the roster of experts on the UNFCCC web site, indicating their role as experts on non-Annex I Party communications;
  - (c) Exploring ways to enhance communication among those experts, including through the development of an electronic bulletin board where appropriate;
6. *Invites* the GEF to include in the report on its activities to the Conference of the Parties at its sixth session specific references to the implementation of decisions 2/CP.4 and 10/CP.2.

*9th plenary meeting  
4 November 1999*

Annex

**TERMS OF REFERENCE OF THE CONSULTATIVE GROUP OF EXPERTS  
ON NATIONAL COMMUNICATIONS FROM PARTIES NOT INCLUDED  
IN ANNEX I TO THE CONVENTION**

1. The consultative group of experts on national communications from Parties not included in Annex I to the Convention (non-Annex I Parties) shall have the objective of improving the process of preparation of national communications by non-Annex I Parties.
2. The consultative group shall be composed of experts drawn from the roster of experts with expertise in greenhouse gas inventories, vulnerability assessment and adaptation, abatement issues and preparation of national communications.
3. The experts shall be appointed as follows: five experts from Africa, five experts from Asia, five experts from Latin America and the Caribbean and six experts from Annex I Parties. The experts representing each developing region shall be appointed by the Parties from that region in order to ensure geographical balance. The experts from Annex I Parties shall be appointed by the Parties included in Annex I to the Convention. In addition, up to three experts from organizations with relevant experience shall be selected by the secretariat to participate in the group. The Chairmen of the subsidiary bodies shall be notified of these appointments.
4. The consultative group shall meet twice in the year 2000, each time immediately prior to meetings of the subsidiary bodies.
5. The consultative group of experts shall be mandated to:
  - (a) Exchange experience and information on the preparation of national communications, including consideration of subregional experience, through the meetings referred to in paragraph 4 above and paragraph 7 below, on the basis of agendas to be decided by consultation among the participants at each level of meetings;
  - (b) Consider, as appropriate, the needs for and availability of financial resources and technical support, and the identification of barriers to and gaps in this support;
  - (c) Consider, as appropriate, information in national communications from non-Annex I Parties in accordance with the guidelines for the preparation of initial national communications by Parties not included in Annex I to the Convention contained in the annex to decision 10/CP.2;

(d) Review existing activities and programmes to facilitate and support the preparation of national communications by non-Annex I Parties with a view to identifying gaps and making recommendations to better coordinate these activities and programmes in order to enhance the preparation of national communications;

(e) Identify the difficulties encountered by non-Annex I Parties in the use of the guidelines contained in the annex to decision 10/CP.2 and in the use of the Intergovernmental Panel on Climate Change (IPCC) methodologies and other models, and make recommendations for improvement where appropriate;

(f) Identify the analytical and methodological issues, including technical problems in the preparation and reporting of greenhouse gas inventories, in particular with respect to the improvement of data collection, the development of local and regional emission factors and activity data, and the development of methodologies, where appropriate, with a view to enhancing the quality of future inventories;

(g) Examine national communications, in particular greenhouse gas inventories, submitted by non-Annex I Parties, with a view to arriving at recommendations on ways of overcoming difficulties in the use of the IPCC methodologies and the UNFCCC guidelines relating to inventories contained in the annex to decision 10/CP.2, and on possible innovations, and produce reports thereon;

(h) Encourage interaction among experts from all Parties.

6. Recommendations of the consultative group on these matters shall be forwarded to the subsidiary bodies for their consideration.

7. Each year there will be one workshop in each of the regions referred to in paragraph 3 above to consider both regional and subregional experience. The five non-Annex I Party experts from their respective regions will conduct these workshops. The agendas for the workshops will be developed by the participating experts, in consultation with the UNFCCC secretariat, and will ensure adequate coverage of the issues identified in paragraph 5 above. Experts/resource persons at these workshops will be drawn from the roster of experts, and limited to an additional 15 experts from the region, and five Annex I Party experts.

8. The secretariat shall coordinate these workshops and facilitate the preparation of a report by the experts on each workshop, which will be made available to the Parties.



## Decision 9/CP.5

### Development and transfer of technologies: status of the consultative process

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Article 4.1, 4.3, 4.5, 4.7, 4.8 and 4.9 and Articles 9.2, 11.1, 11.5, 12.3 and 12.4,

*Noting* the progress made by the Intergovernmental Panel on Climate Change on its special report on methodological and technological issues in technology transfer,

*Having considered* the progress report presented by the Convention secretariat on the development and transfer of technologies,<sup>1</sup>

*Reaffirming* its decisions 13/CP.1, 7/CP.2, 9/CP.3, 4/CP.4 and relevant provisions of its decision 1/CP.4 on the Buenos Aires Plan of Action,

1. *Takes note* of the conclusions of the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its eleventh session on the development and transfer of technologies;
2. *Agrees* to extend, until its sixth session, the consultative process referred to in decision 4/CP.4 and to request the Chairman of the SBSTA, with the assistance of the secretariat, to complete the regional workshops by early 2000, resources permitting, and to report on the outcome of the regional workshops in the Asia and the Pacific region and in the Latin America and the Caribbean region at the twelfth session of the SBSTA;
3. *Requests* the Chairman of the SBSTA, with the assistance of the secretariat, to hold a meeting with experts and representatives of Parties before the twelfth session of the SBSTA, resources and time permitting, to consider the progress of the consultative process and the possible elements of a framework for meaningful and effective actions to enhance the implementation of Article 4.5 of the Convention identified by the Chairman;
4. *Invites* the Chairman of the SBSTA to hold consultations among Parties in August 2000 regarding the outcome of the consultative process, resources and time permitting;

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<sup>1</sup> See FCCC/SBSTA/1999/11.

5. *Requests* the Chairman of the SBSTA, with the assistance of the secretariat, to make available at the thirteenth session of the SBSTA a report on the outcome of the consultative process incorporating a draft text on a framework for meaningful and effective actions to enhance the implementation of Article 4.5 of the Convention, with a view to adopting a decision at its sixth session;

6. *Invites* Parties not included in Annex I to the Convention that have not already done so to report their technology needs, in their national communications, to the extent possible;

7. *Urges* Parties included in Annex II to the Convention to give particular attention to reporting on technology transfer activities, as specified in part II of the revised guidelines for reporting by Parties included in Annex I to the Convention.

*9th plenary meeting  
4 November 1999*

## Decision 10/CP.5

### Capacity-building in developing countries (non-Annex I Parties)

*The Conference of the Parties,*

*Recalling* Article 4.1, 4.3, 4.5, and 4.7, in the context of Article 3, and also Articles 5 (c) and 6 (b) of the United Nations Framework Convention on Climate Change,

*Recalling further* the provisions relating to capacity-building for developing countries contained in its decisions 10/CP.2, 11/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 5/CP.4, 6/CP.4, 7/CP.4, 12/CP.4 and 14/CP.4,

*Welcoming* the submissions by Parties on the subject of capacity-building,<sup>1</sup>

*Affirming* that capacity-building is critical to the effective participation of developing countries in the Convention and Kyoto Protocol processes,

*Recognizing* the importance of taking stock of existing activities in the field of capacity-building, including the enabling activities of the Global Environment Facility,

*Acknowledging* that work has begun on implementing provisions for capacity-building contained in decisions 4/CP.4, 7/CP.4 and 14/CP.4, but that substantial work still remains to be done,

*Recognizing* that the constraints to implementing the Convention in developing countries include the lack of financial resources and appropriate institutions; the lack of access to necessary technologies and know-how, including information technology; and the lack of regular opportunities to exchange information and views among developing countries,

*Recognizing also* that developing countries, in particular the least developed countries and small island developing States amongst them, because of their vulnerability to the adverse effects of climate change, require special capacity-building initiatives,

*Underlining* that capacity-building for developing countries must be country-driven, reflecting their national initiatives and priorities, and that it is primarily to be undertaken by developing countries and in developing countries in partnership with developed countries, in accordance with the provisions of the Convention,

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<sup>1</sup> See FCCC/SB/1999/MISC.9 and FCCC/SB/1999/MISC.11.

*Emphasizing* that capacity-building is a continuous process aimed at strengthening or establishing, as appropriate, relevant organizations, institutions and human resources in order to provide expertise in all areas relating to the implementation of the Convention,

*Emphasizing further* that an integrated approach should recognize the responsibility of individual Parties to promote conditions that are conducive to the development of human, institutional and technical capacity, and that every effort should be made to improve the coordination and effectiveness of existing efforts and promote participation of a wide range of actors and constituencies, including governments at all levels, international organizations, civil society and the private sector,

*Emphasizing also* the importance of creating an enabling environment for investment, which promotes capacity-building activities in developing countries,

*Noting* that capacity-building activities are conducted by United Nations agencies, international organizations and bilateral and multilateral institutions, including the Global Environment Facility as an operating entity of the financial mechanism,

1. *Decides* that:

(a) Financial and technical support for capacity-building activities for implementing the Convention in developing countries, in particular the least developed countries and small island developing States, should be provided through the financial mechanism and through bilateral and multilateral agencies, as appropriate;

(b) Capacity-building activities related to the implementation of the Convention and its Kyoto Protocol should take fully into account the provisions of this decision;

(c) Existing capacity-building activities and programmes should be comprehensively assessed to determine their effectiveness and to identify gaps and weaknesses in ongoing efforts, and that the special needs of developing countries should be further elaborated in accordance with this decision, through a country-driven process, so as to take a comprehensive decision at its sixth session;

(d) UNFCCC national focal points or national authorities designated to handle climate change in developing countries should play a key role in the assessment referred to in paragraph 1(c) above and urges Parties included in Annex II to the Convention (Annex II Parties), the secretariat, the Global Environment Facility (GEF) and relevant international organizations to assist in strengthening them for this purpose;

(e) The assessment should consider, *inter alia*, the following ways and means for capacity-building:

- (i) Strengthening the UNFCCC national focal points or national authorities designated to handle climate change;
- (ii) Building expertise and strengthening institutions, including collaborating centres, in developing countries which can undertake capacity-building activities at the national, subregional and regional levels, so as to enable them to collect, analyse and provide information on climate change relevant to policy- and decision-making, using state-of-the-art information technology;
- (iii) Supporting the networking of these institutions among themselves, and between them and relevant institutions in developed country Parties;
- (iv) Using, as appropriate, national experts or consultants to undertake studies and to design, and implement projects at the national level;
- (v) Conducting training, seminars and exchange programmes for the personnel of developing country institutions and of relevant institutions in other developing countries and in developed countries;

2. *Invites* Parties not included in Annex I to the Convention (non-Annex I Parties) to elaborate their specific needs and priorities for capacity-building by 1 March 2000;

3. *Requests* Annex II Parties to supplement the information contained in their national communications on activities and programmes which facilitate capacity-building in developing countries in the area of climate change, by 1 March 2000;

4. *Invites* relevant intergovernmental organizations to provide the secretariat with information on their ongoing capacity-building activities by 1 March 2000;

5. *Requests* the secretariat:

(a) To compile information contained in initial national communications from non-Annex I Parties relating to capacity-building activities, programmes and needs, and to make it available in both printed and electronic formats prior to the twelfth sessions of the subsidiary bodies;

(b) To compile information contained in national communications of Annex II Parties on activities and programmes implemented to facilitate capacity-building in developing countries relevant to the implementation of the Convention, as well as the information referred to in paragraphs 2, 3 and 4 above, and to make it available in both printed and electronic formats prior to the twelfth sessions of the subsidiary bodies;

(c) To further elaborate the specific capacity-building needs and priorities of non-Annex I Parties, taking fully into account the list provided by those Parties and contained in the annex to this decision, and the results of the inter-sessional workshops, including workshops on the consultative process for technology transfer, held prior to the twelfth sessions of the subsidiary bodies;

(d) To develop in accordance with this decision, in close consultation with Parties at the twelfth sessions of the subsidiary bodies, and based on the information compiled and synthesized, elements of a draft framework for capacity-building activities, including elements related to capacity-building emerging from discussions of other issues under the Convention and its Kyoto Protocol, for consideration by the subsidiary bodies at their thirteenth sessions;

(e) To coordinate closely with, and seek the assistance of, the GEF, as an operating entity of the financial mechanism, and the secretariats of relevant United Nations agencies and international organizations, and bilateral and multilateral institutions, in preparing the elements of the draft framework referred to in subparagraph (d) above; to continue to coordinate with these agencies, organizations and institutions regarding their climate change capacity-building activities in support of the implementation of the Convention and its Kyoto Protocol; and in reporting on this coordination, to include information on the financing of these activities, at regular intervals;

(f) To report to the subsidiary bodies, at their twelfth sessions, on progress in the review by the GEF of its enabling activities, its capacity-building activities in its normal work programme, its Country Dialogue Workshops and its Capacity Development Initiative.

*9th plenary meeting  
4 November 1999*

Annex

**LIST OF CAPACITY-BUILDING NEEDS OF DEVELOPING  
COUNTRY PARTIES<sup>1</sup>**

1. **Institutional capacity-building**

- Strengthening of national UNFCCC focal points or national authorities designated to coordinate climate change activities
- Strengthening of relevant and key academic and research institutions and non-governmental organizations

2. **Capacity-building under the clean development mechanism**

- Establishment of institutional linkages required for implementation of the clean development mechanism
- Project identification, formulation and design
- Monitoring, verification, auditing and certification of project activities
- Development of criteria, including for sustainable development indicators, e.g. for adaptation
- Development of baselines
- Project negotiation skills
- Clean development mechanism demonstration projects to enhance capacity-building (learning by doing), including assessment of costs and risks (long- and short-term)
- Data acquisition and sharing

3. **Human resource development**

- Fellowships and scholarships for formal training at higher levels, specialized training and informal training
- Development of a "pool" of expertise and skills
- Studies such as climate change detection and climate variability, impact assessment, vulnerability and adaptation studies, and policy analysis
- Workshops (including workshops to discuss the implementation plan)
- Exchange programmes among Parties
- Integration of climate change into educational curricula
- Networking and coordination at local, national, regional and international levels

4. **Technology transfer**

- Identification and assessment of appropriate technologies
- Appropriate technology information needs, including support for office and other relevant equipment

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<sup>1</sup> See FCCC/SB/1999/MISC.9, annex (proposed by Gambia on behalf of the Group of 77 and China).

- Analysis of constraints to the transfer of technology (non-Annex I and Annex I Parties).
  - Exchange programmes
5. **National communications**
- Development of local emission factors
  - Data collection, analysis and archiving
  - Establishment of a technical assistance group, such as a non-Annex I Party expert group
  - Vulnerability assessments, including scoping, modelling, analysis, method selection and reporting
6. **Adaptation**
- Development of adaptation project guidelines
  - Case studies of extreme weather events, documentation and dissemination of study reports
  - Capacity-building and capacity-enhancement in the marine sector, such as coastal zone management
  - Identification and promotion of traditional knowledge, skills and practices which enhance adaptation
7. **Public awareness**
- Development of public awareness programmes
  - Development and production of public awareness materials
  - Workshops
  - Involvement and consultation
8. **Coordination and cooperation**
- Coordination programmes at the individual, community, local, government, non-government, national and regional levels
  - Involvement and consultation
  - Linking and learning
9. **Improved decision-making**
- Awareness and knowledge
  - Research, data and information
  - Technical and policy
  - Integrating climate change policies into national development strategies and plans



## Decision 11/CP.5

### Capacity-building in countries with economies in transition

*The Conference of the Parties,*

*Recalling* Articles 4.1, 4.5, 4.6 and 6 of the United Nations Framework Convention on Climate Change,

*Recalling further* the provisions relating to capacity-building for countries with economies in transition contained in decisions 6/CP.4 and 7/CP.4,

*Affirming* that capacity-building is critical to the effective participation of countries with economies in transition in the Convention and Kyoto Protocol processes and must be comprehensively addressed,

*Underlining* that capacity-building for countries with economies in transition must be country-driven, reflecting their national initiatives and priorities, and that it is primarily to be undertaken by countries with economies in transition and in countries with economies in transition in partnership with Parties included in Annex II to the Convention, in accordance with the provisions of the Convention,

*Emphasizing* that capacity-building is a continuous process aimed at strengthening or establishing, as appropriate, relevant organizations, institutions and human resources in order to provide expertise in all areas relating to the implementation of the Convention,

*Emphasizing further* that an integrated approach should recognize the responsibility of individual Parties to promote conditions that are conducive to the development of human, institutional and technical capacity, and that every effort should be made to improve the coordination and effectiveness of existing efforts and promote the participation of a wide range of actors and constituencies, including governments at all levels, international organizations, civil society and the private sector,

*Emphasizing also* the importance of creating an enabling environment for investment, which promotes capacity-building activities in countries with economies in transition,

1. *Decides* that:

(a) Financial and technical support for capacity-building for countries with economies in transition for implementing the Convention and to prepare for participation in activities under Articles 5, 6, 7 and 17 of the Kyoto Protocol should be provided through bilateral and multilateral channels and the private sector, as appropriate;

(b) Existing capacity-building activities and programmes should be comprehensively assessed to determine their effectiveness and to identify gaps and weaknesses in ongoing efforts, and that the specific needs of Parties with economies in transition should be further elaborated in accordance with this decision, to enable the Conference of the Parties to take a comprehensive decision at its sixth session;

2. *Invites* Parties included in Annex I but not included in Annex II to the Convention to identify their needs and priorities for capacity-building by 1 March 2000;

3. *Requests* the secretariat:

(a) To compile and synthesize the information submitted in accordance with paragraph 2 of this decision for consideration at the twelfth sessions of the subsidiary bodies;

(b) To develop in accordance with this decision, in close consultation with Parties at the twelfth sessions of the subsidiary bodies, and based on the information compiled and synthesized, elements of a draft framework for capacity-building activities, including elements related to capacity-building emerging from discussions of other issues under the Convention and its Kyoto Protocol, for consideration by the subsidiary bodies at their thirteenth sessions.

*9th plenary meeting  
4 November 1999*

**Decision 12/CP.5**

**Implementation of Article 4, paragraphs 8 and 9, of the Convention and matters relating to Article 3, paragraph 14, of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decision 5/CP.4 entitled Implementation of Article 4.8 and 4.9 of the Convention (decision 3/CP.3 and Articles 2.3 and 3.14 of the Kyoto Protocol),

*Recalling also* its decision 8/CP.4 on preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

*Recognizing* the specific needs and concerns of developing country Parties referred to in Article 4.8 of the Convention, and the specific needs and special situations of the least developed countries referred to in Article 4.9,

*Recognizing also* the concern for sustainable development of the countries referred to in Article 4.8 and 4.9 of the Convention,

*Taking note* of the report of the expert workshop referred to in the programme of work contained in the annex to decision 5/CP.4, which was held in Bonn from 21 to 24 September 1999,<sup>1</sup>

*Recognizing* that the identification of initial actions necessary to address the adverse effects of climate change and/or the impact of the implementation of response measures needs to be based on sufficient information and analysis within a clearly-defined process,

*Acknowledging* the efforts already made by Parties towards meeting the specific needs and concerns of developing country Parties, in particular the least developed countries, with regard to adaptation,

*Having considered* the report of the above-mentioned workshop regarding the specific needs and concerns of developing country Parties, and the specific needs and special situations of the least developed countries where widespread poverty limits adaptive capacity, particularly in relation to the impacts of the adverse effects of climate change on socio-economic conditions, including, *inter alia*, water resources, agriculture and food security, economic activities, coastal

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<sup>1</sup> See FCCC/SB/1999/9.

zones and health, and the impact of the implementation of response measures on, *inter alia*, terms of trade, international capital flows and developmental efforts,

1. *Decides* to continue the process of implementation of Article 4.8 and 4.9 of the Convention, as established by decisions 3/CP.3 and 5/CP.4, and to assess the process at its sixth session and, as appropriate, at subsequent sessions;

2. *Decides* that the process referred to in paragraph 1 above shall address information-gathering on initial actions needed to address the specific needs and concerns of developing country Parties referred to in Article 4.8 of the Convention, and the specific needs and special situations of the least developed countries referred to in Article 4.9 of the Convention, arising from the adverse effects of climate change and/or the impact of the implementation of response measures;

3. *Decides* that the process shall also identify what actions are necessary under the Convention, including actions relating to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties referred to in Article 4.8 of the Convention and the specific needs and special situations of the least developed countries;

4. *Requests* the subsidiary bodies, at their twelfth and thirteenth sessions, giving special attention to the situations of the least developed countries in accordance with Article 4.9 of the Convention, and reaffirming, in particular, the need for support for capacity-building and technical assistance, to continue their consideration of the implementation of Article 4.8 and 4.9 of the Convention, and in particular of the examples of initial actions listed in subparagraphs (a) to (e) below, and encourages Parties to respond positively where adaptation measures are identified by developing country Parties as priorities:

(a) Information on the adverse effects of climate change, based on country-specific data, drawn from the national communications of Parties not included in Annex I to the Convention and other sources;

(b) Information on the impact of the implementation of response measures, drawn from the national communications of Parties not included in Annex I to the Convention and other sources;

(c) Information on policies and measures undertaken to respond to climate change, drawn from the national communications of Parties included in Annex I to the Convention;

(d) Consideration of the importance and extent of efforts to diversify the national economies of developing countries referred to in Article 4.8 and 4.9 of the Convention, and of how the international community could best support such efforts;

(e) Consideration of how adaptation measures can be integrated into national strategies for sustainable development and could help to form a basis for action in multilateral and bilateral development programmes;

5. *Decides* that a workshop be organized, under the guidance of the Chairmen of the subsidiary bodies, on the consideration of initial actions, including actions related to funding, insurance and the transfer of technology, needed to meet the specific needs and concerns of developing country Parties, and the specific needs and special situations of the least developed countries, arising from the adverse effects of climate change on, *inter alia*, water resources, agriculture and food security, economic activities, coastal zones and health. The workshop shall consider, among other issues, the following:

(a) Enhancing capacity for monitoring, systematic observation and vulnerability assessment in developing countries;

(b) Capacity-building in environmental management and integrated assessment;

(c) Identifying adaptation options and facilitating adaptation where near-term climate change impacts are understood and adaptation measures are feasible;

6. *Decides* that a workshop be organized, under the guidance of the Chairmen of the subsidiary bodies, on methodological approaches and what actions are necessary under the Convention relating to the impact of the implementation of response measures on, *inter alia*, terms of trade, international capital flows and developmental efforts, in accordance with Article 4.8 and 4.9 of the Convention and in the light of matters related to Article 3.14 of the Kyoto Protocol. The workshop shall consider, among other issues, the following:

(a) The nature and content of information needed;

(b) The sources of information;

(c) Procedures and modalities for the provision of information;

(d) What actions are necessary, including those relating to funding, insurance and the transfer of technology;

7. *Decides* that the workshops referred to in paragraphs 5 and 6 above shall be organized in two consecutive, equal time periods before the end of March 2000, and requests the Chairmen of the subsidiary bodies to present a report in two parts thereon to the subsidiary bodies at their twelfth sessions;

8. *Invites* the subsidiary bodies, at their twelfth and thirteenth sessions, to consider the report in two parts referred to in paragraph 7 above, and to make recommendations to the Conference of the Parties at its sixth session;

9. *Decides* to consider further, at its sixth session, matters related to Article 3.14 of the Kyoto Protocol, as an input to the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, taking into account its ongoing discussions on the implementation of Article 4.8 and 4.9 of the Convention.

*9th plenary meeting  
4 November 1999*

## Decision 13/CP.5

### Activities implemented jointly under the pilot phase

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1, 1/CP.4, 6/CP.4 and 7/CP.4,

*Taking note* of the conclusions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation at their eleventh sessions on the issues addressed in the comprehensive review of the pilot phase of activities implemented jointly, as well as of the third synthesis report on activities implemented jointly,<sup>1</sup>

*Noting* that activities implemented jointly under the pilot phase have made some contribution to meeting the ultimate objective of the United Nations Framework Convention on Climate Change,

*Noting* that, by virtue of decision 5/CP.1, activities implemented jointly under the pilot phase are undertaken within the framework of the Convention,

*Acknowledging* the importance of learning-by-doing through activities implemented jointly under the pilot phase and of providing new opportunities for activities implemented jointly to those Parties that have not yet had experience with projects under the pilot phase,

1. *Decides* to conclude the review process and, without prejudice to future decisions, to continue the pilot phase of activities implemented jointly beyond the end of the present decade; during the continuation of the pilot phase the issue of geographical imbalance, in particular the lack of projects in Africa and small island developing States, should be addressed;

2. *Invites* Parties to provide proposals for the improvement of the draft revised uniform reporting format<sup>2</sup> by 31 March 2000;

3. *Requests* the secretariat to prepare a further draft revision of the uniform reporting format and a set of guidelines for its use, for consideration by the subsidiary bodies at their thirteenth sessions;

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<sup>1</sup> See FCCC/SB/1999/5 and Corr.1 and Add.1.

<sup>2</sup> Contained in document FCCC/SB/1999/5/Add.1.

4. *Encourages* Parties involved in activities implemented jointly under the pilot phase to submit further information using the uniform reporting format, the deadline for the submission of such information to be considered in the fourth annual synthesis report being 30 June 2000;

5. *Urges* Parties reporting on activities implemented jointly under the pilot phase to submit joint reports through the designated national authority of one Party, which should provide proof that the designated national authorities of all the other Parties involved concur with the reports.

*9th plenary meeting  
4 November 1999*



## Decision 14/CP.5

### Mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decision 7/CP.4 on the work programme on mechanisms of the Kyoto Protocol,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation at their eleventh sessions,

1. *Requests* the Chairmen of the subsidiary bodies to revise their note entitled “Synthesis of proposals by Parties on principles, modalities, rules and guidelines”,<sup>1</sup> to incorporate further proposals by Parties and to consolidate a text for further negotiation, in accordance with comments by Parties;
2. *Invites* Parties to submit further proposals, consistent with the existing framework in the note by the Chairmen, on principles, modalities, rules and guidelines in relation to mechanisms by 31 January 2000;
3. *Requests* the Chairmen of the subsidiary bodies to convene inter-sessional meetings and workshops to assist in undertaking preparatory work for the Conference of the Parties at its sixth session, drawing on technical expertise, as appropriate, taking into account the need for transparency and regional balance in representation, and the need for Parties to review the work of the experts;
4. *Requests* the subsidiary bodies, at their sessions prior to the sixth session of the Conference of the Parties, to take forward the consolidated text as a basis for further negotiations on principles, modalities, rules and guidelines, with priority given to the clean development mechanism, with a view to the Conference of the Parties taking decisions on all the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol at its sixth session, including, where appropriate, recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

*9th plenary meeting  
4 November 1999*

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<sup>1</sup> See FCCC/SB/1999/8 and Add.1.

## Decision 15/CP.5

### Future work of the Joint Working Group on Compliance

*The Conference of the Parties,*

*Recalling* its decision 1/CP.3 on the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Recalling also* its decisions 1/CP.4 and 8/CP.4,

*Recognizing with appreciation* the work done by the Joint Working Group on Compliance on the development of elements of procedures and mechanisms relating to a compliance system under the Kyoto Protocol,

*Having considered* the report of the Joint Working Group on Compliance submitted through the subsidiary bodies,<sup>1</sup> and the valuable progress made by the Joint Working Group,

1. *Decides* that the Joint Working Group on Compliance shall continue its work beyond the fifth session of the Conference of the Parties, based on the mandate contained in decision 8/CP.4;

2. *Requests* the Joint Working Group on Compliance to continue to make substantial progress for the purpose of completing its work and fulfilling its mandate and to provide a report on its findings to the Conference of the Parties at its sixth session, through the subsidiary bodies, so as to enable the Conference of the Parties to adopt a decision on a compliance system under the Kyoto Protocol at that session.

*9th plenary meeting  
4 November 1999*

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<sup>1</sup> See FCCC/SBI/1999/14, annex I.

**Decision 16/CP.5**

**Land-use, land-use change and forestry**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 8/CP.4 and 9/CP.4,

1. *Decides* to endorse a work programme and elements of a decision-making framework to address the conclusions on land-use, land-use change and forestry adopted by the Subsidiary Body for Scientific and Technological Advice at its eleventh session, as requested by decision 9/CP.4, with a view to the Conference of the Parties, at its sixth session, recommending draft decisions relating to decision 9/CP.4, paragraphs 3 and 4, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, taking into account the Intergovernmental Panel on Climate Change *Special Report on Land-use, Land-use Change and Forestry*, considerations by the Subsidiary Body for Scientific and Technological Advice, ongoing methodological and other work by the Intergovernmental Panel on Climate Change, and necessary continuing considerations by the Subsidiary Body for Scientific and Technological Advice;

2. *Recognizes* that, at subsequent sessions, it may be required to recommend further relevant decisions for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

*9th plenary meeting  
4 November 1999*

## Decision 17/CP.5

### Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system

*The Conference of the Parties,*

*Recalling* its decision 13/CP.4 entitled Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues related to hydrofluorocarbons and perfluorocarbons,

*Having considered* the information submitted pursuant to decision 13/CP.4 by Parties, by intergovernmental organizations, in particular the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel under the Montreal Protocol, and by non-governmental organizations, on potential and available ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons,<sup>1</sup>

1. *Invites* each Party to give consideration to this information on available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons, taking into account, *inter alia*, health, medical, environmental and safety considerations, energy efficiency and associated emissions in carbon dioxide equivalent, and technical and economic considerations;
2. *Requests* the Intergovernmental Panel on Climate Change to take into account this information in the elaboration of its third assessment report;
3. *Requests* the Subsidiary Body for Scientific and Technological Advice to give further consideration to information aspects of this issue at its first session following the sixth session of the Conference of the Parties.

*9th plenary meeting  
4 November 1999*

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<sup>1</sup> See FCCC/SBSTA/1999/MISC.6 and Add.1; see also information available on the UNFCCC web site and its 1999 CD-ROM version.

## Decision 18/CP.5

### **Emissions based upon fuel sold to ships and aircraft engaged in international transport**

*The Conference of the Parties,*

Recalling that the Subsidiary Body for Scientific and Technological Advice, during its tenth and eleventh sessions, held an exchange of views and adopted conclusions on emissions based upon fuel sold to ships and aircraft engaged in international transport during its tenth and eleventh sessions,<sup>1</sup>

1. *Expresses its appreciation* to the International Civil Aviation Organization for requesting, and to the Intergovernmental Panel on Climate Change for preparing, the *Special Report on Aviation and the Global Atmosphere* relating to the effects of aircraft emissions on the climate and atmospheric ozone;

2. *Welcomes the Special Report on Aviation and the Global Atmosphere* as a comprehensive assessment of the effects of aircraft emissions on the climate and atmospheric ozone;

3. *Requests* the secretariat to continue to develop its cooperation with the secretariats of the International Civil Aviation Organization and the International Maritime Organization and participate in their meetings on climate change related issues;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice to continue its current work on methodological issues related to reporting on emissions based upon fuel sold to ships and aircraft engaged in international transport, including those that may be contained in the Intergovernmental Panel on Climate Change report on good practice in national inventory preparation, including managing uncertainty.

*9th plenary meeting  
4 November 1999*

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<sup>1</sup> See FCCC/SBSTA/1999/6 and FCCC/SBSTA/1999/14.

## Decision 19/CP.5

### Cooperation with the Intergovernmental Panel on Climate Change

*The Conference of the Parties,*

Noting the conclusions of the Subsidiary Body for Scientific and Technological Advice at its eleventh session,<sup>1</sup>

1. *Expresses its appreciation* to the Intergovernmental Panel on Climate Change, particularly its authors and scientists, for the high quality of its work;
2. *Notes with concern* the urgent appeal for additional resources by the Chairman of the Intergovernmental Panel on Climate Change;
3. *Urges* Parties, intergovernmental organizations and other organizations in a position to do so, to contribute financial support early and generously to the work of the Intergovernmental Panel on Climate Change, to enable it to complete its third assessment report and special reports, in view of their importance to advancing the Convention process;
4. *Invites* the Subsidiary Body for Implementation to consider, at its twelfth session, the issue of support to the Intergovernmental Panel on Climate Change, in the context of recommending additional guidance to the Global Environment Facility.

*9th plenary meeting  
4 November 1999*

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<sup>1</sup> See FCCC/SBSTA/1999/14.

## Decision 20/CP.5

### Programme budget for the biennium 2000-2001

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change,<sup>1</sup>

*Having considered* the proposed budget for the biennium 2000-2001 submitted by the Executive Secretary,<sup>2</sup>

*Noting* the annual contribution of the host Government, DM 1.5 million, which offsets planned expenditures,

1. *Approves* the programme budget for the biennium 2000-2001, amounting to US\$ 25,286,000, for the purposes specified in table 1 below;
2. *Adopts* the indicative scale of contributions for 2000 and 2001 contained in the annex to this decision;
3. *Approves* a drawing of \$2 million from the unspent balances or contributions (carry-over) from previous financial periods to cover part of the 2000-2001 budget;
4. *Approves* the staffing table for the programme budget, as contained in table 2 below;
5. *Approves* a contingency budget for conference servicing, amounting to \$5,661,800, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the United Nations regular budget for the biennium 2000-2001 (see tables 3 and 4 below);
6. *Approves* additional resources for secretariat support for the work on matters related to the consideration of national communications from Parties not included in Annex I to the Convention, amounting to \$1,263,200, to be added to the programme budget for the biennium 2000-2001, of which \$363,200 will be drawn on available resources, including unspent balances or contributions from various financial periods (see tables 5 and 6 below), on the understanding that additional voluntary contributions to the Trust Fund for Supplementary

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<sup>1</sup> See decision 15/CP.1, annex I.

<sup>2</sup> See FCCC/CP/1999/INF.1; FCCC/SBI/1999/4 and Add.1, and FCCC/SBI/1999/8.

Activities will be needed in order to cover activities in relation to the work of the consultative group of experts established by decision 8/CP.5;

7. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at subsequent sessions on the implementation of paragraph 5 above, as necessary;

8. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

9. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

10. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures and to pay promptly and in full, for each of the years 2000 and 2001, the contributions required to finance expenditures approved under paragraphs 1 and 6 above, as offset by the contributions noted in the third paragraph of the preamble to this decision and a drawing approved in paragraph 3 above, and any contributions required to finance the expenditures arising from the decisions referred to in paragraph 5 above;

11. *Takes note* of the funding estimates for the Trust Fund for Participation in the UNFCCC Process specified by the Executive Secretary (\$3,691,800 for the biennium 2000-2001), and invites Parties to make contributions to this fund (see table 7 below);

12. *Takes note* of the funding estimates for the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change specified by the Executive Secretary (\$6,178,900 for the biennium 2000-2001), and invites Parties to make contributions to this fund (see table 8 below);

13. *Requests* the Executive Secretary to report to the Conference of the Parties at its sixth session on income and budget performance, and to propose any adjustments that might be needed in the Convention budget for the biennium 2000-2001;

14. *Authorizes* the Executive Secretary to make a complementary contribution, from available resources, to the Intergovernmental Panel on Climate Change of \$300,000 during the biennium 2000-2001;



15. *Authorizes* the Executive Secretary to incur additional expenditures of up to \$1 million to offset part of the costs of activities arising from the preparatory process leading to the sixth session of the Conference of the Parties, drawing on available resources, including unspent balances or contributions from previous financial periods, on the understanding that additional voluntary contributions to the Trust Fund for Supplementary Activities and the Trust Fund for Participation in the UNFCCC Process of up to \$2 million will be needed in order to cover all activities envisaged in the preparatory process for the sixth session of the Conference of the Parties.

**Table 1. Programme budget for the biennium 2000-2001**  
(thousands of United States dollars)

	2000	2001	Biennium total
<b>Expenditures</b>			
<b>I. Programmes*</b>			
Executive Direction and Management	749.5	773.7	1 523.2
Planning, Coordination and Emerging Issues	1 232.6	1 214.8	2 447.4
Science and Technology	2 170.6	2 173.6	4 344.2
Implementation	2 591.3	2 747.1	5 338.4
Information, Outreach and Administrative Services <sup>a</sup>	1 546.5	1 643.7	3 190.2
Intergovernmental and Conference Affairs <sup>b</sup>	2 752.6	2 704.0	5 456.6
<b>Subtotal (I)</b>	<b>11 043.1</b>	<b>11 256.9</b>	<b>22 300.0</b>
<b>II. Payments to the United Nations</b>			
Overhead charge <sup>c</sup>	1 435.6	1 463.4	2 899.0
<b>Subtotal (II)</b>	<b>1 435.6</b>	<b>1 463.4</b>	<b>2 899.0</b>
<b>III. Working capital reserve<sup>d</sup></b>	<b>69.2</b>	<b>17.7</b>	<b>86.9</b>
<b>Subtotal (III)</b>	<b>69.2</b>	<b>17.7</b>	<b>86.9</b>
<b>TOTAL BUDGET (I+II+III)</b>	<b>12 548.0</b>	<b>12 738.0</b>	<b>25 286.0</b>
<b>Income</b>			
Contribution from the host Government	810.8	810.8	1 621.6
Unspent balances or contributions from previous financial periods (carry-over)	1 000.0	1 000.0	2 000.0
<b>TOTAL INCOME</b>	<b>1 810.8</b>	<b>1 810.8</b>	<b>3 621.6</b>
<b>INDICATIVE CONTRIBUTIONS</b>	<b>10 737.2</b>	<b>10 927.2</b>	<b>21 664.4</b>

\*As a result of a transfer of responsibility for administrative services in the secretariat following the fifth session of the Conference of the Parties, the name of the Information and Outreach programme has been changed to Information, Outreach and Administrative Services and the name of the Conference Affairs and Resource Management programme has been changed to Intergovernmental and Conference Affairs.

<sup>a</sup> Includes resources required to cover the computer needs of all programmes.

<sup>b</sup> Includes resources required to cover a number of secretariat-wide expenditures for non-staff-related items.

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support of which part is returned to the secretariat for administrative costs.

<sup>d</sup> In accordance with paragraph 14 of the financial procedures (see decision 15/CP.1, annex I). This will bring the level of the working capital reserve to \$916,600 in 2000 and \$934,300 in 2001 (see paragraphs 17-19 of the financial procedures).

**Table 2. Programme budget staffing table 2000-2001**

	2000	2001
<b>A. Professional category and above</b>		
Executive Secretary	1	1
D-2	3	3
D-1	4	4
P-5	9.75	10
P-4	10	10
P-3	15	16
P-2	8.25	9
<b>Subtotal (A)</b>	<b>51</b>	<b>53</b>
<b>B. General Service category</b>	<b>27.75</b>	<b>28</b>
<b>TOTAL (A+B)</b>	<b>78.75</b>	<b>81</b>

**Table 3. Resource requirements for the conference services contingency**  
(thousands of United States dollars)

Item of expenditure	2000	2001	Biennium total
A. Meeting servicing <sup>a</sup>	987.1	1 015.1	2 002.2
B. Documentation <sup>b</sup>	1 326.8	1 340.1	2 666.9
<b>Subtotal</b>	<b>2 313.9</b>	<b>2 355.2</b>	<b>4 669.1</b>
C. Overhead charge <sup>c</sup>	300.8	306.2	607
D. Contingencies and exchange rate fluctuations <sup>d</sup>	78.4	79.8	158.2
E. Working capital reserve <sup>e</sup>	223.5	4	227.5
<b>TOTAL</b>	<b>2 916.6</b>	<b>2 745.2</b>	<b>5 661.8</b>

<sup>a</sup> Includes interpretation and conference assistance.

<sup>b</sup> Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation (regular and temporary staff, travel, and contractual services).

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> Calculated at 3 per cent.

<sup>e</sup> In accordance with paragraph 14 of the financial procedures. The 2000 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2001 amount has been calculated as the amount required to bring the carried-over 2000 reserve to 8.3 per cent of the subtotal and overhead charge for 2001.

**Table 4. Staffing requirements for the conference services contingency**

	2000	2001
<b>A. Professional category and above</b>		
P-4	1	1
<b>Total Professional category and above</b>	<b>1</b>	<b>1</b>
<b>B. Total General Service category</b>	<b>5</b>	<b>5</b>
<b>TOTAL (A+B)</b>	<b>6</b>	<b>6</b>

**Table 5. Additional resources for matters related to consideration of communications from non-Annex I Parties**  
(thousands of United States dollars)

Item of expenditure	2000	2001	Biennium total
A. Staff costs	457.6	466.4	924
B. Consultants	44	44	88
C. Travel on official business	33	33	66
<b>Subtotal</b>	<b>534.6</b>	<b>543.4</b>	<b>1 078.0</b>
D. Overhead charge <sup>a</sup>	69.5	70.6	140.1
E. Working capital reserve <sup>b</sup>	44.4	0.7	45.1
<b>TOTAL</b>	<b>648.5</b>	<b>614.7</b>	<b>1 263.2</b>
<b>Income</b>			
Unspent balances or contributions from previous financial periods (carry-over)	198.5	164.7	363.2
<b>TOTAL INCOME</b>	<b>198.5</b>	<b>164.7</b>	<b>363.2</b>
<b>INDICATIVE CONTRIBUTIONS</b>	<b>450</b>	<b>450</b>	<b>900</b>

<sup>a</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>b</sup> In accordance with paragraph 14 of the financial procedures. The 2000 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2001 amount has been calculated as the amount required to bring the carried-over 2000 reserve to 8.3 per cent of the subtotal and overhead charge for 2001.

**Table 6. Staffing requirements for matters related to consideration of communications from non-Annex I Parties**

	2000	2001
<b>A. Professional category and above</b>		
P-4	1	1
P-3	2	2
<b>Total Professional category and above</b>	<b>3</b>	<b>3</b>
<b>B. Total General Service category</b>	<b>1</b>	<b>1</b>
<b>TOTAL (A+B)</b>	<b>4</b>	<b>4</b>

**Table 7. Trust Fund for Participation in the UNFCCC Process:  
Estimated resource requirements**  
*(thousands of United States dollars)*

Item of expenditure	2000	2001
A. Support for eligible Parties to participate in one two-week session of the subsidiary bodies	630	630
B. Support for eligible Parties to participate in one two-week session of the Conference of the Parties and its subsidiary bodies <sup>a</sup>	855	855
<b>Subtotal</b>	<b>1 485.0</b>	<b>1 485.0</b>
Overhead charge <sup>b</sup>	193.1	193.1
Operating cash reserve <sup>c</sup>	167.8	167.8
<b>TOTAL</b>	<b>1 845.9</b>	<b>1 845.9</b>

<sup>a</sup> Includes funding for a second delegate from least developed countries and small island developing States, in accordance with the practice followed at all meetings of the Conference of the Parties to date.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>c</sup> Calculated at 10 per cent.

**Table 8. Trust Fund for Supplementary Activities: Estimated resource requirements<sup>a</sup>**  
*(thousands of United States dollars)*

<b>Item of expenditure</b>	<b>2000</b>	<b>2001</b>
Estimated resource requirements	2 500.0	2 620.2
Overhead charge <sup>b</sup>	325	340.6
Operating cash reserve <sup>c</sup>	375	18
<b>TOTAL</b>	<b>3 200.0</b>	<b>2 978.9</b>

<sup>a</sup> Additional information to be included in the revised version of document FCCC/SBI/1999/4/Add.1.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>c</sup> Calculated at 15 per cent.

*9th plenary meeting  
4 November 1999*

**Annex**

**INDICATIVE SCALE OF CONTRIBUTIONS TO THE CORE BUDGET OF THE UNFCCC  
FOR THE BIENNIUM 2000-2001**  
*(United States dollars)*

Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000	2000			2001		
Albania	0.003	336	-10	325	341	-10	331
Algeria	0.086	9621	-292	9329	9784	-297	9487
Antigua and Barbuda	0.002	224	-7	217	228	-7	221
Argentina	1.103	123395	-3751	119643	125491	-3815	121675
Armenia	0.006	671	-20	651	683	-21	662
Australia	1.483	165906	-5044	160862	168724	-5129	163594
Austria	0.942	105383	-3204	102180	107173	-3258	103915
Azerbaijan	0.011	1231	-37	1193	1251	-38	1213
Bahamas	0.015	1678	-51	1627	1707	-52	1655
Bahrain	0.017	1902	-58	1844	1934	-59	1875
Bangladesh	0.010	1119	-34	1085	1138	-35	1103
Barbados	0.008	895	-27	868	910	-28	883
Belgium	1.104	123507	-3755	119752	125604	-3819	121786
Belize	0.001	112	-4	108	114	-4	110
Benin	0.002	224	-7	217	228	-7	221
Bhutan	0.001	112	-4	108	114	-4	110
Bolivia	0.007	783	-24	759	796	-24	772
Botswana	0.010	1119	-34	1085	1138	-35	1103
Brazil	1.471	164564	-5003	159561	167359	-5088	162271
Bulgaria	0.011	1231	-37	1193	1251	-38	1213
Burkina Faso	0.002	224	-7	217	228	-7	221
Burundi	0.001	112	-4	108	114	-4	110
Cambodia	0.001	112	-4	108	114	-4	110
Cameroon	0.013	1454	-44	1410	1479	-45	1434
Canada	2.732	305634	-9292	296343	310825	-9449	301376
Cape Verde	0.002	224	-7	217	228	-7	221
Central African Republic	0.001	112	-4	108	114	-4	110

Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000		2000			2001	
Chad	0.001	112	-4	108	114	-4	110
Chile	0.136	15215	-463	14752	15473	-470	15003
China	0.995	111313	-3384	107929	113203	-3442	109,762
Colombia	0.109	12194	-371	11823	12401	-377	12024
Comoros	0.001	112	-4	108	114	-4	110
Congo	0.003	336	-10	325	341	-10	331
Cook Islands	0.001	112	-4	108	114	-4	110
Costa Rica	0.016	1790	-54	1736	1820	-55	1765
Côte d'Ivoire	0.009	1007	-31	976	1024	-31	993
Croatia	0.030	3356	-102	3254	3413	-104	3309
Cuba	0.024	2685	-82	2603	2731	-83	2648
Cyprus	0.034	3804	-116	3688	3868	-118	3751
Czech Republic	0.107	11970	-364	11606	12174	-370	11804
Democratic People's Republic of Korea	0.015	1678	-51	1627	1707	-52	1655
Democratic Republic of the Congo	0.007	783	-24	759	796	-24	772
Denmark	0.692	77415	-2354	75062	78730	-2393	76337
Djibouti	0.001	112	-4	108	114	-4	110
Dominica	0.001	112	-4	108	114	-4	110
Dominican Republic	0.015	1678	-51	1627	1707	-52	1655
Ecuador	0.020	2237	-68	2169	2275	-69	2206
Egypt	0.065	7272	-221	7051	7395	-225	7170
El Salvador	0.012	1342	-41	1302	1365	-42	1324
Eritrea	0.001	112	-4	108	114	-4	110
Estonia	0.012	1342	-41	1302	1365	-42	1324
Ethiopia	0.006	671	-20	651	683	-21	662
European Community	2.500	279680	-8776	270904	284430	-8925	275505
Fiji	0.004	447	-14	434	455	-14	441
Finland	0.543	60746	-1847	58900	61778	-1878	59900
France	6.545	732202	-22260	709942	744638	-22638	722000
Gabon	0.015	1678	-51	1627	1707	-52	1655
Gambia	0.001	112	-4	108	114	-4	110
Georgia	0.007	783	-24	759	796	24)	772
Germany	9.857	1102722	-33524	1069198	1121451	-34093	1087357
Ghana	0.007	783	-24	759	796	-24	772
Greece	0.351	39267	-1194	38073	39934	-1214	38720



Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000		2000			2001	
Grenada	0.001	112	-4	108	114	-4	110
Guatemala	0.018	2014	-61	1952	2048	-62	1986
Guinea	0.003	336	-10	325	341	-10	331
Guinea-Bissau	0.001	112	-4	108	114	-4	110
Guyana	0.001	112	-4	108	114	-4	110
Haiti	0.002	224	-7	217	228	-7	221
Honduras	0.003	336	-10	325	341	-10	331
Hungary	0.120	13425	-408	13017	13653	-415	13238
Iceland	0.032	3580	-109	3471	3641	-111	3530
India	0.299	33450	-1017	32433	34018	-1034	32984
Indonesia	0.188	21032	-639	20393	21389	-650	20739
Iran (Islamic Republic of)	0.161	18011	-548	17464	18317	-557	17760
Ireland	0.224	25059	-762	24297	25485	-775	24710
Israel	0.350	39155	-1190	37965	39820	-1211	38610
Italy	5.437	608248	-18491	589757	618578	-18806	599773
Jamaica	0.006	671	-20	651	683	-21	662
Japan	20.573	2301543	-69970	2231573	2340631	-71158	2269473
Jordan	0.006	671	-20	651	683	-21	662
Kazakhstan	0.048	5370	-163	5207	5461	-166	5295
Kenya	0.007	783	-24	759	796	-24	772
Kiribati	0.001	112	-4	108	114	-4	110
Kuwait	0.128	14320	-435	13884	14563	-443	14120
Lao People's Democratic Republic	0.001	112	-4	108	114	-4	110
Latvia	0.017	1902	-58	1844	1934	-59	1875
Lebanon	0.016	1790	-54	1736	1820	-55	1765
Lesotho	0.002	224	-7	217	228	-7	221
Libyan Arab Jamahiriya	0.124	13872	-422	13450	14108	-429	13679
Liechtenstein	0.006	671	-20	651	683	-21	662
Lithuania	0.015	1678	-51	1627	1707	-52	1655
Luxembourg	0.068	7607	-231	7376	7736	-235	7501
Madagascar	0.003	336	-10	325	341	-10	331
Malawi	0.002	224	-7	217	228	-7	221
Malaysia	0.183	20473	-622	19850	20820	-633	20187
Maldives	0.001	112	-4	108	114	-4	110
Mali	0.002	224	-7	217	228	-7	221

Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000		2000			2001	
Malta	0.014	1566	-48	1519	1593	-48	1544
Marshall Islands	0.001	112	-4	108	114	-4	110
Mauritania	0.001	112	-4	108	114	-4	110
Mauritius	0.009	1007	-31	976	1024	-31	993
Mexico	0.995	111313	-3384	107929	113203	-3442	109762
Micronesia (Federated States of)	0.001	112	-4	108	114	-4	110
Monaco	0.004	447	-14	434	455	-14	441
Mongolia	0.002	224	-7	217	228	-7	221
Morocco	0.041	4587	-139	4447	4665	-142	4523
Mozambique	0.001	112	-4	108	114	-4	110
Myanmar	0.008	895	-27	868	910	-28	883
Namibia	0.007	783	-24	759	796	-24	772
Nauru	0.001	112	-4	108	114	-4	110
Nepal	0.004	447	-14	434	455	-14	441
Netherlands	1.632	182575	-5550	177025	185676	-5645	180031
New Zealand	0.221	24724	-752	23972	25144	-764	24379
Nicaragua	0.001	112	-4	108	114	-4	110
Niger	0.002	224	-7	217	228	-7	221
Nigeria	0.032	3580	-109	3471	3641	-111	3530
Niue	0.001	112	-4	108	114	-4	110
Norway	0.610	68242	-2075	66167	69401	-2110	67291
Oman	0.051	5705	-173	5532	5802	-176	5626
Pakistan	0.059	6600	-201	6400	6713	-204	6508
Panama	0.013	1454	-44	1410	1479	-45	1434
Papua New Guinea	0.007	783	-24	759	796	-24	772
Paraguay	0.014	1566	-48	1519	1593	-48	1544
Peru	0.099	11075	-337	10739	11263	-342	10921
Philippines	0.081	9062	-275	8786	9216	-280	8935
Poland	0.196	21927	-667	21260	22299	-678	21621
Portugal	0.431	48217	-1466	46751	49036	-1491	47545
Qatar	0.033	3692	-112	3580	3754	-114	3640
Republic of Korea	1.006	112543	-3421	109122	114455	-3480	110975
Republic of Moldova	0.01	1119	-34	1085	1138	-35	1103
Romania	0.056	6265	-190	6074	6371	-194	6178
Russian Federation	1.077	120486	-3663	116823	122532	-3725	118807

Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000		2000			2001	
Rwanda	0.001	112	-4	108	114	-4	110
Saint Kitts and Nevis	0.001	112	-4	108	114	-4	110
Saint Lucia	0.001	112	-4	108	114	-4	110
Saint Vincent and the Grenadines	0.001	112	-4	108	114	-4	110
Samoa	0.001	112	-4	108	114	-4	110
San Marino	0.002	224	-7	217	228	-7	221
Saudi Arabia	0.562	62872	-1911	60961	63940	-1944	61996
Senegal	0.006	671	-20	651	683	-21	662
Seychelles	0.002	224	-7	217	228	-7	221
Sierra Leone	0.001	112	-4	108	114	-4	110
Singapore	0.179	20025	-609	19416	20365	-619	19746
Slovakia	0.035	3916	-119	3796	3982	-121	3861
Slovenia	0.061	6824	-207	6617	6940	-211	6729
Solomon Islands	0.001	112	-4	108	114	-4	110
South Africa	0.366	40945	-1245	39700	41641	-1266	40375
Spain	2.591	289860	-8812	281048	294783	-8962	285821
Sri Lanka	0.012	1342	-41	1302	1365	-42	1324
Sudan	0.007	783	-24	759	796	-24	772
Suriname	0.004	447	-14	434	455	-14	441
Swaziland	0.002	224	-7	217	228	-7	221
Sweden	1.079	120710	-3670	117040	122760	-3732	119028
Switzerland	1.215	135924	-4132	131792	138233	-4202	134031
Syrian Arab Republic	0.064	7160	-218	6942	7281	-221	7060
Tajikistan	0.004	447	-14	434	455	-14	441
Thailand	0.170	19018	-578	18440	19341	-588	18753
The former Yugoslav Republic of Macedonia	0.004	447	-14	434	455	-14	441
Togo	0.001	112	-4	108	114	-4	110
Tonga	0.001	112	-4	108	114	-4	110
Trinidad and Tobago	0.016	1790	-54	1736	1820	-55	1765
Tunisia	0.028	3132	-95	3037	3186	-97	3089
Turkmenistan	0.006	671	-20	651	683	-21	662
Tuvalu	0.001	112	-4	108	114	-4	110
Uganda	0.004	447	-14	434	455	-14	441
Ukraine	0.190	21256	-646	20609	21617	-657	20960
United Arab Emirates	0.178	19913	-605	19308	20251	-616	19636

Party name	Indicative scale	Indicative contributions	Adjustments	Actual contributions	Indicative contributions	Adjustments	Actual contributions
	2000		2000			2001	
United Kingdom	5.092	569652	-17318	552334	579327	-17612	561715
United Republic of Tanzania	0.003	336	-10	325	341	-10	331
United States of America	25.000	2796800	-85026	2711774	2844300	-86470	2757830
Uruguay	0.048	5370	-163	5207	5461	-166	5295
Uzbekistan	0.025	2797	-85	2712	2844	-86	2758
Vanuatu	0.001	112	-4	108	114	-4	110
Venezuela	0.16	17900	-544	17355	18204	-553	17650
Viet Nam	0.007	783	-24	759	796	-24	772
Yemen	0.010	1119	-34	1085	1138	-35	1103
Yugoslavia	0.026	2909	-88	2820	2958	-90	2868
Zambia	0.002	224	-7	217	228	-7	221
Zimbabwe	0.009	1007	-31	976	1024	-31	993
<b>TOTAL</b>	<b>103.138</b>	<b>11538254</b>	<b>-351054</b>	<b>11187200</b>	<b>11734217</b>	<b>-357017</b>	<b>11377200</b>

*Note:* The scale is based on the United Nations scale of assessments (see decision 15/CP.1, annex I, para. 7 (a) as amended in decision 17/CP.4). The same methodology of determining the scale will be applied to the conference services contingency in the event it is approved. The total is based on paragraphs 1 and 6 of this decision (see tables 1 and 5 above).

## Decision 21/CP.5

### **Income and budget performance in the biennium 1998-1999 and arrangements for administrative support to the Convention**

*The Conference of the Parties,*

*Having considered* the report of the Subsidiary Body for Implementation on its work on administrative and financial matters at its tenth and eleventh sessions,

*Having taken note* of the reports by the Executive Secretary on the related subjects,<sup>1</sup>

1. *Expresses its appreciation* to the Parties that made their indicative contributions to the core budget in a timely manner, as well as those that made additional voluntary contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities of the UNFCCC;
2. *Also expresses its appreciation* to the Government of Germany for its special contribution to cover costs of events held in Bonn or in developing countries (the Bonn Fund);
3. *Expresses concern* at the continuing trend towards late payment of contributions, some still outstanding from 1996 and 1997, and encourages all Parties that have not yet paid their contributions to do so without further delay;
4. *Requests* the Executive Secretary to present, through the Subsidiary Body for Implementation (SBI) at its twelfth session, possible options to respond to the situation of late payment of contributions for consideration at its sixth session;
5. *Authorizes* the Executive Secretary to enter into commitments up to the level of the approved budget, drawing on available resources, including unspent balances or contributions from the previous financial period, pending an overall review at its sixth session of the issue of the carry-over balance from the 1996-1997 biennium, to be undertaken on the basis of a recommendation from the SBI;
6. *Takes note* of the developments reported by the Executive Secretary in his discussions with the United Nations regarding administrative arrangements for the Convention;

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<sup>1</sup> See FCCC/SBI/1999/3, FCCC/SBI/1999/10 and Add.1; FCCC/SBI/1999/INF.5, FCCC/SBI/1999/INF.9 and FCCC/SBI/1999/INF.11.

7. *Requests* the Executive Secretary to continue with these discussions in order to achieve a more rational and efficient approach to the administrative arrangements between the Convention secretariat and the United Nations, and to report to the SBI at its twelfth session on progress made in implementing the new administrative arrangements;

8. *Takes note* of the continuing action taken by the Executive Secretary to implement the recommendations made by both the internal and external auditors of the United Nations and invites the Executive Secretary to complete their implementation.

*9th plenary meeting  
4 November 1999*

## Decision 22/CP.5

### **Institutional linkage of the Convention secretariat to the United Nations**

*The Conference of the Parties,*

*Recalling* its decision 14/CP.1 whereby it decided that “the Convention secretariat shall be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme”, and decided further “to review the functioning of the institutional linkage of the Convention secretariat to the United Nations, not later than 31 December 1999, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties”,

*Recalling also* General Assembly resolution 50/115 of 20 December 1995,

*Taking note* of the information provided by the Executive Secretary that the institutional linkage is working satisfactorily and is being adapted to changing circumstances,

*Taking note also* of the expression of intent by the Secretary-General to seek the endorsement of the General Assembly at its fifty-fourth session for continuation of the institutional linkage,

1. *Invites* the United Nations General Assembly to decide at its fifty-fourth session on the issue of meeting the conference-servicing expenses of the Convention from its regular budget, taking into account the views expressed by Member States;
2. *Approves* the continuation of the institutional linkage of the Convention secretariat to the United Nations, subject to review not later than 31 December 2001, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties.

*2nd plenary meeting  
25 October 1999*

## **II. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

### **1. Calendar of meetings of Convention bodies, 2000-2003**

At its 9<sup>th</sup> plenary meeting, on 4 November 1999, the Conference of the Parties adopted the following calendar of meetings of Convention bodies for the period 2000-2003 (see Part One, section II, H, paras. 31-32, of the present report):

- First sessional period in 2000: from 12 to 16 June 2000, preceded by one week of informal meetings, including workshops;
- Second sessional period in 2000: from 11 to 15 September 2000, preceded by one week of informal meetings, including workshops;
- Third sessional period in 2000: from 13 to 24 November 2000;
- First sessional period in 2001: from 21 May to 1 June 2001;
- Second sessional period in 2001: from 29 October to 9 November 2001;
- First sessional period in 2002: from 3 to 14 June 2002;
- Second sessional period in 2002: from 28 October to 8 November 2002;
- First sessional period in 2003: from 2 to 13 June 2003; and
- Second sessional period in 2003: from 1 to 12 December 2003.

### **2. Recommendation of the Subsidiary Body for Scientific and Technological Advice**

At its 9<sup>th</sup> meeting, on 4 November, on the proposal of the President, the Conference of the Parties took note of the conclusions of the Subsidiary Body for Scientific and Technological Advice at its eleventh session on the question of the scientific and methodological aspects of the proposal by Brazil,<sup>1</sup> in which it noted that a revised version of the proposal by Brazil was now available and called for further work on this question, including a review of the proposal by experts selected from the roster of experts (see Part One, section IV, H, para. 57 of the present report).

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<sup>1</sup> See FCCC/SBSTA/1999/14, section IX, E.



3. Proposals to delete the name of Turkey from the lists in Annexes I and II to the Convention

At the 10<sup>th</sup> plenary meeting, on 5 November, the Conference of the Parties took note of the efforts of Turkey to advance the implementation of the objective of the Convention even at a time when it was not a Party. The Conference of the Parties was encouraged, in particular, by the efforts made by Turkey to implement policies and measures that could lead to a meaningful limitation of greenhouse gas emissions in comparison with a business-as-usual scenario.

In recognition of the efforts made by Turkey, the Conference of the Parties requested the President to intensify his search for a satisfactory solution and decided to consider the matter again at its sixth session under an item entitled "Review of information and possible decisions under Article 4, paragraph 2 (f), of the Convention". The Conference of the Parties requested the Executive Secretary to place the item on the provisional agenda for that session (see Part One, section VI, A, paras. 62-63 of the present report).

4. Proposal by Kazakhstan to add its name to the list in Annex I to the Convention

At the 10<sup>th</sup> plenary meeting, on 5 November, the Conference of the Parties noted that any Party may propose amendments to the Convention and its annexes in accordance with Articles 15 and 16 of the Convention. It further noted that any Party not listed in Annex I to the Convention had the right to seek to join Annex I pursuant to those articles. The Conference of the Parties took note that Kazakhstan maintained its proposal for an amendment to add its name to the list in Annex I and was willing to undertake additional consultations to facilitate a decision on the proposal at the sixth session of the Conference of the Parties.

The Conference of the Parties decided to consider the amendment proposed by Kazakhstan at its sixth session, with a view to taking action thereon (see Part One, section VI, B, paras. 67 and 69 of the present report).

5. Institutional linkage of the Convention secretariat to the United Nations

At its 9<sup>th</sup> meeting, on 4 November, the Conference of the Parties endorsed the conclusions of the Subsidiary Body for Implementation at its eleventh session on its agenda item 12 (d),<sup>2</sup> in which it decided that consideration of the juridical personality of the Convention secretariat on the international plane should be deferred and taken up in 2001 in conjunction with the review of the international linkage of the Convention secretariat to the United Nations, which was to be completed by 31 December of that year (see Part One, section VIII, C, para. 82 of the present report).

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<sup>2</sup> See FCCC/SBI/1999/14, section XII, D.



**UNITED  
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**Framework Convention  
on Climate Change**

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON THE FIRST PART OF ITS  
SIXTH SESSION, HELD AT THE HAGUE FROM 13 TO 25 NOVEMBER 2000**

**Addendum**

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

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**I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES  
AT THE FIRST PART OF ITS SIXTH SESSION**

**Decision 1/CP.6**

**Implementation of the Buenos Aires Plan of Action**

*The Conference of the Parties,*

*Recalling* the provisions of the Convention and its Kyoto Protocol,

*Further recalling* its decision 1/CP.4, entitled “The Buenos Aires Plan of Action”, and decision 1/CP.5,

*Having made progress in considering* all issues under the Buenos Aires Plan of Action, on the basis of the work of its Subsidiary Body for Scientific and Technological Advice and its Subsidiary Body for Implementation,

1. *Takes note* of the informal note by the President dated 23 November 2000 annexed to this decision as an element of political guidance to the completion of work on the negotiating texts forwarded to the Conference;<sup>1</sup>
2. *Invites* Parties to submit views thereon by 15 January 2001, and requests the secretariat to compile these submissions in a miscellaneous document;
3. *Decides* to suspend its sixth session and requests its President to seek advice on the desirability of resuming that session in May/June 2001 in order to complete work on those texts and adopt a comprehensive and balanced package of decisions on all issues covered by the Buenos Aires Plan of Action;
4. *Requests* its President to make proposals for the further development and consideration of those texts at a resumed session and to seek the necessary advice beforehand in a transparent manner;
5. *Urges* all Parties to intensify political consultations among themselves and explore areas of common ground that would enable the successful conclusion of negotiations at a resumed session on all issues covered by the Buenos Aires Plan of Action.

*9<sup>th</sup> plenary meeting  
25 November 2000*

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<sup>1</sup> These texts are contained in Part Three (Volumes I – V) of the present report and in FCCC/CP/2000/INF.3 (Volumes I - V).

Annex

**Note by the President of the Conference of the Parties  
at its sixth session, dated 23 November 2000**

*This note is presented on my personal responsibility as a basis for further negotiations and in an effort to bring COP 6 to a politically successful conclusion this week.*

*The note addresses the key issues that remain unresolved in the documents transmitted to the Conference by the subsidiary bodies at the close of their 13th sessions last Saturday, 8 November 2000. It draws upon ideas contained in those documents, which have emerged over the course of negotiations on the implementation of the Buenos Aires Plan of Action. It takes account of the state of play at the conclusion today of the four informal sub-groups that I launched last Tuesday, 21 November 2000. These results were conveyed to me by the Ministers whom I entrusted with facilitating the informal sub-groups. I heartily thank them for their efforts to promote consensus. They are in no way responsible for my assessment.*

*This note does not address the achievements of our hard-working negotiators on Articles 5, 7 and 8 of the Protocol (accounting, reporting and review). The few issues outstanding in this area can be resolved once the outcome of negotiations on other issues is known.*

*In preparing the proposals in this note I exercised my own political judgement and sought to present a balanced package. I trust that this will advance our constructive negotiation.*

Jan Pronk  
President of COP 6  
23 November 2000

***Box A. Capacity building, technology transfer,  
Implementation of Articles 4.8/ 4.9; 3.14, finance***

**Funding mechanisms and guidance to the GEF**

Parties have reached general agreement on frameworks for technology transfer, capacity building, adaptation and impacts of response measures.

Adaptation fund

Parties decide to create a new fund under the GEF: the adaptation fund. Separate guidance will be given to the fund and special consideration will be given to the needs of the LDCs and SIDs.

- ❖ An adaptation fund will be established under the GEF as a trust fund.
- ❖ The implementation of concrete adaptation projects in non-Annex I Parties will be financed (stage III activities). Finance will be generated by the share of proceeds on the CDM (2 % of the CERs generated by a project). Projects will be implemented by the UN implementing agencies
- ❖ The CDM Executive Board will manage the fund. The Board shall function under the guidance of, and be accountable to, the COP/MOP. Such guidance will be given by COP/MOP on programs, priorities and eligibility criteria for funding of adaptation activities.
- ❖ The following activities will be included in the category of adaptation activities: avoidance of deforestation, combating land degradation and desertification.

Convention fund

Parties decide to create a new window under the GEF: a Convention fund. Separate guidance will be given to the fund and special consideration will be given to the needs of the LDCs and SIDs.

- ❖ The Convention fund will be a special window under the GEF
- ❖ Under this window, new and additional funding will be made available by Annex II Parties for activities in developing countries: technology transfer and technical support, capacity building related to climate change, specific CDM capacity building, national programmes containing mitigation measures, assistance with economic diversification. New and additional funding will also be made available for capacity building in Annex I Parties with economies in transition.
- ❖ Sources of funding will be:
  1. third replenishment to the GEF
  2. voluntary contributions by Annex II Parties
  3. Annex II Parties will transfer [X] percent of their initial assigned amount to the registry of the fund. Annex I Parties can acquire these units, on the basis of Article 17, for the purpose of meeting their commitments of Article 3.1.
  4. ODA
- ❖ The existing GEF council will manage the fund. The fund shall function under special guidance of, and be accountable to, the COP. This will ensure that the GEF becomes more responsive to the needs and priorities of developing countries. Ownership and “country-driven ness” in GEF projects will be enhanced. The scope of activities funded by the GEF will also be broadened. GEF procedures and policies will be streamlined.

### Resources

In addition to the Adaptation and the Convention Fund Parties agree to increase resources for climate change funding, through other channels. They agree that the sum total should reach the level of one billion US\$ on an annual basis, as soon as possible, but not later than in the year 2005. If resources in 2005 would be less than one billion US\$, Parties agree to apply a levy on article 6 (Joint Implementation) and / or article 17 (emission trading).

### Climate Resources Committee

Parties decide to establish a Climate Resources Committee at COP7, with the following mandate:

- ❖ To give policy advice to existing financing channels and institutions such as the GEF, Regional Development banks, the World Bank, UNDP and other multilateral institutions. The advice will be focused on:
  - Increasing climate funding
  - Mainstreaming
  - Monitoring and assessment

### Capacity building

Parties decide to establish a framework to guide capacity building activities related to the implementation of the Convention and effective participation in the Kyoto Protocol, in order to assist non-Annex II Parties. (See Draft Decisions FCCC/SB/2000/CRP.16 and FCCC/SB/2000/CRP.17).

### Technology transfer

- ❖ Parties decide to establish an intergovernmental consultative group of technical and scientific experts on technology transfer under the SBSTA
- ❖ The group will:
  - Facilitate the exchange and review of information by creating a clearing house and regional technology information centers;
  - Advise SBSTA on further actions to be taken.
  - Focus on ways and means to address the barriers for technology transfer as identified in the IPCC special report on technology transfer
  - Be composed on the basis of equal geographical distribution
- ❖ SBSTA will review the group's work on a regular basis, consider its advice and if necessary request the COP to take any further action, including *inter alia* programs and priorities for financing of activities.

**Adverse effects of climate change**

Actions to be taken by Annex II Parties include:

- ❖ Pilot or demonstration projects to show how adaptation planning and assessment can be practically translated into projects and integrated into national policy and sustainable development planning. Non-Annex I Party national communications, other relevant sources and the staged approach endorsed by the COP will serve as a basis.
- ❖ Adaptation projects, when sufficient information is available to warrant such activities, inter alia, in the areas of water resources management, land management, agriculture, health, infrastructure development, ecosystems, and integrated coastal zone management
- ❖ Improved monitoring of diseases and disease control and prevention for Parties affected by climate change
- ❖ Avoidance of deforestation and prevention of land degradation, insofar as these activities are related to climate change
- ❖ Strengthening and establishing national and regional centers and information networks for rapid response to extreme weather events, utilizing information technology as much as possible

**Actions to address impacts of response measures (Article 3.14)**

Annex I Parties and other Parties in a position to do so decide to report in their national communications on:

- ❖ The efforts to limit the adverse social, environmental and economic impacts of the policies and measures they have adopted or are planning with the aim of addressing climate change, such as: reducing or phasing out market distorting instruments (e.g. coal subsidies) and reducing or phasing out the use of high emission energy carriers
- ❖ The national communications will be reviewed under the Kyoto Protocol (Article 8). A certain degree of flexibility shall be allowed to Parties included in Annex I undergoing the process of transition to a market economy.

**Actions to address impacts of response measures (Article 4.8)**

- ❖ Annex II Parties will assist non-Annex I Parties adversely affected by response measures through concrete actions based on further methodological work in the field of technology transfer, capacity building, economic diversification, increasing energy efficiency in fossil fuel production, advanced fossil fuel technologies (including carbon capture and storage)
- ❖ Developing country Parties will report on their specific needs and concerns arising from the implementation of response measures, effectively implementing the guidelines for national communications



**Specific needs of the least developed countries (LDCs, including SIDS)**

- ❖ A separate work programme will be established for LDCs to be financed by the GEF, focussing on:
  - Early launch of vulnerability and adaptation needs assessments, including capacity building and technical assistance
  - Development of national adaptation programmes of action
  - Priority for implementation of concrete adaptation projects. Disaster relief, avoidance of deforestation and prevention of land degradation may be included.
  - Establishment of an LDC group of experts to assist in national adaptation programmes of action
- ❖ To encourage a greater flow of CDM projects to the LDCs, CDM projects in LDCs will be exempt from the share of proceeds for adaptation. The implementation of 'small scale CDM projects' will also be promoted

***Box B. Mechanisms***

**COP/MOP <-> Executive Board**

*A. Composition of the Executive Board of the CDM*

- ❖ Parties agree that the composition of the Executive Board is an essential element in ensuring integrity, credibility and efficient operationalisation of the system. Parties therefore decide on a balanced approach in composition and voting procedures.
- ❖ The balance in the Executive Board will be in accordance with current UNFCCC practices (equitable geographical representation of the five UN regional groupings, taking into account the interest groups as reflected by the current practice in the UNFCCC Bureau).
- ❖ Equal numbers of members from each of the five UN regional groups, plus one representative from the group of small island developing States (16 members).
- ❖ Executive Board members shall make every effort to reach agreement on any proposed decision by consensus. Any decision shall as a last resort be adopted by a three-fourths majority vote of the members present and voting at the meeting.

*B. Decision-making power of the COP/MOP vis-à-vis the Executive Board*

- ❖ The Executive Board shall be subject to the authority and guidance of, and be accountable to, the COP/MOP.

*C. Institutions for a prompt start for the CDM*

- ❖ Parties decide that a prompt start for the CDM will be operationalised by electing the Executive Board will be elected at the next session of the subsidiary bodies.
- ❖ The Executive Board will be served by the UNFCCC secretariat.
- ❖ Appropriate resources are will be made available for the prompt start of the CDM.

**Eligibility of project activities under the CDM**

- ❖ Parties recognize that it is up to the Party's discretion to judge whether a project activity is in line with its national strategy on sustainable development.
- ❖ Annex I Parties will declare that they will refrain from using nuclear facilities for generating certified emission reductions under the CDM.
- ❖ Parties decide that because of their contribution to the ultimate objective of the convention and to sustainable development, the following activities should be given priority and will have expedited consideration within the rules, modalities and procedures of the CDM:
  - renewable energy (*inter alia* small scale hydro)
  - energy efficiency improvements
- ❖ Under the guidance of COP/MOP, the Executive Board shall further develop rules and modalities for the operationalisation of this decision.

### **Supplementarity**

- ❖ Annex I Parties shall meet their emission commitments primarily through domestic action since 1990. Compliance with this principle will be assessed by the facilitative branch of the compliance committee on the basis of qualitative and quantified information, reported in national communications and reviewed under Article 8. The facilitative branch shall advise on how to ensure the effective implementation of this provision. A first assessment should be reported in the fourth national communications of Annex I Parties due in 2005.

### **Trading modalities and liability**

- ❖ Parties agree that Article 17 provides opportunities for Parties to fulfill their commitments in a cost-effective way. Parties also recognize that reporting, review and a strong and enforceable compliance regime are not sufficient to prevent Parties from overselling, thereby potentially endangering the environmental integrity of the system.
- ❖ Parties therefore decide that Annex B Parties shall retain a portion of their assigned amounts in their national registries specific to that commitment period. This portion shall be 70 percent of their assigned amounts or the portion determined on the basis of projected or recent emissions.
- ❖ After the annual review of each Party's emissions data, the portion of assigned amount that must be retained shall be recalculated and, if necessary, adjusted.

**Fungibility**

- ❖ Parties should protect the climate system for the benefit of present and future generations of human kind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof. Parties affirm that in their actions to achieve the purpose of the mechanisms, Parties shall be guided by Article 2 of the Convention and the principles contained in Article 3 of the Convention.
- ❖ Parties note that per capita emissions in developing countries are still relatively low and that the share of global emissions originating in developing countries will grow to meet their social and developments needs.
- ❖ Parties recognize that the Kyoto Protocol has not created or bestowed - on Parties included in Annex I to the Convention and in Annex B to the Protocol - any right, title or entitlement to emissions of any kind in the pursuance of Articles 3, 6, 12, 17 of the Kyoto Protocol which affects the consideration or decision-making on subsequent commitments. Parties recognize that the consideration of such commitments should be based on equitable criteria, common but differentiated responsibilities and respective capabilities.
- ❖ Parties note that emissions reduction units (under ‘joint implementation’) and parts of an assigned amount (under emissions trading) could be added to, or subtracted from, the assigned amount of a Party. Parties agree that certified emissions reduction units (CDM) could be added to the assigned amount of a Party and could be used for the purpose of contributing to compliance with the quantified emission limitation and reduction commitments in Article 3 without altering that Party’s assigned amount pursuant to its commitments inscribed in Annex B.
- ❖ Parties decide that emission reduction units and parts of assigned amount” may be exchanged according to the rules and procedures to be established by the COP/MOP.

**Promotion of geographic distribution of CDM projects**

- ❖ Parties agree that there should be opportunities for all Parties to participate in the CDM and decide that an equitable distribution of CDM projects will be fostered. Therefore standardized baselines, which are based on an appropriate Annex I average, may be used for small-scale projects (<XMw) and renewable energy projects (<XMw) The Executive Board is asked to elaborate on and make recommendations on preferential treatment of these specific project types.
- ❖ Parties decide to foster LDC participation in the CDM by:
  - Special attention will be paid to institutional capacity building for LDCs;
  - CDM projects in LDCs will be exempt from the share of proceeds for adaptation; Public funding of a CDM project should be additional to current ODA.

**Procedures for “joint implementation”**

- ❖ Parties note that “joint implementation” takes place among Annex I Parties with greenhouse gas emission limitation and reduction commitments. Therefore, Parties decide that there is no need for stringent procedures on verification if Parties meet the reporting requirements. Parties note that if Parties do not meet these requirements, they should follow the same rigorous procedure as provided for under the CDM procedures.

***Box C. Land-use, Land-use change and forestry***

**Definitions for afforestation, reforestation and deforestation under article 3.3**

- ❖ Parties agree that for the implementation of Article 3.3, “forest” is defined in accordance with the FAO definition. Parties recognize that there should be certain flexibility in applying the FAO values in order to reflect national circumstances.
- ❖ Parties decide to establish a process to investigate the feasibility of applying biome-specific forest definitions for future commitment periods
- ❖ Parties decide that for defining afforestation, reforestation and deforestation the set of IPCC definitions shall be applied. According to the IPCC Special Report, this set of definitions delivers an accounting system that is closest to the actual exchange between lands brought under the system and the atmosphere.

**Additional activities and accounting under Article 3.4***Eligible activities:*

- ❖ Parties decide that a Party may include the following activities: grazing land management, cropland management and forest management (broadly defined land management activities), revegetation (narrowly defined activity).

*Accounting:*

- ❖ Parties recognize that the scale of the activities applied could lead to major modifications in the effort for Parties to meet the article 3 commitments.
- ❖ Therefore Parties decide that the contribution of additional activities under article 3.4, towards meeting a Party's target in the first commitment period shall be limited to 3 % of the Party's base year emissions.
- ❖ In addition Parties decide that accounting for additional activities shall take place in two distinguished intervals:

*First interval (full crediting up to level of 3.3 debit)*

- Parties recognize the unintended outcome of article 3.3, namely that countries who have an overall increase in their total forest carbon stock, may nevertheless have their assigned amounts reduced because of accounting and definitional conventions under article 3.3.
- Therefore, Parties decide that Parties may fully account for carbon stock changes and net GHG emissions in areas under forest management up to a level that is equal to the net debit incurred under the provisions of article 3.3, under the condition that the total forest carbon stock change since 1990 in that country compensates the net debit incurred under the provisions of article 3.3. This first interval shall not be more than 30 Mt CO<sub>2</sub>.

*Second interval (discounted crediting in remaining interval to factor out non-direct human induced effects and to address uncertainty)*

- Parties decide that carbon stock changes accounted for in accordance with the provisions of article 3.4 shall, for the broadly defined management activities, exclude the effects of
  - indirect nitrogen deposition,
  - elevated CO<sub>2</sub> concentrations,
  - other indirect effects and,
  - (for forest ecosystems) the dynamic effects of age structure resulting from management activities before 1990
- Therefore, Parties shall apply a reduction of 30% to the net carbon stock changes and net GHG emissions that result from additional cropland and grazing land management activities and of 85% to the net carbon stock changes and net GHG emissions that result from additional forest management.

**Additional activities under Article 3.4 in the second and consecutive commitment periods**

- ❖ Parties decide that the CoP/moP shall, prior to the fixing of emission commitments for subsequent commitment periods, review the list of agreed additional activities for use in second and subsequent commitment periods, together with the rules, modalities and guidelines for their accounting.
- ❖ Parties further decide that accounting of carbon stock changes and net GHG emissions shall be limited to direct human induced changes on carbon stocks and net GHG emissions. Parties therefore establish a process to periodically review the approach taken with respect to factoring out, taking into account methodological work by the IPCC on this matter.

**Implementation of Article 3.7**

- ❖ Parties note that, for those Parties for whom land-use change and forestry constituted a net source in 1990, emissions and removals resulting from land-use change should be included in the 1990 emissions base year in accordance with the provisions of Article 3.7.
- ❖ Parties decide that eligibility to make use of this provision will be determined on the basis of a reviewed national inventory

**LULUCF under the Clean Development Mechanism**

- ❖ Parties agree that LULUCF activities can contribute to the two-fold purpose of the CDM. Parties therefore decide to include afforestation and reforestation under the CDM. However they also recognize the special concerns, which arise from implementing these projects.
- ❖ Parties decide that activities, preventing deforestation and land degradation, will not be eligible as credit generating projects under the CDM. However, these activities will be labeled as priority projects to be funded under the adaptation fund in order to address drought, desertification and watershed protection, forest conservation, restoration of native forest ecosystems, restoration of salinised soils.
- ❖ Parties recognize that accounting modalities and definitions for Article 3.3 may need to be modified, and that the issues of non-permanence, social and environmental effects, leakage, additionality and uncertainty should be properly addressed. LULUCF projects would also need to be in conformity with the objectives of other multilateral environmental agreements.
- ❖ Parties therefore decide to establish a process under the SBSTA to develop rules and modalities taking into account further methodological work by IPCC, where necessary, to deal with these issues.

***Box D. Policies and Measures, Compliance,  
Accounting, Reporting and Review***

**Policies and measures**

- ❖ Parties decide to continue exchange of information on Policies and Measures.
- ❖ Parties decide to invite submissions by Annex I Parties on the meaning of demonstrable progress and the need for guidelines for reporting on this progress (Article 3.2 of the Kyoto Protocol) for SBSTA 14, with a view to have a further consideration at CoP-7.

**Compliance: consequences of non-compliance with Article 3.1**

- ❖ Parties decide that consequences for non-compliance with Article 3.1 should be agreed in advance and should not be subject to the discretion of the enforcement branch.
- ❖ Parties recognize that subtraction of excess emissions from a party's assigned amount for the subsequent commitment period against a penalty rate guarantees environmental integrity, provided that the adoption and the entry into force of the emission commitments for subsequent commitment periods are timely.
- ❖ Parties note that penalty rates will be an essential element of the compliance system. Although they will partly serve as an interest rate for the delays in the achievement of emission commitments, they should also be an incentive to comply and they should, therefore, be set at a relatively high level.
- ❖ Parties decide that emission commitments for the second commitment period should be adopted before the beginning of the first commitment period.
- ❖ Parties decide that, if a Party has been determined as being in non compliance with its commitments under Article 3.1, the enforcement branch should apply the following consequences:
  - Subtraction of excess emissions from the assigned amount of the subsequent commitment period.
  - Penalty rate should be set at 1.5 and be increased by 0.25 after the subsequent commitment period if the Party concerned is not in compliance at the end of the subsequent commitment period.
  - Parties concerned shall after determination of non compliance, develop and submit to the enforcement branch for its approval a compliance action plan setting out how they propose to meet their commitments in the subsequent commitment period.



**Compliance: differentiation between Parties (in particular Annex I and non-Annex I)**

- ❖ Parties decide that the mandate of the enforcement branch will be limited to obligations that are incumbent on Annex I Parties.
- ❖ There will be no eligibility requirements for non-Annex I Parties in respect of their participation in the CDM, recognizing that only Parties can participate in the CDM that have ratified the Kyoto Protocol and meet commitments under Article 12 of the Convention taking into account the availability of financial resources.
- ❖ There will be no differentiation between Annex I Parties and non-Annex I Parties in respect of the application of consequences by the facilitative branch.

**Compliance: relationship between the COP/MOP and the Compliance Committee**

- ❖ Parties decide that the role of the COP/MOP should be limited to giving general policy guidance to the Compliance Committee and that it should not intervene in individual cases.
- ❖ Parties decide that there is no need for an appeals procedure.

**Mandates enforcement branch and facilitative branch**

- ❖ Parties decide that the mandate of the enforcement branch covers quantitative emission commitments, eligibility requirements under Articles 6, 12 (only Annex I Parties) and 17.
- ❖ All other cases of non-compliance fall within the mandate of the facilitative branch, including Articles 2.3, 3.14, 5.1, 7.1, 7.2, 10 and 11, taking into account the character of commitments for Annex I and Non Annex I Parties.
- ❖ The facilitative branch shall be responsible for providing advice, facilitation to parties in implementing the Kyoto Protocol and promoting compliance of Parties with their commitments under the Protocol.

**Compliance: composition of the Compliance Committee**

- ❖ Parties decide to establish a Compliance Committee, which shall function through two branches namely a facilitative branch and an enforcement branch.

*Facilitative branch*

- ❖ Parties decide that the balance in the facilitative branch will be in accordance with current UNFCCC practices (equitable geographical representation of the five UN regional groups, taking into account interest groups as reflected by the current practice in the UNFCCC Bureau).
- ❖ Equal numbers of members from each of the five UN regional groups, plus one representative from the group of small island developing States.
- ❖ The facilitative branch shall consist of 11 members.
- ❖ Facilitative branch members shall make every effort to reach agreement on any proposed decision by consensus. Any decision shall, as a last resort, be adopted by a three-fourths majority vote of the members present and voting at the meeting.

*Enforcement branch*

- ❖ Parties decide that the balance in the enforcement branch will be in accordance with current UNFCCC practices (equitable geographical representation of the five UN regional groupings, taking into account the interest groups as reflected by the current practice in the UNFCCC Bureau).
- ❖ Equal numbers of members from each of the five UN regional groups, plus one representative from the group of small island developing States.
- ❖ The enforcement branch shall consist of 11 members.
- ❖ Enforcement branch members shall make every effort to reach agreement on any proposed decision by consensus. Any decision shall as a last resort be adopted by a:
  - Three-fourths majority vote of the members present and voting at the meeting
  - Double majority (majority as a whole and in annex I and non annex I).

**Compliance: Legal basis, the form of adoption of the final result on compliance**

- ❖ Parties decide that the adoption of the compliance system, including binding consequences, should be legally based on:
  - An agreement supplementing the Kyoto Protocol prior to its entry into force

**Decision 2/CP.6**

**Date and venue of the seventh session of the Conference of the Parties**

*The Conference of the Parties,*

*Recalling* Article 7.4 of the United Nations Framework Convention on Climate Change,

*Having received* an offer from the Kingdom of Morocco to host the seventh session of the Conference of the Parties at Marrakech,

1. *Accepts with gratitude* the generous offer of the Kingdom of Morocco to host the seventh session of the Conference of the Parties;
2. *Decides* that the seventh session of the Conference of the Parties shall be held at Marrakech, Morocco, from 29 October to 9 November 2001;
3. *Requests* the Executive Secretary to conclude a host country agreement with the Government of the Kingdom of Morocco on arrangements for the seventh session of the Conference of the Parties and related costs, in conformity with General Assembly resolution 40/243 of 18 December 1985 entitled "Pattern of conferences".

*9<sup>th</sup> plenary meeting  
25 November 2000*

## Decision 3/CP.6

### **Second compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1 and 10.2(a) and Article 12.1, 12.4, 12.5, 12.6 and 12.7,

*Recalling also* its decisions on initial communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, 12/CP.4 and 7/CP.5,

*Noting* that, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with the provisions of Article 3 and Article 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9 and 4.10 of the Convention, be taken into account by the Conference of the Parties in considering matters related to their initial communications,

*Noting* that, from its first session onward, in accordance with Article 12.7 of the Convention, the Conference of the Parties has arranged for the provision of both technical and financial support to developing country Parties, on request, in compiling and communicating information under that Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4 of the Convention,

*Having considered* the second compilation and synthesis of initial national communications from non-Annex I Parties,<sup>2</sup> prepared by the secretariat pursuant to decision 7/CP.5, and the relevant recommendations of the Subsidiary Body for Implementation,

1. *Requests*, in accordance with Article 12.5 of the Convention, each Party not included in Annex I to the Convention which has not made its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3 of the Convention, to do so as soon as possible, it being understood that Parties that are least developed countries may make their initial communications at their discretion;

2. *Requests* the Convention secretariat:

(a) To prepare the third compilation and synthesis of initial national communications from non-Annex I Parties, based on submissions received from such Parties by 1 June 2001, and to make that report available to the subsidiary bodies for consideration by the Conference of the Parties at its seventh session;

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<sup>2</sup> FCCC/SBI/2000/15.

(b) In preparing that compilation and synthesis, to report on issues, constraints and problems encountered in using the UNFCCC guidelines for the preparation of initial national communications by non-Annex I Parties,<sup>3</sup> and on other issues raised by these Parties;

3. *Concludes*, with respect to the reporting of information by non-Annex I Parties that have submitted their initial national communications, that:

(a) Non-Annex I Parties are fulfilling their commitments under Article 4.1(a) of the Convention to make available to the Conference of the Parties national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and have called for assistance to prepare and update inventories on a systematic basis by national teams;

(b) Non-Annex I Parties are generally following the UNFCCC and other recommended guidelines with varied levels of detail across the different communications;

4. *Concludes* that, in view of the constraints and problems encountered in the preparation of initial national communications, namely difficulties relating to the quality and availability of data, emission factors and methodologies for the integrated assessment of the effects of climate change and impacts of response measures, there is a need for maintaining and enhancing national capacities in non-Annex I Parties for the preparation of national communications;

5. *Concludes also* that, although significant limitations have been encountered in the use of the current guidelines, Parties have found ways to overcome these problems and have provided additional information, particularly in relation to greenhouse gas inventories; and that further analysis of the problems in the use of the guidelines will be required when additional national communications are submitted;

6. *Concludes further*, with respect to the implementation of the Convention by non-Annex I Parties, that, as described in the second compilation and synthesis of initial communications from non-Annex I Parties, the reporting Parties are taking measures to address climate change and its adverse impacts.

*9<sup>th</sup> plenary meeting  
25 November 2000*

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<sup>3</sup> Decision 10/CP.2, annex.

## Decision 4/CP.6

### Administrative and financial matters

*The Conference of the Parties,*

*Having considered* the information contained in the documents prepared by the secretariat on administrative and financial matters (FCCC/SBI/2000/8, FCCC/SBI/2000/9, FCCC/SBI/2000/INF.5 and FCCC/SBI/2000/INF.12), as well as the oral presentation by the Executive Secretary on administrative arrangements,

#### I. Audited financial statements, 1998-1999

1. *Takes note* of the audited financial statements for the biennium 1998-1999, and the audit report by the United Nations Board of Auditors (FCCC/SBI/2000/9);
2. *Expresses appreciation* to the United Nations for arranging the audits of the Convention's accounts and for the valuable audit observations and recommendations;
3. *Takes note* of the recommendations referred to in paragraph 2;
4. *Invites* the Executive Secretary to report on the implementation of the audit recommendations;

#### II. Financial performance, 2000

5. *Takes note* of the initial report on financial performance in 2000, including the status of contributions to all the trust funds of the Convention (FCCC/SBI/2000/8 and FCCC/SBI/2000/INF.12), and appreciates the clear and transparent manner in which these reports were presented;
6. *Express appreciation* to Parties that have paid their contributions to the core budget and to Parties which have made additional voluntary contributions to the Trust Fund for Supplementary Activities;
7. *Also expresses its appreciation* for the contributions received from Parties to assist the participation of developing country Parties in the Convention process, particularly the least developed and small island developing countries;
8. *Encourages* Parties to continue to contribute to the Trust Fund for Participation in the UNFCCC Process, as well as to the Trust Fund for Supplementary Activities;
9. *Reiterates its appreciation* to the Government of Germany for its annual contribution of DM 3.5 million and its special contribution to the core budget of DM 1.5 million, as host Government to the secretariat in Bonn;
10. *Urges* Parties which have not paid their contributions to the core budget to do so without further delay, bearing in mind that contributions for 2001 are due on 1 January 2001 in accordance with the financial procedures of the secretariat;

11. *Notes with concern* the significant number of Parties that have not paid their contributions for 2000 or for prior years, some since the establishment of the trust fund;

### III. Administrative arrangements

12. *Takes note* of the Executive Secretary's continued consultations with the United Nations to achieve a more rational and efficient approach to the administrative arrangements for the Convention;

13. *Notes with satisfaction* the initiative of the executive secretaries of the UNFCCC and the United Nations Convention to Combat Desertification to establish common administrative and support services;

14. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at its future sessions on progress made in implementing these matters;

### IV. Programme budget

15. *Requests* the Executive Secretary to submit for consideration by the Subsidiary Body for Implementation at its fourteenth session a proposed programme budget for the biennium 2002-2003, including a contingency for conference services should this prove necessary in the light of decisions to be taken by the General Assembly at its fifty-sixth session;

16. *Requests* the Subsidiary Body for Implementation at its fourteenth session to recommend a programme budget for adoption by the Conference of the Parties at its seventh session.

*9<sup>th</sup> plenary meeting  
25 November 2000*

## II. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES AT THE FIRST PART OF ITS SIXTH SESSION

### Resolution 1/CP.6

#### Solidarity with southern African countries, particularly with Mozambique

*The Conference of the Parties,*

*Noting* with deep concern the considerable loss of life, devastation and destruction caused by Cyclone Eline in southern Africa, in particular Mozambique,

*Aware* of the high vulnerability of African countries to climate phenomena,

*Concerned* that global warming may contribute to the increasing frequency and severity of extreme weather events,

*Noting* the need for urgent action to improve early warning and disaster preparedness,

1. *Expresses* to the people and governments of southern Africa, in particular Mozambique, its strongest solidarity in the tragic circumstances they are facing, which demonstrate the need to take action to prevent and mitigate the effects of climate change, particularly in the most vulnerable countries;

2. *Invites* the international community, including intergovernmental and non-governmental organizations, to lend immediate assistance to affected countries;

3. *Urges* all governments, United Nations agencies, intergovernmental and non-governmental organizations, the private sector and society in general to continue their efforts to find permanent solutions to the factors which cause or may cause climate events, with the aim, *inter alia*, of bringing the Kyoto Protocol into force as early as possible;

4. *Invites* support for southern African States, particularly Mozambique, in their reconstruction;

5. *Invites* United Nations agencies and other Parties to assess and document the full impact, to the extent feasible, of Cyclone Eline on the people and economies of southern Africa, in particular Mozambique;

6. *Urges* all Parties to provide increased financial and technical assistance for the affected countries.



## Resolution 2/CP.6

### Input to the Third United Nations Conference on the Least Developed Countries

*The Conference of the Parties,*

*Concerned* that global warming and the resulting climate change are likely to affect the ability of least developed countries to attain economic growth, poverty reduction and sustainable development,

*Recognizing* that the least developed countries are among the most vulnerable to the adverse effects of climate change and, in particular, that widespread poverty limits their adaptive capacity,

*Aware* that low-income levels, underdeveloped economic structures and the poor state of their infrastructure have made the least developed countries highly vulnerable to external shocks resulting from natural causes or those arising from fluctuations in the world economy,

*Acknowledging* that the human, infrastructural and economic conditions of the least developed countries severely limit their capacity to participate effectively in the climate change process,

*Cognizant* that the Third United Nations Conference on the Least Developed Countries, to be held in Brussels in May 2001, is an important forum at which the special problems of the least developed countries will be brought into prominence in the hope that international cooperation will change in such a way as to adequately address their development needs,

1. *Invites* the Third United Nations Conference on the Least Developed Countries to address matters relating to the specific needs and concerns and special situations of the least developed countries arising from the adverse effects of climate change;

2. *Encourages* the Third United Nations Conference on the Least Developed Countries, when considering the establishment of debt relief mechanisms, to fully take into account the effects of climate change on productivity in the agricultural and other economic sectors as well as on health;

3. *Calls upon* developed countries participating in the Third United Nations Conference on the Least Developed Countries to bear in mind the need to incorporate the adverse effects of climate change in their current consideration of a possible reform of international development cooperation.

*9<sup>th</sup> plenary meeting  
25 November 2000*

**Resolution 3/CP.6**

**Expression of gratitude to the Government of the Kingdom of the Netherlands  
and to the City and people of The Hague**

*The Conference of the Parties,*

*Having met* in The Hague from 13 to 25 November 2000 at the invitation of the Government of the Netherlands,

1. *Expresses its profound gratitude* to the Government of the Kingdom of the Netherlands for having made it possible for the sixth session of the Conference of the Parties to be held in The Hague;
2. *Requests* the Government of the Kingdom of the Netherlands to convey to the City and the people of The Hague the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*9<sup>th</sup> plenary meeting  
25 November 2000*

### **III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES AT THE FIRST PART OF ITS SIXTH SESSION**

#### **A. Action in relation to the Global Environment Facility**

1. At its 9<sup>th</sup> plenary meeting, on 25 November 2000, the Conference of the Parties, in endorsing the conclusions of the SBI,<sup>4</sup> under agenda item 4 (c), took note of the report of the Global Environment Facility (GEF) to the Conference of the Parties (FCCC/CP/2000/3). The report included information on how the GEF had applied the guidance and decisions of the Conference of the Parties in accordance with the memorandum of understanding between the Conference of the Parties and the GEF Council.
2. The Conference also took note of the report of the GEF on the review of its climate change enabling activities (FCCC/CP/2000/3/Add.1). The conclusions of the SBI noted that the GEF, in its reports to the COP at its fourth and fifth sessions had indicated that, in 1999, it would undertake an evaluation of enabling activities in the climate change area. Some Parties, however, had noted that the Conference of the Parties had sole responsibility for reviewing those activities and that only a limited number of enabling activity projects were considered in the review.
3. Some Parties had noted the need for greater clarity in the guidance the Conference of the Parties provided to the operating entity of the financial mechanism to support enabling activities. They had urged the GEF to develop a more strategic and long-term approach to funding of enabling activities, and stressed that the approval process for enabling activity projects should be shortened and streamlined. In addition, a few Parties had urged the GEF to encourage greater collaboration amongst its implementing agencies.

#### **B. Calendar of meetings of Convention bodies, 2001-2004**

4. At its 9<sup>th</sup> plenary meeting, on 25 November, the Conference of the Parties, adopted the calendar of meetings of Convention bodies for 2004. Accordingly, the calendar of meetings of Convention bodies for the period 2001-2004 is as follows:
  - First sessional period in 2001: from 21 May to 1 June 2001;
  - Second sessional period in 2001: from 29 October to 9 November 2001;
  - First sessional period in 2002: from 3 to 14 June 2002;
  - Second sessional period in 2002: from 28 October to 8 November 2002;
  - First sessional period in 2003: from 2 to 13 June 2003;
  - Second sessional period in 2003: from 1 to 12 December 2003;
  - First sessional period in 2004: from 14 to 25 June 2004; and
  - Second sessional period in 2004: from 29 November to 10 December 2004.

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<sup>4</sup> See FCCC/SBI/2000/17, para. 50.

**C. Input to the Third United Nations Conference on the Least Developed Countries**

5. At its 9<sup>th</sup> plenary meeting, on 25 November 2000, the Conference of the Parties decided:

(a) At the request of the group of least developed countries, to forward to the Third United Nations Conference on the Least Developed Countries (Brussels, May 2001) resolution 2/CP.6 on matters relating to the specific needs and concerns and special situations of the least developed countries arising from the adverse effects of climate change (see section II above);

(b) To request the secretariat to prepare a technical information paper on the potential impacts of adverse effects of climate change on the economies of least developed countries and the social implications of these impacts;

(c) To request the secretariat to convene a meeting of about 10 representatives from least developed countries, selected on the basis of proportional regional representation, for the preparation of technical input to the Third United Nations Conference on the Least Developed Countries, taking into consideration the technical information paper referred to in paragraph (b) above; and

(d) That one representative of the group of least developed countries should participate on behalf of that group in the Third United Nations Conference on the Least Developed Countries and convey to that Conference the input referred to in paragraph (c) above.

**D. Further work concerning least developed countries**

6. At the 9<sup>th</sup> plenary meeting on 25 November 2000, the Conference of the Parties decided:

(a) To request the secretariat to organize a workshop involving six resource persons from least developed countries, plus other relevant experts to develop draft guidelines for the preparation of national adaptation programmes of action before the fourteenth sessions of the subsidiary bodies;

(b) To request the secretariat to organize a two-day meeting, immediately preceding the fourteenth sessions of the subsidiary bodies, with the participation of representatives from least developed country Parties, to:

(i) Review progress on the development of the draft guidelines for the preparation of national adaptation programmes;

(ii) Exchange experience on local practices;

(iii) To consider future multilateral activities to promote the further exchange of views among the least developed countries, both on a regional and on a thematic basis;

(c) To recommend that least developed country Parties provide information on their basic institutional needs for strengthening and, where needed, establishing, national climate change secretariats/focal points, as well as on their training needs in negotiating skills and

language, in order to develop the capacity of their negotiators for effective participation in the climate change process. The deadline for such submissions is 15 February 2001; and

(d) To recommend that the secretariat compile the information received under paragraph (c) above in a report, which should provide a preliminary estimate of the amount of funding needed to implement the above-mentioned activities, for consideration by the subsidiary bodies at their fourteenth sessions.

**E. Further work on accounting, reporting and review under Articles 5, 7 and 8 of the Kyoto Protocol**

7. At its 9<sup>th</sup> plenary meeting, on 25 November, the Conference of the Parties requested the secretariat to organize a workshop prior to the fourteenth session of the SBSTA in accordance with the scope set out in paragraph 2 of the draft decision submitted by the President on good practice guidance and adjustments under Article 5.2 of the Kyoto Protocol. (See Part Three of the report, FCCC/CP/2000/5/Add.3 (Vol. III)).

8. At that same meeting, the Conference of the Parties recommended that Parties submit views on how information on demonstrable progress, as referred to in paragraph 5 of the draft decision submitted by the President on guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, should be presented and evaluated (see Part Three of the report, FCCC/CP/2000/5/Add.3 (Vol. III)). The deadline for the submission of this information is 1 April 2001

**F. Further work on policies and measures**

9. At its 9<sup>th</sup> plenary meeting, on 25 November 2000, the Conference of the Parties requested the secretariat to organize the workshop on "Good practices in policies and measures among Parties included in Annex I to the Convention" referred to in paragraph 7 of the draft decision on this matter submitted to the Conference by the President (see Part Three of the report, FCCC/CP/2000/5/Add.3 (Vol. IV)). The terms of reference for the workshop will be outlined by the SBSTA at its fourteenth session based on submissions of Parties by 31 March 2001.

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES  
ON THE SECOND PART OF ITS SIXTH SESSION,  
HELD AT BONN FROM 16 TO 27 JULY 2001**

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*Part Three of the report of the Conference of the Parties on the second part of its sixth session is issued in document FCCC/CP/2001/5/Add.1.*

**PART FOUR: DRAFT DECISIONS ON WHICH PROGRESS WAS NOTED BY THE CONFERENCE OF THE PARTIES AT THE SECOND PART OF ITS SIXTH SESSION AND WHICH THE CONFERENCE OF THE PARTIES DECIDED TO FORWARD TO ITS SEVENTH SESSION FOR ELABORATION, COMPLETION AND ADOPTION**

*Part Four of the report of the Conference of the Parties on the second part of its sixth session is issued in document FCCC/CP/2001/5/Add.2.<sup>1</sup>*

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<sup>1</sup> Section V of this document refers to the draft decisions on national systems, adjustments and guidelines under Articles 5, 7 and 8 of the Kyoto Protocol, the texts of which are contained in the report of the Conference of the Parties on the first part of its sixth session (FCCC/CP/2000/5/Add.3 (Vol. III)).

## **PART ONE: PROCEEDINGS**

### **I. OPENING OF THE SESSION**

(Agenda item 1)

#### **A. Resumption of the sixth session of the Conference of the Parties**

1. The sixth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, convened pursuant to Article 7.4 of the Convention, was formally resumed at the Hotel Maritim, Bonn, Germany, on 16 July 2001, by the President of the Conference of the Parties at its sixth session, Mr. Jan Pronk, Minister of Housing, Spatial Planning and Environment of the Netherlands.
2. In resuming the sixth session of the Conference, at the 10<sup>th</sup> plenary meeting, on 16 July 2001, the President stated that he had called for the formal resumption of the Conference of the Parties at the present stage upon the recommendation of the Bureau, in order to provide an opportunity for negotiations to proceed without delay in the lead-up to the high-level segment later in the week.
3. At the same meeting, the representative of Iran (speaking on behalf of the Group of 77 and China) made a statement.

#### **B. High-level segment**

4. The high-level segment of the Conference of the Parties was opened by the President at the 12<sup>th</sup> plenary meeting, on 19 July 2001. At this segment, the President made a statement, which was followed by an address of welcome from the Lord Mayor of Bonn, Ms. Bärbel Dieckmann, and a statement by the Executive Secretary. At the invitation of the President, the Conference was addressed by Mr. Robert T. Watson, Chairman of the Intergovernmental Panel on Climate Change, and by representatives of the Youth Meeting, held concurrently with the Conference, Ms. Fatoumatta Ndure (Gambia) and Mr. Shaun Nixon (United Kingdom). Summaries of these statements are contained in annex I below.
5. General statements were made by the representatives of Iran (on behalf of the Group of 77 and China); Belgium (on behalf of the European Community and its member States); Samoa (on behalf of the Alliance of Small Island States); Czech Republic (on behalf of Central Group 11, Cyprus and Malta); Morocco; Australia; Canada; Japan; United States of America; Switzerland (on behalf of the Environmental Integrity Group); and the Russian Federation.

## **II. ORGANIZATIONAL MATTERS**

(Agenda item 2)

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

(Agenda item 2 (a))

6. For its consideration of this sub-item, at its 11<sup>th</sup> plenary meeting, on 19 July 2001, the Conference of the Parties had before it an information document on the status of ratification of

the United Nations Framework Convention on Climate Change and its Kyoto Protocol (FCCC/CP/2001/INF.1).

7. On the invitation of the President, the Conference of the Parties took note that, to date, there were 186 Parties to the Convention, all of which were eligible to participate in decision-making at the sessions.
8. On the invitation of the President, the Conference of the Parties also took note that as at 11 June 2001, 35 States had ratified or acceded to the Kyoto Protocol, with the depositary having informed the secretariat that Vanuatu has acceded to the Kyoto Protocol on 17 July 2001.
9. At the same meeting, the representatives of Argentina, Bangladesh, Colombia, Cook Islands and Senegal stated that the process of ratification had been completed in their respective legislatures and that the relevant instruments would be deposited in due course.
10. The Conference of the Parties expressed its appreciation to those Parties that had ratified the Kyoto Protocol to date.

### **B. Agenda**

11. For its consideration of this issue, the Conference of the Parties had before it a note by the Executive Secretary containing the agenda and annotations (FCCC/CP/2001/1).
12. The agenda for the second part of the sixth session of the Conference of the Parties remained as adopted at the first part of the session, as shown below. Boldface indicates agenda items on which work was not completed at the first part of the sixth session.

#### **1. Opening of the session:**

- (a) Statement by the President of the Conference at its fifth session;
- (b) Election of the President of the Conference at its sixth session;
- (c) **Statement by the President;**
- (d) **Addresses of welcome;**
- (e) **Statement by the Executive Secretary.**

#### **2. Organizational matters:**

- (a) **Status of ratification of the Convention and its Kyoto Protocol;**
- (b) Adoption of the rules of procedure;
- (c) Adoption of the agenda;
- (d) **Election of officers other than the President;**
- (e) **Admission of organizations as observers;**
- (f) **Organization of work, including the sessions of the subsidiary bodies;**

- (g) Date and venue of the seventh session of the Conference of the Parties;<sup>2</sup>
  - (h) Calendar of meetings of Convention bodies;
  - (i) **Adoption of the report on credentials.**
3. Reports of the subsidiary bodies and decisions and conclusions arising therefrom:
- (a) Report of the Subsidiary Body for Scientific and Technological Advice;
  - (b) Report of the Subsidiary Body for Implementation.
4. **Review of the implementation of commitments and of other provisions of the Convention:**
- (a) National communications from Parties included in Annex I to the Convention;
  - (b) National communications from Parties not included in Annex I to the Convention;
  - (c) **Report of the Global Environment Facility to the Conference;**

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<sup>2</sup> To be held at Marrakesh, Morocco, from 29 October to 9 November 2001 (see decision 2/CP.6).

- (d) **Capacity-building:**
    - (i) **Capacity-building in developing countries (non-Annex I Parties);**
    - (ii) **Capacity-building in countries with economies in transition;**
  - (e) **Development and transfer of technologies (decisions 4/CP.4 and 9/CP.5);**
  - (f) **Implementation of Article 4.8 and 4.9 of the Convention (decision 3/CP.3, and Articles 2.3 and 3.14 of the Kyoto Protocol);**
  - (g) **Activities implemented jointly under the pilot phase (decisions 6/CP.4 and 13/CP.5);**
  - (h) Other matters referred to the Conference of the Parties by the subsidiary bodies at their twelfth and thirteenth sessions.
5. *Agenda item held in abeyance.*<sup>3</sup>
6. Proposal to amend the lists in Annexes I and II to the Convention by removing the name of Turkey: review of information and possible decisions under Article 4.2 (f) of the Convention.<sup>4</sup>
7. **Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4):**
- (a) **National systems, adjustments and guidelines under Articles 5, 7 and 8 of the Kyoto Protocol;**
  - (b) **Matters relating to land-use, land-use change and forestry;**
  - (c) **Work programme on mechanisms (decisions 7/CP.4 and 14/CP.5);**<sup>5</sup>

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<sup>3</sup> Following the inability of the Conference of the Parties at its fifth session to reach any conclusion on this matter (see FCCC/CP/1999/6, paragraph 18), and following rule 10 (c) and rule 16 of the draft rules of procedure being applied, an item entitled "Second review of the adequacy of Article 4.2 (a) and (b) of the Convention" was included in the provisional agenda for the sixth session. Attached to this item was a footnote reflecting a proposal made at the fifth session by the Group of 77 and China to amend this item to read "Review of the adequacy of implementation of Article 4, paragraph 2 (a) and (b) of the Convention". At the first part of its sixth session, the Conference of the Parties decided to include this item in the provisional agenda for its seventh session (see FCCC/CP/2000/5/Add.1, paras. 33 - 35).

<sup>4</sup> The item relating to the amendment proposed by Kazakhstan to add its name to the list in Annex I was withdrawn from the provisional agenda at the request of Kazakhstan in a note verbale dated 13 June 2000.

<sup>5</sup> At the fifth session of the Conference, the President had proposed, on the basis of consultations with the Bureau, that with regard to this sub-item it should be understood that the work programme on the Kyoto Protocol mechanisms would be dealt with as a whole. In the same spirit, it was understood that the Conference of the Parties,

- (d) **Procedures and mechanisms relating to compliance under the Kyoto Protocol;**
- (e) **“Best practices” in policies and measures;**
- (f) **Matters relating to Article 3.14 of the Kyoto Protocol;**
- (g) **Impact of single projects on emissions in the commitment period (decision 16/CP.4);**
- (h) Other matters referred to the Conference of the Parties by the subsidiary bodies at their twelfth and thirteenth sessions.

**8. Administrative and financial matters.**

9. Statements:

- (a) Statements by Parties;
- (b) Statements by Observer States;
- (c) Statements by inter-governmental organizations;
- (d) Statements by non-governmental organizations.

**10. Other matters.**

**11. Conclusion of the session:**

- (a) **Adoption of the report of the Conference of the Parties at its sixth session;**
- (b) **Closure of the session.**

**C. Election of officers other than the President**

(Agenda item 2 (d))

13. At the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President stated that no agreement had been reached on the nomination of a Vice-President from the Group of Asian States to the Bureau. He urged that group to redouble its efforts in this connection, in view of the fact that the current Bureau still had important work to do before the successor Bureau was elected at the seventh session.

**D. Admission of organizations as observers**

(Agenda item 2 (e))

14. For its consideration of this sub-item at its 11<sup>th</sup> plenary meeting, on 19 July 2001, the Conference of the Parties had before it a note by the secretariat on the admission of organizations

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at its sixth session, would look at those aspects which were to be acted on by the Conference of the Parties as well as those requiring action by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session (see FCCC/CP/1999/6 para. 16).

as observers, listing five intergovernmental organizations and 22 non-governmental organizations that had requested to be admitted as observers (FCCC/CP/2001/4).

15. In accordance with a recommendation by the Bureau, which had reviewed the list of applicant organizations, the Conference of the Parties decided to admit those organizations as observers.

#### **E. Organization of work of the second part of the sixth session**

(Agenda item 2 (f))

16. At the second part of the sixth session, the Conference of the Parties decided to continue negotiations on key issues in four negotiating groups, and, following those negotiations, to establish an informal group to pursue the negotiations during the high-level segment of the Conference, under the chairmanship of the President (see section III below).

17. Following on the adoption by the Conference of the Parties of decision 5/CP.6, entitled "The Bonn Agreements on the implementation of the Buenos Aires plan of Action", the Conference of the Parties agreed to continue negotiations, in the four negotiating groups and under the existing co-chairmen, to reach consensus on the decisions texts incorporating and giving full effect to the Bonn Agreements by the end of the session.

18. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the co-chairmen of the four negotiating groups reported on the outcome of the negotiations to the Conference of the Parties.

19. During the second part of the sixth session of the Conference, the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) held their 14<sup>th</sup> sessions from 24 to 27 July 2001.<sup>6</sup>

#### **F. Adoption of the report on credentials**

(Agenda item 2 (i))

20. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties, noting that the Bureau had examined and approved the credentials of representatives of Parties, adopted the report of the Bureau on credentials (FCCC/CP/2001/3), noting also that Yemen should be listed in paragraph 6 of that report, and not paragraph 7.

#### **G. Attendance**

21. The second part of the sixth session of the Conference of the Parties was attended by representatives of the following 179 Parties to the United Nations Framework Convention on Climate Change:

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<sup>6</sup> For the reports on these sessions, see documents FCCC/SBI/2001/9 and FCCC/SBSTA/2001/2.

Albania	Denmark	Latvia
Algeria	Djibouti	Lebanon
Angola	Dominica	Lesotho
Antigua and Barbuda	Dominican Republic	Libyan Arab Jamahiriya
Argentina	Ecuador	Liechtenstein
Armenia	Egypt	Lithuania
Australia	El Salvador	Luxembourg
Austria	Eritrea	Madagascar
Azerbaijan	Estonia	Malawi
Bahamas	Ethiopia	Malaysia
Bahrain	European Community	Maldives
Bangladesh	Fiji	Mali
Barbados	Finland	Malta
Belarus	France	Marshall Islands
Belgium	Gabon	Mauritania
Belize	Gambia	Mauritius
Benin	Georgia	Mexico
Bhutan	Germany	Micronesia
Bolivia	Ghana	(Federated States of)
Bosnia and Herzegovina	Greece	Monaco
Botswana	Grenada	Mongolia
Brazil	Guatemala	Morocco
Bulgaria	Guinea	Mozambique
Burkina Faso	Guinea-Bissau	Myanmar
Burundi	Haiti	Namibia
Cambodia	Honduras	Nauru
Cameroon	Hungary	Nepal
Canada	Iceland	Netherlands
Central African Republic	India	New Zealand
Chad	Indonesia	Nicaragua
Chile	Iran (Islamic Republic of)	Niger
China	Ireland	Nigeria
Colombia	Israel	Niue
Comoros	Italy	Norway
Congo	Jamaica	Oman
Cook Islands	Japan	Pakistan
Costa Rica	Jordan	Palau
Côte d'Ivoire	Kazakhstan	Panama
Croatia	Kenya	Papua New Guinea
Cuba	Kiribati	Peru
Cyprus	Kuwait	Philippines
Czech Republic	Kyrgyzstan	Poland
Democratic Republic of the Congo	Lao People's Democratic Republic	Portugal
		Qatar
		Republic of Korea



Republic of Moldova	Sri Lanka	Ukraine
Romania	Sudan	United Arab Emirates
Russian Federation	Suriname	United Kingdom of Great Britain and Northern Ireland
Rwanda	Swaziland	United Republic of Tanzania
Saint Kitts and Nevis	Sweden	United States of America
Saint Lucia	Switzerland	Uruguay
Samoa	Syrian Arab Republic	Uzbekistan
Sao Tome and Principe	Tajikistan	Vanuatu
Saudi Arabia	Thailand	Venezuela
Senegal	The former Yugoslav Republic of Macedonia	Viet Nam
Seychelles	Togo	Yemen
Sierra Leone	Tonga	Yugoslavia
Singapore	Trinidad and Tobago	Zambia
Slovakia	Tunisia	Zimbabwe
Slovenia	Turkmenistan	
Solomon Islands	Tuvalu	
South Africa	Uganda	
Spain		

22. The second part of the sixth session was also attended by observers for the following two States: Holy See and Turkey.

23. The following United Nations offices and programmes were represented at the second part of the sixth session:

- United Nations
- Economic Commission for Latin America and the Caribbean
- United Nations Conference on Trade and Development
- United Nations Convention to Combat Desertification
- United Nations Development Programme
- United Nations Environment Programme
- Secretariat of the Vienna Convention for the Protection of the Ozone Layer and its Montreal Protocol
- Secretariat of the Convention on Biological Diversity
- Secretariat of the Convention on the Conservation of Migratory Species of Wild Animals
- United Nations University – Institute of Advanced Studies
- United Nations Institute for Training and Research

24. The following specialized agencies and other related organizations of the United Nations system were represented at the second part of the sixth session:

- Food and Agriculture Organization of the United Nations
- World Bank (IBRD)
- Global Environment Facility
- World Meteorological Organization
- WMO/UNEP Intergovernmental Panel on Climate Change

United Nations Industrial Development Organization  
International Atomic Energy Agency  
World Trade Organization

25. For a list of the intergovernmental and non-governmental organizations attending the second part of the sixth session of the Conference, see annex II below.

#### **H. Documentation**

26. The documents before the Conference of the Parties at the second part of its sixth session are listed in annex III below.

### **III. IMPLEMENTATION OF THE BUENOS AIRES PLAN OF ACTION** (Agenda items 4 and 7)

27. At its 10<sup>th</sup> plenary meeting, on 16 July 2001, the Conference of the Parties decided, on the proposal of the President, to establish four negotiating groups on key issues as follows:

- (a) Finance, technology transfer, adaptation, capacity-building, Article 4.8 and 4.9 of the Convention, and Article 3.14 of the Kyoto Protocol
  - Co-chaired by Mr. John Ashe (Antigua and Barbuda) and Mr. Andrej Kranjc (Slovenia)
- (b) Mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol
  - Co-chaired by Mr. Raúl Estrada-Oyuela (Argentina) and Mr. Chow Kok Kee (Malaysia)
- (c) Land use, land-use change and forestry
  - Co-chaired by Mr. Harald Dovland (Norway) and Mr. Philip M. Gwage (Uganda)
- (d) Procedures and mechanisms relating to compliance under the Kyoto Protocol
  - Co-chaired by Mr. Harald Dovland (Norway) and Mr. Tuiloma Neroni Slade (Samoa)

28. In this connection, the President drew attention, first, to the documents that had emerged from the first part of the sixth session at The Hague (FCCC/CP/2000/5/Add.3, Volumes 1 – V), which were the formal basis for negotiations, and to an unbracketed, consolidated negotiating text (FCCC/CP/2001/2/Rev.1 and Add.1 – 2, Add.3/Rev.1, and Add. 4 – 6), which he had prepared, pursuant to the mandate he had received from the Conference at the first part of the sixth session,<sup>7</sup> to serve as a tool for the negotiations.

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<sup>7</sup> See decision 1/CP.6, paragraph 4, FCCC/CP/2000/5/Add.2.

29. At its 11<sup>th</sup> plenary meeting, on 19 July 2001, the Conference of the Parties took note of reports from the co-chairmen of the four negotiating groups established at the 10<sup>th</sup> plenary meeting<sup>8</sup>, and decided to forward them as input into the work of the high-level segment of the Conference of the Parties involving ministers and senior officials (see paragraph 34 below).
30. In this connection, statements were made by the representatives of Belgium (on behalf of the European Community and its member States); Iran (on behalf of the Group of 77 and China); India; Australia; Saudi Arabia; and Japan.
31. The Conference of the Parties also noted that three draft decisions had emerged from the above negotiations, which would be brought before the Conference of the Parties at a later stage for adoption, namely “Capacity-building in developing countries (non-Annex I Parties)”; “Capacity-building in countries with economies in transition”; and “Additional guidance to an operating entity of the financial mechanism” (see paragraphs 55 to 56 below).
32. At the 13<sup>th</sup> plenary meeting, on 20 July 2001, the President proposed, on the basis of the agreement reached in his consultations with the members of the Bureau and other participants, that the substantive negotiations should be continued during the forthcoming high-level segment of the Conference of the Parties in an informal group. In the interests of efficiency and transparency, the Group, which would be chaired by the President, would be guided by, and report daily, to the Conference of the Parties in plenary session. The Group could also decide to create smaller sub-groups on particular issues, on the understanding that negotiations on related subjects would not proceed in parallel.
33. The Conference of the Parties agreed to the above proposal, the composition of the Group being established as follows:<sup>9</sup>
- |                                    |    |
|------------------------------------|----|
| Central Asia, Caucasus and Moldova | 1  |
| Central Group 11                   | 3  |
| Environmental Integrity Group      | 1  |
| European Union                     | 5  |
| Group of 77 and China              | 19 |
| Umbrella Group                     | 6  |
34. The basis for discussion in the Group was a note prepared on the authority of the co-chairmen of the four negotiating groups, at the request of the President, putting forward key

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<sup>8</sup> These reports were circulated in documents FCCC/CP/2001/CRP.1, FCCC/CP/2001/CRP.2, FCCC/CP/2001/CRP.3 and FCCC/CP/2001/CRP.4.

<sup>9</sup> The secretariat has been informed of the following membership of groups in the climate change process: the group of Central Asia, Caucasus and Moldova: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Tajikistan, Turkmenistan and Uzbekistan; the Central Group 11: Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, and Malta as observer; the Environmental Integrity Group: Republic of Korea, Mexico and Switzerland; and the Umbrella Group: Australia, Canada, Iceland, Japan, New Zealand, Norway, Russian Federation, Ukraine and United States of America.

outstanding issues to be resolved by ministers and senior officials at the high-level segment (see FCCC/CP/2001/L.5). The note consolidated the earlier reports of the co-chairmen of the four negotiating groups, and sought to draw out and streamline core political issues, eliminating duplication and presenting issues and options in a common format.

35. On the proposal of the President, the Conference of the Parties also agreed at the same meeting to establish a fifth negotiating group to discuss issues under Articles 5, 7 and 8 of the Kyoto Protocol; to be chaired by Mr. Harald Dovland (Norway), Chairman of the Subsidiary Body for Scientific and Technological Advice (SBSTA); and to report back to plenary.

36. At the 14<sup>th</sup> plenary meeting, on 21 July 2001, the President reported to the Conference of the Parties on the progress of negotiations in the Group over which he had presided. He said that, in relation to some issues, he could characterize the discussions as fruitful, and in some cases constructive, with a genuine spirit of compromise being present. On some others, however, the discussions could not yet be described as fruitful, with some compromises on the one hand, but a hardening of positions on the other. Nevertheless, he remained hopeful that an overall compromise on the various issues was achievable: this would require a renewed commitment from all to move away from established positions.

37. At the 15<sup>th</sup> plenary meeting, on 23 July 2001, the President reported on the outcome of his consultations, and on the negotiations in his Group. In this connection, he expressed his appreciation to Mr. Philippe Roch (Switzerland), Mr. Peter Hodgson (New Zealand), Mr. Valli Moosa (South Africa), and Mr. Raúl Estrada-Oyuela (Argentina) who had assisted him as co-facilitators.

**A. Approval of The Bonn Agreements on the implementation of the Buenos Aires Plan of Action (decision 5/CP.6)**

38. At the 15<sup>th</sup> plenary meeting, on 23 July 2001, the President introduced a proposal<sup>10</sup> for a draft decision on core elements for the implementation of the Buenos Aires Plan of Action, which had been prepared in the light of the negotiations undertaken earlier in the session, and of his own informal consultations during the high-level segment involving ministers and other senior officials, both in the Group under his chairmanship, and in spin-off discussions, and also in the light of advice from the co-facilitators.

39. He noted that the draft decision sought to register political agreements on core elements of the Buenos Aires Plan of Action, which would be incorporated into complete decisions on the relevant subjects for adoption later in the session. The text of the decision would be edited, and a number of legal and technical points would need to be adjusted. Those editorial and technical adjustments would be issued in a conference room paper and a secretariat official would be designated to provide information. He also noted that Croatia had been inadvertently omitted from Appendix Z to section VII of the decision.

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<sup>10</sup> The text of the President's proposal was contained in an informal paper time-dated 21 July 2001, 10.47 p.m., together with a revised final section on compliance, time-dated 23 July 2001, 10.27 a.m. The text as a whole, as approved, was subsequently issued as FCCC/CP/2001/L.7.

40. Also at its 15<sup>th</sup> plenary meeting, on 23 July 2001, the Conference of the Parties, on the proposal of the President, approved the draft decision as decision 5/CP.6, later entitled “The Bonn Agreements on the implementation of the Buenos Aires Plan of Action” (see paragraph 61 below), on the understanding that formal adoption would follow at the next plenary meeting, once the text had been issued in an official conference document.

#### **B. Statements by the President and Executive Secretary**

41. In a statement made following the approval of decision 5/CP.6, the President said that the decision at the first part of the session not to close but to adjourn and resume at a second part had been a calculated risk, which could have resulted in a loss of political momentum. However, the spirit of The Hague had remained strong during the many intensive consultations held in the inter-sessional period, together with an awareness that the Conference of the Parties must not fail a second time, for that would betray the expectations that had been aroused in the world community.

42. In thanking all who had contributed with their cooperation and devotion to the present outcome, he said that participants had needed to demonstrate that multilateral negotiations within the framework of the United Nations did make sense, and that it was possible to agree in that context. This was all the more relevant at a time when global meetings were encountering so much criticism. The present agreement showed that global developments - whether economic, technological, environmental or climatic - could be addressed by responsible global decision-making.

43. The Executive Secretary paid tribute to the President’s energy and perseverance, which had led to the present success; expressed his appreciation to all United Nations staff who had contributed to the exercise; and, lastly, expressed his thanks to participants for providing him, on the occasion of his last COP in Bonn, with such a bright and hopeful moment.

#### **C. Statements made in connection with the approval of The Bonn Agreements on the implementation of the Buenos Aires Plan of Action (decision 5/CP.6)**<sup>11</sup>

44. Upon the approval of decision 5/CP.6, statements were made by the representatives of Iran (on behalf of the Group of 77 and China); Belgium (on behalf of the European Community and its member States, and also on behalf of Canada, Iceland, New Zealand, Norway and Switzerland); Morocco; Australia (on behalf of the Umbrella Group); China; Japan; Bulgaria (on behalf of Central Group 11); United States of America; Indonesia; Grenada (on behalf of the Group of Latin American and Caribbean countries); Russian Federation; Saudi Arabia; Canada; Burkina Faso (on behalf of the African Group); India; Mexico (on behalf of the Environmental Integrity Group); Panama; Brazil; Switzerland; Senegal; Malta; Sudan; Vanuatu (on behalf of the Least Developed Countries); and Costa Rica.

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<sup>11</sup> The Conference of the Parties subsequently agreed, on the proposal of the President, to request the secretariat to issue a verbatim transcript of these statements (see FCCC/CP/2001/MISC.4).

**D. Adoption of The Bonn Agreements on the implementation of the Buenos Aires Plan of Action (decision 5/CP.6)**

45. At the 16<sup>th</sup> plenary meeting, on 25 July 2001, the President drew attention to document FCCC/CP/2001/L.7, containing the text of decision 5/CP.6, as it had been approved for adoption by the Conference of the Parties at its 15<sup>th</sup> plenary meeting on 23 July 2001 (see paragraphs 38 to 40 above). This document replaced a version of the text in FCCC/CP/2001/L.6 which was thereby withdrawn.

46. Before presenting the above-mentioned text to the Conference of the Parties for adoption, the President made a statement under his own political responsibility, in which he stated that, as President, he would safeguard the integrity of the political agreements reached by Ministers and other heads of delegation on 23 July 2001. He urged participants to work intensively on the basis of those agreements to reach consensus on final decision texts in the different areas by the end of the present session. It was consequently necessary for him to take a decision at the present stage to launch the final phase of work. As President, too, he would guarantee a fair process. He believed that he had the support of all Parties for the above statement.

47. He also recalled, as he had noted at the 15<sup>th</sup> plenary meeting, when the Conference of the Parties had approved decision 5/CP.6, that there were some inconsistencies and issues which would need to be addressed. These included those contained in a list compiled by the secretariat (FCCC/CP/2001/CRP.9), and in a proposal by the Russian Federation (FCCC/CP/2001/CRP.10).

48. At its 16<sup>th</sup> plenary meeting, on 25 July 2001, the Conference of the Parties adopted decision 5/CP.6 (see Part Two, section I, of this report).

49. The President noted that the list of inconsistencies issued in document FCCC/CP/2001/CRP.9 should be considered simply as an inventory. The most evident inconsistency appeared in the last sentence of paragraph 11 of Chapter VI.2 of decision 5/CP.6, on the principles, nature and scope of mechanisms pursuant to Articles 6, 12 and 17 of the Kyoto Protocol.

50. He added that two further types of issue would need to be dealt with in the negotiations on the basis of the decision just adopted: first, an issue which had been raised directly with him, namely the methodological basis of the numbers in the agreement on LULUCF, including Appendix Z; and, secondly, the need to ensure that the decisions to be adopted on the basis of decision 5/CP.6 were fully consistent with the provisions of the Convention and the Kyoto Protocol. Finally, he observed that, in his own judgement, it would not be necessary for him to develop new texts to facilitate the negotiations.

**E. Statements made in connection with the adoption of The Bonn Agreements on the implementation of the Buenos Aires Plan of Action (decision 5/CP.6)**

51. Upon the adoption of decision 5/CP.6, statements were made by the representatives of Iran (on behalf of the Group of 77 and China); Belgium (on behalf of the European Community and its member States); Saudi Arabia; India; Switzerland (on behalf of the Environmental Integrity Group); Samoa (on behalf of the Alliance of Small Island States - AOSIS); Japan;

China; Costa Rica; Bulgaria (on behalf of Central Group 11); Argentina; Australia; Antigua and Barbuda; Malaysia; United Republic of Tanzania; Morocco; United States of America; Bangladesh; and Venezuela.

#### **F. Reports of the negotiating groups**

52. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties heard reports from the co-chairmen of the negotiating groups established at its 10<sup>th</sup> plenary meeting (see paragraph 27 above), indicating the degree of progress attained at the end of the session in the different groups.

53. On the proposal of the President, the Conference of the Parties expressed its sincere appreciation to the co-chairmen of the negotiating groups for their invaluable work.

54. The President observed that the intention of the ministers, as presented in decision 5/CP.6, had been for the Conference of the Parties to adopt a balanced package of further decisions as a whole. While the Conference of the Parties had come close to completing such a balanced package in the short time available to it, a number of issues remained to be resolved at the next session.

#### **G. Decisions on which the Conference of the Parties noted that negotiations had been completed and consensus reached at the second part of the sixth session, and which the Conference of the Parties decided to forward to its seventh session for adoption**

55. At the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President noted that negotiations had been completed and consensus reached at the second part of the sixth session on a number of draft decisions, and that other draft decisions had emerged from the negotiations held during the first part of the sixth session.

56. On a proposal from the President, the Conference agreed to take note that negotiations had been completed and consensus reached on the following decisions at the second part of the sixth session of the Conference, and to forward them to the seventh session of the Conference of the Parties for adoption:<sup>12</sup>

- (a) Decision -/CP.7. Capacity-building in developing countries (non-Annex I Parties);
- (b) Decision -/CP.7. Capacity-building in countries with economies in transition;
- (c) Decision -/CP.7. Development and transfer of technologies (decisions 4/CP.4 and 9/CP.5);
- (d) Decision -/CP.7. Implementation of Article 4, paragraphs 8 and 9 of the Convention (decision 3/CP.3, and Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol);

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<sup>12</sup> The texts of these decisions are contained in FCCC/CP/2001/5/Add.1.

- (e) Decision -/CP.7. Additional guidance to an operating entity of the financial mechanism;
- (f) Decision -/CP.7. Funding under the Convention;
- (g) Decision -/CP.7. Activities implemented jointly under the pilot phase;
- (h) Decision -/CP.7. Matters relating to Article 3, paragraph 14, of the Kyoto Protocol;
- (i) Decision -/CP.7. Funding under the Kyoto Protocol;
- (j) Decision -/CP.7. Impact of single projects on emissions in the commitment period.

**H. Draft decisions on which progress was noted by the Conference of the Parties at the second part of its sixth session, and which the Conference of the Parties decided to forward to its seventh session for elaboration, completion and adoption**

57. Also at the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President noted that other draft decisions had emerged from the negotiating groups on which agreement had not yet been reached, and that further work was required to reach consensus, focusing in particular on outstanding issues.

58. On the proposal of the President, the Conference of the Parties agreed to take note of the progress made on the following draft decisions and to forward them to the seventh session of the Conference of the Parties for elaboration, completion and adoption:<sup>13</sup>

- (a) Draft decision -/CP.7. Land-use, land-use change and forestry;<sup>14</sup>
- (b) Draft decision -/CP.7. Work programme on mechanisms (decisions 7/CP.4 and 14/CP.4);
- (c) Draft decision -/CP.7. Procedures and mechanisms on compliance under the Kyoto Protocol;
- (d) Draft decision -/CP.7. "Good practices" in policies and measures among Parties included in Annex I to the Convention;
- (e) Draft decisions -/CP.7. National systems, adjustments and guidelines under Articles 5, 7 and 8 of the Kyoto Protocol.

**I. Concluding statement by the President**

59. Concluding the discussions under agenda items 4 and 7, the President observed that the process of negotiations had indeed been fair, and that all representatives had cooperated in guaranteeing the integrity of the political agreement that had been reached. All Parties had

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<sup>13</sup> The texts of these draft decisions are contained in FCCC/CP/2001/5/Add.2, with the exception of the last ones, the texts of which are contained in FCCC/CP/200/5/Add.3 (Vol. III).

<sup>14</sup> In a statement made at the 17<sup>th</sup> plenary meeting, on 27 July 2001, the representative of Australia noted that his country did not intend to access Article 3.4 forest management provisions under either paragraph 10 or the appendix to paragraph 11, on the basis that Australia was eligible to address land-use change emissions under the second sentence of Article 3.7, using 1990 as the base.



confirmed to him their intention of completing the work on the outstanding issues in a manner which would be faithful to the political agreement contained in decision 5/CP.6. That meant that there would be no re-opening of any issues that had been agreed in that decision.

60. It was his political assessment that, as a result of decision 5/CP.6, the Kyoto Protocol was now ratifiable, and he expressed the hope that the target required for entry into force would be reached well before the World Summit on Sustainable Development in Johannesburg in 2002, thus allowing the qualitative objectives and the quantitative targets of the Kyoto Protocol to be met during the first commitment period.

61. On the proposal of the President, the Conference of the Parties agreed that decision 5/CP.6 should henceforth be entitled “The Bonn Agreements on the implementation of the Buenos Aires Plan of Action”; and that the secretariat should prepare and issue a transcript of the statements made upon the approval of that decision at the 15<sup>th</sup> plenary meeting, in view of their historical significance.<sup>15</sup>

#### **IV. ADMINISTRATIVE AND FINANCIAL MATTERS**

(Agenda item 8)

62. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties, on the recommendation of the SBI at its fourteenth session, adopted decision 6/CP.6 entitled “Institutional linkage of the Convention secretariat to the United Nations” (see Part Two, section I, of this report).

63. After the adoption of this decision, the Executive Secretary thanked the Conference of the Parties for confirming and extending the present linkage with the United Nations secretariat, which gave the UNFCCC secretariat the stability in which it could work with a large degree of autonomy and with an anchorage to the United Nations Head Quarters. Accordingly, he reported to the Secretary-General, on the one hand, through the Under-Secretary-General for Economic and Social Affairs, thus integrating the work of UNFCCC with the work of the United Nations on sustainable development; and on the other, through the Under-Secretary-General for Management, thus keeping the Convention secretariat within the framework of the United Nations Regulations and Rules on financial and personnel matters.

#### **V. OTHER MATTERS**

(Agenda item 10)

##### **A. Proposal by Canada**

64. At the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President recalled that at the 15<sup>th</sup> plenary meeting he had drawn the attention of the Conference of the Parties to a proposal by Canada on the potential of clean energy to contribute to global environmental benefits (see document FCCC/CP/2001/CRP.13).

65. The representative of Canada, indicating that his delegation’s proposal reflected a strong personal interest by the Prime Minister of Canada, said that global action to combat climate

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<sup>15</sup> See FCCC/CP/2001/MISC.4.

change would require over time a shift to a lower emissions energy mix in national economies. Global energy needs would continue to rise and should be met with a progressively increasing contribution from cleaner, or less greenhouse gas-emitting, energy.

66. After a procedural discussion, in which statements were made by representatives of 28 Parties, including one speaking on behalf of Central Group 11, one speaking on behalf of the European Community and its member States, and one speaking on behalf of the African Group, the representative of Canada, in a spirit of compromise, amended his delegation's proposal to consist solely of paragraphs 1(a) and 1(b) of document FCCC/CP/2001/CRP.13.

67. On the proposal of the President, the Conference of the Parties adopted the proposal by Canada, as amended (see Part Two, section II, of this report).

### **B. Request for further work**

68. At the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President recalled that the Conference of the Parties, at its 13<sup>th</sup> plenary meeting, had established a negotiating group on Articles 5, 7 and 8 of the Kyoto Protocol (see paragraph 28 above), but that this group had not been able to meet during the session.

69. On the proposal of the President, the Conference of the Parties requested the secretariat to organize a workshop of governmental experts on the above issues prior to the seventh session of the Conference of the Parties, under the chairmanship of Mr. Harald Dovland, the Chairman of the SBSTA, and to seek the necessary contributions from outside the core budget (see Part Two, section II, of this report).

## **VI. CONCLUSION OF THE SESSION**

(Agenda item 11)

### **A. Adoption of the report of the Conference of the Parties on the second part of its sixth session**

(Agenda item 11 (a))

70. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties considered the draft report on the second part of its sixth session (FCCC/CP/2001/L.1 and Add.1), which was introduced by the Rapporteur.

71. At the same meeting, the Conference of the Parties adopted the draft report on the second part of its sixth session, and authorized the Rapporteur, under the guidance of the President and with the assistance of the secretariat, to complete the report.

### **B. Closure of the session**

(Agenda item 11 (b))

72. Winding up the discussions at the 17<sup>th</sup> plenary meeting, on 27 July 2001, the President said that the adoption of the political agreement contained in decision 5/CP.6 was not merely related to the climate change process and the further operationalization of the Convention and the

Kyoto Protocol; it signified the centrality of the concept of international cooperation for the higher common objectives of the global community. That agreement had been the direct outcome of dialogue, mutual understanding and a sense of conciliation and compromise.

73. Concluding statements were made by the representative of Iran (on behalf of the Group of 77 and China); Bulgaria (on behalf of Central Group 11); Samoa (on behalf of the Alliance of Small Island States – AOSIS); Belgium (on behalf of the European Community and its member States); Australia; Vanuatu (on behalf of the least developed countries); Japan; New Zealand; Hungary; and Morocco.

74. After the customary exchange of courtesies, the President declared the sixth session of the Conference of the Parties closed.

## Annex I

### **Summary of statements made at the opening of the high-level segment at the second part of the sixth session of the Conference of the Parties**

#### **Statement by the President**

In his statement, the President said that there was mounting evidence that never in the course of human history had the climate changed as fast as at present. Without doubt, climate change was to a great extent man-made, and would eventually affect life conditions in an irreversible manner, with poor people in poor countries being affected the most. Precaution therefore called for a political response at the present stage, and the first precautionary measure required was to agree to cut greenhouse gas emissions.

However, negotiations on that issue were difficult, often - as in The Hague - ending up where they had started. Yet, the Conference of the Parties ought to reach agreement at the present session: because participants had promised to do so, and had thus raised expectations of resolving the remaining issues, in order to make the Kyoto Protocol operational. Political leaders now had the task of seeking a political compromise - a balanced package - for which all the necessary ingredients were available.

After many consultations with Parties, he had produced an integrated consolidated unbracketed text, which was the result of careful consideration of the positions of all Parties. In his view it was credible, both politically and environmentally; and it was balanced, and could serve as a tool in order to craft a sustainable agreement.

The Kyoto Protocol was a complicated document because climate change was a complicated phenomenon, with many economic, social and environmental dimensions. But it was also result-oriented, flexible, fair and credible. The Conference of the Parties should endeavour to draft an agreement which would be open to all - whether at the present stage, or later.

#### **Address of welcome**

The Conference of the Parties heard a welcoming address from the Lord Mayor of Bonn, Ms. Bärbel Dieckmann, in which she welcomed participants to Bonn and expressed her best wishes for the success of the Conference.

Bonn, although a relatively small United Nations city, was expanding in terms of the presence of United Nations and related agencies. It was also host to a growing number of international conferences and events, as well as being an important centre for telecommunications, science and research, and a focus of global dialogue. In this connection, she was confident that the project to create a United Nations campus with an international congress centre would soon become a reality.

### **Statement by the Executive Secretary**

The Executive Secretary said that negotiations at the present stage were taking place under the aegis of the Buenos Aires Plan of Action and would deal with enhanced financial and technological support, including capacity-building, for developing countries to integrate climate change in national strategies for sustainable development. They should also approve the operational rules of the Kyoto Protocol for limiting greenhouse gas emissions; these would be valuable components of the emerging international regime to deal with climate change.

It was, however, important to keep the long-term view in mind, rather than focusing on how to deal with the first commitment period. A further reason why success was essential at the present juncture was the need to give a positive signal to economic actors that lower emissions intensity was one of the keys to the global economy of the 21<sup>st</sup> century.

In conclusion, noting that this was his last statement as Executive Secretary to a COP in Bonn, he reviewed his experience in Bonn over the past five years. While warm thanks were due to the Government of Germany for its growing understanding of the needs of the UNFCCC secretariat and to the City of Bonn for its unfailing hospitality, he believed that the overall United Nations presence in Bonn had not yet reached the critical mass of activity that would provide an attractive base for career development and allow United Nations institutions to recruit, motivate and retain competent staff, and that would in turn encourage Governments to reintroduce permanent diplomatic representation. A breakthrough in this respect could come with a decision by the host Government to move ahead with the creation of a "United Nations Campus" in the former parliamentary complex, together with an associated conference centre capable of accommodating large-scale meetings.

### **Other statements**

At the invitation of the President, Mr. Robert T. Watson, Chairman of the Intergovernmental Panel on Climate Change (IPCC), made a statement in which he reviewed the key conclusions of the Third Assessment Report (TAR) of the IPCC. The Panel had found that:

- (a) The Earth's climate system had changed, globally and regionally, with some of those changes being attributable to human activities;
- (b) Carbon dioxide, surface temperatures, precipitation and sea level were all projected to increase globally during the 21<sup>st</sup> century because of human activities;
- (c) Biological systems had already been affected in many parts of the world by changes in climate, particularly increases in regional temperature;
- (d) Projected changes in climate would have both beneficial and adverse effects on water resources, agriculture, natural ecosystems and human health; but the larger the changes in climate the more the adverse effects would dominate;
- (e) There were many technological options to reduce near-term greenhouse gas emissions and opportunities for lowering costs, but barriers to the deployment of climate-friendly technologies needed to be overcome.

He added that all the scenarios considered for the century predicted an ongoing increase in carbon dioxide levels, more extreme weather events, temperature increases, changes in precipitation, sea level rise, and impacts on agricultural productivity. He noted that cost-effective technologies existed to target greenhouse gas emissions, with the costs of addressing climate change domestically estimated at 0.2 - 2 per cent of gross domestic product (GDP), falling even lower in the event of international cooperation.

Also at the invitation of the President, statements were made at the same meeting by Ms. Fatoumata Ndure (Gambia) and Mr. Shaun Nixon (United Kingdom), on behalf of the Youth Meeting taking place concurrently with the Conference. They urged all Parties not to increase the use of sinks in the Protocol and to establish regulations to ensure environmental integrity, effective maintenance and long-term sustainability. After all, the UNFCCC process had been initiated at Rio in order to create a sustainable society for both present and future generations.

They stated that, as regards developing countries, the greatest obstacle to the successful implementation of climate change initiatives was monetary. Without funds to finance projects such as awareness campaigns, governments could not keep people informed and educated about environmental changes in the coming decades.

With respect to the future, they noted that there was a need to guarantee increasing youth participation in future conferences, most importantly in the actual discussions. Ultimately, young people looked forward to the day when respect for the environment and the need to develop sustainable ways of life became more important than short-term, out-of-date principles. The time was ripe for that all-important decision - participants should bear this in mind, as history would be their judge.

Annex II

**List of intergovernmental and non-governmental organizations attending the second part of the sixth session of the Conference of the Parties**

**I. Intergovernmental organizations**

1. Agence de Coopération Culturelle et Technique
2. Asian Development Bank
3. Association of Southeast Asian Nations
4. Caribbean Community Secretariat
5. Center for International Forestry Research
6. Comisión Centroamericana de Ambiente y Desarrollo
7. Corporación Andina de Fomento
8. Council of Europe
9. European Space Agency
10. International Energy Agency
11. IUCN-The World Conservation Union
12. Organisation for Economic Co-operation and Development
13. Organization of Petroleum Exporting Countries
14. Permanent Court of Arbitration
15. Regional Environmental Centre for Central and Eastern Europe
16. South Pacific Regional Environment Programme

**II. Non-governmental organizations**

1. Air Transport Association of America
2. Alliance for Responsible Atmospheric Policy
3. Alliance for Responsible Environmental Alternatives Canada
4. Alliance Froid, Climatisation, Environnement
5. American Nuclear Society
6. American Portland Cement Alliance
7. American Society of International Law
8. Arbeitsgemeinschaft für Umweltfragen e.V.
9. Arbeitsgruppe für Luft – und Raumfahrt
10. Arbeitskreis Energie der Deutschen Physikalischen Gesellschaft e.V.
11. Association des Constructeurs Européens d'Automobiles
12. Australian Aluminium Council
13. Australian Coal Association
14. Australian Conservation Foundation
15. Bangladesh Centre for Advanced Studies
16. Battelle Memorial Institute
17. Bundesverband der Deutschen Industrie
18. Birdlife International/Royal Society for the Protection of Birds
19. British Fire Protection Systems Association Ltd.

20. Business Council for Sustainable Energy
21. Business Council of Australia
22. Business South Africa
23. CarbonFix e.V.
24. Carl Duisberg Gesellschaft e.V.
25. CEE Bankwatch Network
26. CEMBUREAU
27. Center for Clean Air Policy
28. Center for International Climate and Environmental Research
29. Center for International Environmental Law
30. Central Research Institute of Electric Power Industry
31. Centre for European Economic Research
32. Centre for European Policy Studies
33. Centre for Preparation and Implementation of International Projects and Technical Assistance
34. Centre for Science and Environment
35. Centro de Derecho Ambiental y de los Recursos Naturales
36. Cercle mondial du consensus/World Sustainable Energy Coalition
37. Citizens Alliance for Saving the Atmosphere and the Earth
38. Clean Air Foundation
39. Climate Action Network - Latin America
40. Climate Action Network - United Kingdom
41. Climate Action Network - France
42. Climate Action Network - Southeast Asia
43. Climate Institute
44. Climate Network Africa
45. Climate Network Europe
46. Committee for a Constructive Tomorrow
47. Competitive Enterprise Institute
48. Confédération Européenne des Propriétaires Forestiers
49. Confederation of European Paper Industries
50. Coordinating Body for the Indigenous Organizations in the Amazon Basin
51. Cornell University
52. Council of German Forest Owners Associations
53. David Suzuki Foundation
54. Deutsche Gesellschaft für seltene Kulturpflanzen
55. Development Alternatives
56. Earth Council
57. Ecologic Foundation
58. Edison Electric Institute
59. Electric Power Research Institute
60. Emissions Marketing Association
61. Energy Research Centre of the Netherlands
62. Environmental Defense
63. Environnement et Développement du Tiers Monde



64. EPOTEC, Inc.
65. Euroheat & Power
66. EURONATURA
67. European Association for Solar Energy
68. e5 - European Business Council for a Sustainable Energy Future
69. European Chemical Industry Council
70. European Federation For Transport and Environment
71. European Landowners' Organisation
72. European Nuclear Society
73. FACE Foundation
74. Federation of Canadian Municipalities
75. FERN
76. Fondazione Lombardia per l' Ambiente
77. Forum Atomique Européen
78. Foundation DLO
79. Foundation for International Environmental Law and Development
80. Foundation Joint Implementation Network
81. France Nature Environnement
82. Franciscans International
83. Fraunhofer Institute for Systems and Innovation Research
84. Free University Amsterdam, Institute of Environmental Studies
85. Friends of the Earth International
86. E7 Fund for Sustainable Energy Development
87. Fundación para la Promoción del Conocimiento Indígena
88. German Foundation for International Development
89. German NGO-Forum on Environment & Development
90. Germanwatch
91. Global Climate Coalition
92. Global Commons Institute
93. Global Environmental Forum
94. Global Legislators Organisation for a Balanced Environment
95. Green Korea United
96. Greenpeace International
97. Groupe d'Etudes et de Recherches sur les Energies Renouvelables et l'Environnement
98. Hamburg Institute of International Economics
99. Harvard University, John F. Kennedy School of Government
100. HELIO International
101. Imperial College of Science, Technology and Medicine, Centre for Environmental Technology
102. Industrial Technology Research Institute
103. Institut de recherche sur l'environnement
104. Institute for Global Environmental Strategies
105. Instituto de Pesquisa Ambiental da Amazonia
106. Insurance Industry Initiative for the Environment in association with UNEP

107. International Aluminium Institute
108. International Chamber of Commerce
109. International Climate Change Partnership
110. International Cogeneration Alliance
111. International Confederation of Free Trade Unions
112. International Council for Local Environmental Initiatives
113. International Council of Environmental Law
114. International Council of Women
115. International Emissions Trading Association
116. International Gas Union
117. International Institute for Energy Conservation
118. International Institute for Energy Conservation - Europe
119. International Institute for Sustainable Development
120. International Organization for Standardization
121. International Petroleum Industry Environmental Conservation Association
122. Interstate Natural Gas Association of America
123. INZET Association for North-South Campaigns
124. Japan Atomic Industrial Forum, Inc.
125. Japan Environmental Council
126. Japan Fluorocarbon Manufacturers Association
127. Japan Industrial Conference for Ozone Layer Protection
128. Joyce Foundation
129. Keidanren
130. Kiko Network
131. Klima-Bündnis/Alianza del Clima e.V.
132. Korean Federation for Environmental Movement
133. Kyoto University, Institute of Economic Research
134. Landvernd – National Association for the Protection of the Icelandic Environment
135. Leland Stanford Junior University
136. Lloyd's Register of Shipping
137. Loss Prevention Council
138. Manila Observatory
139. Max-Planck-Institute
140. Minerals and Energy Policy Centre
141. National Association of Regulatory Utility Commissioners
142. National Association of State Fire Marshals
143. National Environmental Trust
144. National Institute of Public Health and the Environment
145. National Mining Association
146. Natural Resources Defense Council
147. New Energy and Industrial Technology Development Organization
148. Norwegian Shipowner's Association
149. Nuclear Energy Institute
150. Oeko Institute (Institute for Applied Ecology e.V.)

151. Oxford Institute for Energy Studies
152. PELANGI
153. Pembina Institute
154. Peoples' Forum 2001
155. Pew Center on Global Climate Change
156. Prima Klima - weltweit - e.V.
157. Proclim – Forum for Climate and Global Change
158. RainForest ReGeneration Institute
159. Resources for the Future
160. Rheinische Friedrich-Wilhelm-Universität, Bonn
161. Royal Institute of International Affairs
162. Scientists for Global Responsibility
163. Sierra Club of Canada
164. State and Territorial Air Pollution Program Administrators/Association of Local Air Pollution Control Officials
165. Stiftung Wald in Not
166. STOP
167. Swiss Association for Environmentally Conscious Management
168. Tata Energy Research Institute
169. Technische Universität Darmstadt
170. Tellus Institute
171. The Business Roundtable
172. The Center for Sustainable Development in the Americas
173. The Climate Council
174. The Federation of Electric Power Companies
175. The Fridtjof Nansen Institute
176. The Global Industrial and Social Progress Research Institute
177. The Institute of Cultural Affairs
178. The Japan Economic Research Institute
179. The Japan Electrical Manufacturers' Association
180. The Korea Chamber of Commerce and Industry
181. The Nature Conservancy
182. The Open University
183. The Organization for Industrial, Spiritual and Cultural Advancement - International
184. The Pacific Forest Trust
185. The Sudanese Environment Conservation Society
186. Thermal and Nuclear Power Engineering Society
187. Third World Network
188. U.S. Climate Action Network
189. Union of Concerned Scientists
190. Union of Industrial and Employers' Confederations of Europe
191. Union of Public Associations - Russian Environmental Congress
192. Union of the Electricity Industry - EURELECTRIC
193. United Mine Workers of America
194. United Nations Environment and Development - UK Committee

195. University of Bielefeld
196. University of California, Revelle Program on Climate Science and Policy
197. University of Cambridge, Centre of International Studies
198. University of Cape Town, Energy and Development Research Centre
199. University of East Anglia, School of Environmental Sciences
200. University of Maastricht, Institute for Transnational Legal Research
201. University of Oxford, Environmental Change Institute
202. University of St. Gallen, Institute for Economy and the Environment
203. University of Surrey
204. University of Tampere
205. University of Waikato, The International Global Change Institute
206. Utrecht University, Department of Science, Technology and Society
207. Verband de Elektrizitätswirtschaft e.V.
208. Verification Research, Training and Information Centre
209. WBUG - Wissenschaftlicher Beirat der Bundesregierung Globale Umweltveränderungen
210. Woods Hole Research Center
211. World Business Council for Sustainable Development
212. World Coal Institute
213. World Conference on Religion and Peace
214. World Council of Churches
215. World Nuclear Association
216. World Resources Institute
217. Wuppertal Institute for Climate, Environment and Energy
218. WWF
219. Young Energy Specialists and Development Co-operation
220. Youth for Intergenerational Justice and Sustainability – Europe e.V

Annex III

**List of documents before the Conference of the Parties  
at the second part of its sixth session**

FCCC/CP/2001/1	Agenda and annotations. Note by the Executive Secretary
FCCC/CP/2001/2/Rev.1 and Add.1 - 2, Add. 3/Rev.1 and Add. 4 - 6	Review of the implementation of commitments of other provisions of the Convention. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Consolidated negotiating text proposed by the President
FCCC/CP/2001/3	Organizational matters. Adoption of the report on credentials. Report of the Bureau
FCCC/CP/2001/4	Organizational matters. Admission of organizations as observers: intergovernmental and non-governmental organizations
FCCC/CP/2001/INF.1	Status of ratification of the Convention and its Kyoto Protocol. Note by the secretariat
FCCC/CP/2001/INF.2	List of participants
FCCC/CP/2001/MISC.1 and Add.1	Note by the President of the Conference of the Parties at its sixth session. Views from Parties
FCCC/CP/2001/MISC.2	Methodological issues. Guidelines under Article 5, 7 and 8 of the Kyoto Protocol. Views from Parties on demonstrable progress under Article 3.2 of the Kyoto Protocol
FCCC/CP/2001/MISC.3	Provisional list of participants
FCCC/CP/2000/5/Add.1, and Add.2 and Add.3 (Volumes I-V)	Report of the Conference of the Parties on the first part of its sixth session, held at The Hague from 13 to 25 November 2000
FCCC/CP/2000/1/Add.1 and Corr.1	Provisional agenda and annotations. Note by the Executive Secretary

- FCCC/CP/2001/L.1  
and Add.1 Draft report of the Conference of the Parties on the second part of its sixth session, held at Bonn from 16 - 27 July 2001
- FCCC/CP/2001/L.2 Capacity-building in developing countries (non-Annex I Parties). Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/L.3 Capacity-building in countries with economies in transition. Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/L.4/Rev.1 Review of the implementation of commitments and of other provisions of the Convention. Report of the Global Environment Facility to the Conference. Draft decision proposed by the co-chairmen of the negotiating group. Draft decision -/CP.6. Additional guidance to an operating entity of the financial mechanism
- FCCC/CP/2001/L.5 Review of the implementation of commitments and of other provisions of the Convention. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Note by the co-chairmen of the negotiating groups
- FCCC/CP/2001/L.7 Review of the implementation of commitments and of other provisions of the Convention. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Decision 5/CP.6
- FCCC/CP/2001/L.8 Administrative and financial matters. Institutional linkage of the UNFCCC secretariat to the United Nations
- FCCC/CP/2001/L.10 Development and transfer of technologies (decisions 4/CP.4 and 9/CP.5). Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group

- FCCC/CP/2001/L.11/Rev.1 Land use, land-use change and forestry. Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/L.12 Review of the implementation of commitments and of other provisions of the Convention. Implementation of Article 4, paragraphs 8 and 9 of the Convention (decision 3/CP.3 and Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol). Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/L.13 Preparation for the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Matters relating to Article 3, paragraph 14, of the Kyoto Protocol. Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/L.14 Review of the implementation of commitments and of other provisions of the Convention. Draft decision proposed by the co-chairmen of the negotiating group. Draft decision -/CP.6. Funding under the Convention
- FCCC/CP/2001/L.15 Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Funding under the Kyoto Protocol. Draft decision -/CP.6 proposed by the co-chairmen of the negotiating group
- FCCC/CP/2001/CRP.9 Review of the implementation of commitments and of other provisions of the Convention. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Note by the secretariat
- FCCC/CP/2001/CRP.10 Review of the implementation of commitments and of other provisions of the Convention. Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Proposal by the Russian Federation

FCCC/CP/2001/INF.3 (Volumes 1–5)	Texts forwarded by the subsidiary bodies to the Conference of the Parties at the first part of its sixth session
FCCC/CP/2001/CRP.11	Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Work programme on mechanisms (decisions 7/CP.4 and 14/CP.4). Draft decision proposed by the co-chairmen of the negotiating group
FCCC/CP/2001/CRP.12/Rev.1	Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (decision 8/CP.4). Procedures and mechanisms relating to compliance under the Kyoto Protocol. Draft decision proposed by the co-chairmen of the negotiating group
FCCC/CP/2001/CRP.13	Other matters. Proposal by Canada. Draft conclusions



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

**I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES  
AT THE SECOND PART OF ITS SIXTH SESSION**

**Decision 5/CP.6**

**The Bonn Agreements on the implementation of the Buenos Aires Plan of Action**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.4, 1/CP.5 and 1/CP.6,

*Having considered* the texts forwarded to it by the subsidiary bodies at the first part of its sixth session, the report on the first part of its sixth session and the addenda thereto, using as a tool the consolidated negotiating text prepared by its President,

*Recognizing* the contribution of the negotiating groups established at the second part of the session and *noting* with satisfaction decisions on additional guidance to an operating entity of the financial mechanism; capacity-building in developing countries (Parties not included in Annex I) and capacity-building in countries with economies in transition,

1. *Decides* to adopt the agreements contained in the annex to this decision as core elements for the implementation of the Buenos Aires Plan of Action;
2. *Decides* that the second week of the current session shall be devoted to the negotiation and adoption of a balanced package of further decisions incorporating and giving full effect to the agreements referred to in paragraph 1 above;
3. *Urges* all Parties to participate actively and constructively in these negotiations;  
and
4. *Requests* its President to continue the development of texts incorporating the core elements referred to in paragraph 1 above, to facilitate the negotiations.

*16<sup>th</sup> plenary meeting  
25 July 2001*

Annex

**CORE ELEMENTS FOR THE IMPLEMENTATION OF THE BUENOS AIRES PLAN  
OF ACTION**

**I. FUNDING UNDER THE CONVENTION**

*The Conference of the Parties,*

1. *Recalls* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9, 4.10 and 11, also its decisions 11/CP.1 and 15/CP.1;

2. *Notes* that, by its decisions -/CP.6, and -/CP.6, funding has been provided for the implementation of capacity-building activities in Parties not included in Annex I and that additional guidance has been given to the Global Environment Facility to that effect.

*The Conference of the Parties agrees:*

3. That:

(a) There is a need for funding, including funding that is new and additional to contributions that are allocated to the Global Environment Facility climate change focal area and to multilateral and bilateral funding, for the implementation of the Convention;

(b) Predictable and adequate levels of funding shall be made available to Parties not included in Annex I;

(c) In order to meet the commitments under Articles 4.1, 4.3, 4.4, 4.5, 4.8 and 4.9, Parties included in Annex II to the Convention and other Annex I Parties that are in a position to do so should provide funding for developing country Parties, through the following channels:

(i) Increased Global Environment Facility replenishment;

(ii) The special climate change fund to be established under this decision;

(iii) Bilateral and multilateral channels.

(d) Appropriate modalities for burden sharing among the Parties included in Annex II need to be developed;

(e) Parties included in Annex II shall report on their financial contributions on an annual basis;

(f) It shall review the reports referred to in paragraph 3 (e) above on an annual basis.

4. *Notes* that many Parties included in Annex II have expressed their willingness to commit themselves to providing adequate funding through a political declaration.

**Special climate change fund**

*The Conference of the Parties agrees:*

1. That a special climate change fund shall be established to finance activities, programmes and measures related to climate change, that are complementary to those funded by the resources allocated to the Global Environment Facility climate change focal area and by bilateral and multilateral funding, in the following areas:

- (a) Adaptation;
- (b) Technology transfer;
- (c) Energy, transport, industry, agriculture, forestry and waste management; and
- (d) Activities to assist developing country Parties referred to under Article 4, paragraph 8 (h), in diversifying their economies.

2. That the Parties included in Annex II and other Parties included in Annex I that are in a position to do so shall be invited to contribute to the fund, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties;

3. To invite the entity referred to in paragraph 2 above to make the necessary arrangements for this purpose.

### **Least developed countries**

*The Conference of the Parties agrees:*

1. That a least developed countries fund shall be established, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties, to support a work programme for the least developed countries. This work programme shall include, *inter alia*, National Adaptation Programmes of Action;

2. To invite the entity referred to in paragraph 1 above to make the necessary arrangements for this purpose;

3. To provide guidance to the entity referred to in paragraph 1 above on the modalities for operating this fund, including expedited access.

## **II. FUNDING UNDER THE KYOTO PROTOCOL**

*The Conference of the Parties;*

1. *Recalls* Articles 10, 11 and 12, paragraph 8, of the Kyoto Protocol and its decisions 11/CP.1 and 15/CP.1.

2. *Recognizes* that funding should be made available to Parties not included in Annex I, which is new and additional to contributions under the Convention.

3. *Agrees* that appropriate modalities for burden sharing need to be developed.

### **The Kyoto Protocol adaptation fund**

*The Conference of the Parties agrees:*

1. That an adaptation fund shall be established to finance concrete adaptation projects and programmes in developing country Parties that have become Parties to the Protocol;
2. That the adaptation fund shall be financed from the share of proceeds on the clean development mechanism project activities and other sources of funding;
3. That Annex I Parties that intend to ratify the Kyoto Protocol are invited to provide funding, which will be additional to the share of proceeds on clean development mechanism project activities;
4. That the adaptation fund shall be operated and managed by an entity which operates the financial mechanism of the Convention, under the guidance of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, with guidance to be provided by the Conference of the Parties in the period prior to entry into force of the Kyoto Protocol;
5. To invite the entity referred to in paragraph 4 above to make the necessary arrangements for this purpose;
6. That Parties included in Annex I that intend to ratify the Kyoto Protocol shall report on their financial contributions to the fund on an annual basis;
7. To review the reports referred to in paragraph 6 above on an annual basis, upon entry into force of the Kyoto Protocol to be reviewed by the Conference of the Parties serving as the meeting of the Parties.

### **III. DEVELOPMENT AND TRANSFER OF TECHNOLOGIES**

*The Conference of the Parties agrees:*

1. To establish an Expert Group on Technology Transfer to be nominated by the Parties;
2. That the Expert Group on Technology Transfer shall comprise 20 experts, as follows:
  - (a) Three members from each of the regions of the Parties not included in Annex I (namely, Africa, Asia and the Pacific; and Latin America and the Caribbean);
  - (b) One member from the small island developing States;
  - (c) Seven members from Parties included in Annex I; and
  - (d) Three members from relevant international organizations;
3. That the experts shall have expertise in any of the following areas: greenhouse gas mitigation and adaptation technologies, technology assessments, information technology, resource economics, and social development;

4. That the Expert Group on Technology Transfer shall elect annually a Chairperson and Vice-Chairperson from among its members, with one being a member from a Party included in Annex I and the other being a member from a Party not included in Annex I. The Chairperson and Vice-Chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.

#### **IV. IMPLEMENTATION OF ARTICLE 4.8 AND 4.9 OF THE CONVENTION (DECISION 3/CP.3 AND ARTICLES 2.3 AND 3.14 OF THE KYOTO PROTOCOL)**

##### **1. Adverse effects of climate change**

*The Conference of the Parties agrees:*

1. That the implementation of the identified activities shall be supported through the Global Environment Facility (in accordance with decision -/CP.6), the special climate change fund (in accordance with decision -/CP.6), and other bilateral and multilateral sources;

2. To consider, at its eighth session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change, based on the outcome of workshops on insurance.

##### **2. Impact of the implementation of response measures**

*The Conference of the Parties agrees:*

1. That the implementation of the identified activities shall be supported through the Global Environment Facility (in accordance with decision -/CP.6), the special climate change fund (in accordance with decision -/CP.6), and other bilateral and multilateral sources;

2. To consider, at its eighth session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the impact of implementation of response measures, based on the outcome of the workshops on insurance.

#### **V. MATTERS RELATING TO ARTICLE 3.14 OF THE KYOTO PROTOCOL**

*The Conference of the Parties recognizes:*

1. That minimizing the impact of their implementation of Article 3.1 of the Kyoto Protocol is a development concern affecting both industrialized and developing countries. Parties included in Annex I to the Convention commit to take fully into account the consequences of these actions and to prevent or minimize their adverse effects. These Parties consider such action as a cost-effectiveness measure.

*The Conference of the Parties agrees to recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that:*

1. It request Parties included in Annex I to the Convention to provide information, as part of the necessary supplementary information to their annual inventory report, in accordance with the guidelines under Article 7.1 of the Kyoto Protocol, relating to how they are striving, under Article 3.14 of the Kyoto Protocol, to implement their commitments mentioned in Article 3.1 of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4.8 and 4.9 of the Convention; and further requests those Parties to incorporate, in this respect, information on action identified in paragraph 3 below, based on methodologies identified at a workshop organized to this end;

2. It decide that the information referred to in paragraph 1 above shall be considered by the facilitative branch of the compliance committee;

3. It agree that Parties included in Annex II, and other Annex I Parties in a position to do so, should give priority, in implementing their commitments under Article 3.14 of the Kyoto Protocol, to the following actions:

(a) The progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities;

(b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies;

(c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end;

(d) Cooperating in the development, diffusion and transfer of less greenhouse gas emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture and store greenhouse gases, and encouraging their wider use; and facilitating the participation of the least developed countries and other non-Annex I Parties in this effort;

(e) Strengthening the capacity of developing country Parties identified in Article 4.8 and 4.9 of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities; and

(f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies.

## **VI. MECHANISMS PURSUANT TO ARTICLES 6, 12 AND 17 OF THE KYOTO PROTOCOL**

### **1. Principles, nature and scope**

*The Conference of the Parties agrees:*

1. To reaffirm the preamble of the Convention;

2. To recognize that the Kyoto Protocol has not created or bestowed any right, title or entitlement to emissions of any kind on Parties included in Annex I.
3. That, in using the mechanisms, Parties shall be guided by the objective and principles contained in Articles 2 and 3 and by Article 4, paragraph 7, of the Convention;
4. That the Parties included in Annex I shall implement domestic action in accordance with national circumstances and with a view to reducing emissions in a manner conducive to narrowing per capita differences between developed and developing country Parties while working towards achievement of the ultimate objective of the Convention;
5. That the use of the mechanisms shall be supplemental to domestic action, and that domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under Article 3, paragraph 1;
6. That the Parties included in Annex I shall be requested to provide relevant information in relation to paragraph 5 above in accordance with Article 7 of the Kyoto Protocol, for review under Article 8 of the Protocol;
7. That the provision of such information shall take into account reporting on demonstrable progress as contained in decision -/CP.6 (*Article 7*)<sup>16</sup>;
8. That the facilitative branch of the compliance committee shall address questions of implementation with respect to paragraphs 6 and 7 above;
9. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that certified emission reductions, emission reduction units and assigned amount units under Articles 6, 12 and 17 may be used to meet commitments under Article 3.1 of Parties included in Annex I, and can be added as provided for in Article 3, paragraphs 10, 11 and 12; and that emission reduction units and assigned amount units can be subtracted as provided for in Article 3, paragraphs 10 and 11, in conformity with the provisions on registries (decision -/CP.6. *Modalities for accounting assigned amount*), without altering the quantified emission limitation and reduction commitments inscribed in Annex B to the Kyoto Protocol;
10. That the share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation, as referred to in Article 12, paragraph 8, of the Kyoto Protocol, shall be two per cent of the certified emissions reductions issued for a clean development mechanism's project activity;
11. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that the eligibility to participate in the mechanisms by a Party included in Annex I shall be dependent on its compliance with methodological and reporting requirements under Article 5, paragraphs 1 and 2, and Article 7, paragraphs 1 and 4 of the Kyoto

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<sup>16</sup> See FCCC/CP/2001/2/Add.4, Section III, draft decision -/CP.6, paragraphs 3 and 4.

Protocol with oversight being provided by the enforcement branch of the compliance committee, in accordance with the relevant provisions. Only Parties that have accepted the agreement on compliance supplementing the Kyoto Protocol shall be entitled to transfer or acquire credits generated by the use of the mechanisms.

## **2. Article 6 project activities**<sup>17</sup>

*The Conference of the Parties agrees:*

1. To affirm that it is the host Party's prerogative to confirm whether an Article 6 project activity assists it in achieving sustainable development;
2. To recognize that Parties included in Annex I are to refrain from using emission reduction units generated from nuclear facilities to meet their commitments under Article 3.1;
3. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to establish a supervisory committee to supervise, *inter alia*, the verification of emission reduction units generated by Article 6 project activities.

## **3. Article 12 (clean development mechanism)**

*The Conference of the Parties agrees:*

1. To affirm that it is the host Party's prerogative to confirm whether a clean development mechanism project activity assists it in achieving sustainable development;
2. To recognize that Parties included in Annex I are to refrain from using certified emission reductions generated from nuclear facilities to meet their commitments under Article 3.1;
3. To emphasize that public funding for clean development mechanism projects from Parties included in Annex I is not to result in the diversion of official development assistance and is to be separate from and not counted towards the financial obligations of Parties included in Annex I;
4. To facilitate a prompt start for a clean development mechanism and to invite nominations for membership of the executive board prior to its seventh session, with a view to the Conference of the Parties electing the members of the executive board at that session;
5. That the executive board shall comprise ten members from Parties to the Kyoto Protocol, as follows:
  - (a) One member from each of the five United Nations regional groups, two other members from the Parties included in Annex I, two other members from the Parties not included in Annex I and one representative of the small island developing States, taking into account the current practice in the Bureau of the Conference of the Parties;

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<sup>17</sup> Commonly referred to as joint implementation.



6. That the executive board shall develop and recommend to the Conference of the Parties, at its eighth session, simplified modalities and procedures for the following small-scale clean development mechanism project activities:

(a) Renewable energy project activities with a maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent);

(b) Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatthours per year; or

(c) Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually.

7. To invite the executive board to review the simplified modalities, procedures and the definition of small-scale project activities referred to in paragraph 6 (c) above and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

8. That afforestation and reforestation projects shall be the only eligible land use, land-use change and forestry projects under the clean development mechanism during the first commitment period. Implementation of such projects shall be guided by the principles referred to in section VII, paragraph 1 below (on land use, land-use change and forestry), and by definitions and modalities to be developed by the Subsidiary Body for Scientific and Technological Advice for decision at the eighth session of the Conference of the Parties. The modalities to be addressed shall include non-permanence, additionality, leakage, scale, uncertainties, socio-economic and environmental impacts (including impacts on bio-diversity and natural ecosystems) (see section VII below on land use, land-use change and forestry regarding limitation of scale);

9. That the treatment of land use, land-use change and forestry projects under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period.

#### **4. Article 17**

*The Conference of the Parties agrees:*

1. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that each Party included in Annex I shall maintain, in its national registry, a commitment period reserve which should not drop below 90 per cent of the Party's assigned amount calculated pursuant to Article 3, paragraphs 7 and 8, of the Kyoto Protocol, or 100 per cent of five times its most recently reviewed inventory, whichever is lowest.

## VII. LAND USE, LAND-USE CHANGE AND FORESTRY

### *The Conference of the Parties*

1. *Affirms* that the following principles govern the treatment of land use, land-use change and forestry (LULUCF) activities:

- (a) That the treatment of these activities be based on sound science;
- (b) That consistent methodologies be used over time for the estimation and reporting of these activities;
- (c) That the aim stated in Article 3, paragraph 1, of the Kyoto Protocol not be changed by accounting for LULUCF activities,
- (d) That the mere presence of carbon stocks be excluded from accounting;
- (e) That the implementation of LULUCF activities contributes to the conservation of biodiversity and sustainable use of natural resources;
- (f) That accounting for LULUCF does not imply a transfer of commitments to a future commitment period;
- (g) That reversal of any removal due to LULUCF activities be accounted for at the appropriate point in time;
- (h) That accounting excludes removals resulting from (a) elevated carbon dioxide concentrations above their pre-industrial level; (b) indirect nitrogen deposition; and (c) the dynamic effects of age structure resulting from activities and practices before the reference year.

### *The Conference of the Parties agrees:*

2. On a definition of “forest” and on definitions of the activities “afforestation”, “reforestation” and “deforestation” for the purpose of implementing Article 3.3. These activities shall be defined on the basis of a change in land use.

3. That debits from harvesting during the first commitment period following afforestation and reforestation since 1990 shall not be greater than credits earned on that unit of land;

4. That “forest management”, “cropland management”, “grazing land management” and “revegetation” are eligible land-use, land-use change and forestry activities under Article 3, paragraph 4, of the Kyoto Protocol. A Party may choose to apply any or all of these activities during the first commitment period. A Party shall fix its choice of eligible activities prior to the start of the first commitment period;

5. That, during the first commitment period, a Party that selects any or all of the activities mentioned in paragraph 4 above shall demonstrate that such activities have occurred since 1990, and are human-induced. Such activities should not account for emissions and

removals resulting from afforestation, reforestation and deforestation as determined under Article 3, paragraph 3;

6. That the following accounting rules are applicable in the first commitment period. They aim to pragmatically implement the guiding principles in the preamble:

(a) Application of net-net accounting (net emissions or removals over the commitment period less net removals in the base year, times five) for agricultural activities (cropland management, grazing land management and revegetation);

(b) Accounting for forest management up to the level of any possible Article 3.3 debits, if the total carbon stock change in the managed forests since 1990 is equal to or larger than this Article 3.3 debit (up to 8.2 megatons of carbon per Party per year; no discounting);

(c) Additions to and subtractions from the assigned amount of a Party, resulting from forest management under Article 3.4 after the application of the Article 3.3 debit compensation described in subparagraph (b) above, and resulting from forest management undertaken under Article 6, shall not exceed the value inscribed in Appendix Z to this decision<sup>18</sup>;

7. That the eligibility of LULUCF activities under Article 12 is limited to afforestation and reforestation;

8. That for the first commitment period, the total of additions to and subtractions from the assigned amount of a Party resulting from eligible LULUCF activities under Article 12, shall not exceed 1 % of base year emissions of that Party, times five;

9. To request the Subsidiary Body for Scientific and Technological Advice to develop definitions and modalities for including afforestation and reforestation projects under the CDM in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in paragraph 2 and terms of reference to be agreed by the Subsidiary Body for Scientific and Technological Advice, with the aim of adopting a decision on these definitions and modalities at its ninth session, to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

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<sup>18</sup> In arriving at the values in the Appendix, the Conference of the Parties was guided by the application of an 85% discount factor to account for the removals identified in paragraph 1(h) and a 3% cap on forest management, using a combination of data provided by Parties and FAO data. Consideration was also given to national circumstances (including the degree of effort needed to meet Kyoto commitments and the forest management measures implemented). The accounting framework established in this paragraph shall not be construed as establishing any precedent for the second and subsequent commitment periods.

**APPENDIX Z**

	Mt C/yr
Australia	0.00
Austria	0.63
Belgium	0.03
Bulgaria	0.37
Canada	12.00
Czech Republic	0.32
Denmark	0.05
Estonia	0.10
Finland	0.16
France	0.88
Germany	1.24
Greece	0.09
Hungary	0.29
Iceland	0.00
Ireland	0.05
Italy	0.18
Japan	13.00
Latvia	0.34
Liechtenstein	0.01
Lithuania	0.28
Luxembourg	0.01
Monaco	0.00
Netherlands	0.01
New Zealand	0.20
Norway	0.40
Poland	0.82
Portugal	0.22
Romania	1.10
Russian Federation	17.63
Slovakia	0.50
Slovenia	0.36
Spain	0.67
Sweden	0.58
Switzerland	0.50
Ukraine	1.11
United Kingdom	0.37
United States of America <sup>19</sup>	

<sup>19</sup> The blank entry reflects the fact that the United States of America did not participate in the development of this table. An approximate number for the United States of America based on data submitted by the United States of America in document FCCC/SBSTS/2000/Misc.6 and data from FAO in document TBFA-2000 (UN-ECE/FAO) would be 28 Mt C/yr.

## VIII. PROCEDURES AND MECHANISMS RELATING TO COMPLIANCE UNDER THE KYOTO PROTOCOL

*The Conference of the Parties agrees:*

1. That, with the aim of promoting compliance and providing for early warning of potential non-compliance, the facilitative branch shall be responsible for providing advice and facilitation for compliance with:
  - (a) Quantitative emission commitments (Article 3.1) prior to the beginning of the relevant commitment period and during that commitment period; and
  - (b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4) prior to the beginning of the first commitment period.
2. That the consequences of non-compliance to be applied by the enforcement branch shall be aimed at the restoration of non-compliance to ensure environmental integrity, and shall provide for an incentive to comply. These consequences shall be the following:
  - (a) For the first commitment period, deduction at a rate of 1.3;
  - (b) For subsequent commitment periods, at a rate to be determined in future amendments;
  - (c) Development of a compliance action plan:
    - (iii) To be submitted to the enforcement branch for review and assessment;
    - (iv) To provide for action to comply with the quantitative emission commitments of the subsequent commitment period; and
    - (v) To give priority to domestic policies and measures;
  - (d) Suspension of the eligibility to make transfers under Article 17.
3. That the enforcement branch shall be responsible for determining whether a Party included in Annex I is not in compliance with:
  - (a) Quantitative emission commitments (Article 3.1);
  - (b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4); and
  - (c) Eligibility requirements under Articles 6, 12 and 17.
4. That there shall be an appeals procedure to the Conference of the Parties serving as the meeting of the Parties against final decisions of the enforcement branch related to Article 3.1 if a Party believes it has been denied due process. A majority of at least three-quarters is required to override decisions of the enforcement branch.

5. That:

(a) The principles of due process and of common but differentiated responsibilities and respective capabilities shall be reflected in the design of the compliance system;

(b) The principles mentioned in Article 3 of the Convention shall be referred to in the preamble; and

(c) The principle of common but differentiated responsibilities and respective capabilities shall be reflected in the mandate of the facilitative branch.

6. That the enforcement branch and the facilitative branch shall each be composed of:

(a) One member from each of the five regional groups of the United Nations and one member from the small island developing States, taking into account the interest groups as reflected by the current practice of the Bureau of the Conference of the Parties;

(b) Two members from Parties included in Annex I; and

(c) Two members from Parties not included in Annex I.

7. That the Compliance Committee shall take decisions by consensus, failing which a majority of at least three-quarters is required. In addition, decisions by the enforcement branch require a majority of members from Parties included in Annex I, as well as a majority of members from Parties not included in Annex I.

8. To:

(a) Adopt, at its sixth session, the procedures and mechanisms relating to compliance as specified above; and

(b) Recommend the adoption, by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, of procedures and mechanisms relating to compliance in terms of Article 18 of the Kyoto Protocol.

## Decision 6/CP.6

### **Institutional linkage of the Convention secretariat to the United Nations**

*The Conference of the Parties,*

*Recalling* its decision 14/CP.1 whereby it decided that “the Convention secretariat shall be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme”,

*Recalling further* its decision 22/CP.5 whereby it decided to approve “the continuation of the institutional linkage of the Convention secretariat to the United Nations, subject to review not later than 31 December 2001, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties”,

*Recalling also* General Assembly resolution 50/115 of 20 December 1995 and resolution 54/222 of 22 December 1999,

*Having considered* the report of the Executive Secretary on the current situation,<sup>20</sup>

*Noting* the recommendation of the Secretary-General on this matter,<sup>21</sup>

*Noting with satisfaction* that the linkage continues to provide a sound basis for the functioning and administration of the Convention secretariat,

*Noting* that the expenses for conference servicing of the Convention are being met from the regular budget of the United Nations,

1. *Expresses its appreciation* to the Secretary-General of the United Nations for the support provided to the secretariat of the Convention through the Department of Economic and Social Affairs and the Department of Management;
2. *Approves* the continuation of the current institutional linkage of the Convention secretariat to the United Nations and related administrative arrangements for a further five-year period, to be reviewed by both the General Assembly and the Conference of the Parties by not later than 31 December 2006;
3. *Invites* the Secretary-General to seek the endorsement of the General Assembly at its fifty-sixth session for the continuation of the institutional linkage for a further five years;

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<sup>20</sup> See document FCCC/SBI/2001/5.

<sup>21</sup> See document FCCC/SBI/2001/5, paragraph 15.

4. *Invites* the United Nations General Assembly to decide at its fifty-sixth session on the issue of meeting the conference-servicing expenses of the Convention from its regular budget, taking into account the views expressed by member States.

*17<sup>th</sup> plenary meeting*  
*27 July 2001*



## **II. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES AT THE SECOND PART OF THE SIXTH SESSION**

### **A. Potential of clean energy to contribute to global environmental benefits**

1. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties:

(a) Recognized that cleaner or less greenhouse-gas-emitting energy, emphasizing renewables, hydro, geothermal and natural gas, could promote global environmental benefits to meet the objectives of the Convention and the Kyoto Protocol and optimize the uptake of cleaner or less greenhouse-gas-emitting energy;

(b) Took note of the offer from the Government of Canada to convene an informal meeting on the above-mentioned issue and invited the Government of Canada to report on the outcome of the meeting to the SBSTA at its fifteenth session.

### **B. Further work on accounting, reporting and review under Articles 5, 7 and 8 of the Kyoto Protocol**

2. At its 17<sup>th</sup> plenary meeting, on 27 July 2001, the Conference of the Parties requested the secretariat to organize a workshop of governmental experts to discuss issues under Articles 5, 7 and 8 of the Kyoto Protocol, prior to the seventh session of the Conference, under the chairmanship of the Chairman of SBSTA, and to seek the necessary contributions from outside the core budget.

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON  
ITS SEVENTH SESSION, HELD AT MARRAKESH  
FROM 29 OCTOBER TO 10 NOVEMBER 2001**

**Addendum**

**PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

**Volume I**

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## I. THE MARRAKESH MINISTERIAL DECLARATION

### Decision 1/CP.7

#### The Marrakesh Ministerial Declaration

**The Ministers and other heads of delegation present at the seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change,**

*Mindful* of the objective of the Convention, as set out in its Article 2,

*Reaffirming* that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties,

*Believing* that addressing the many challenges of climate change will make a contribution to achieving sustainable development,

*Recognizing* that the World Summit on Sustainable Development provides an important opportunity for addressing the linkages between climate change and sustainable development,

1. *Note* the decisions adopted by the seventh session of the Conference of the Parties in Marrakesh, constituting the Marrakesh Accords, that pave the way for the timely entry into force of the Kyoto Protocol;

2. *Remain* deeply concerned that all countries, particularly developing countries, including the least developed countries and small island States, face increased risk of negative impacts of climate change;

3. *Recognize* that, in this context, the problems of poverty, land degradation, access to water and food and human health remain at the centre of global attention; therefore, the synergies between the United Nations Framework Convention on Climate Change, the Convention on Biological Diversity, and the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, should continue to be explored through various channels, in order to achieve sustainable development;

4. *Stress* the importance of capacity-building, as well as of developing and disseminating innovative technologies in respect of key sectors of development, particularly energy, and of investment in this regard, including through private sector involvement, market-oriented approaches, as well as supportive public policies and international cooperation;

5. *Emphasize* that climate change and its adverse impacts have to be addressed through cooperation at all levels, and welcome the efforts of all Parties to implement the Convention;

6. *Request* the President of the Conference of the Parties at its seventh session and the Executive Secretary of the United Nations Framework Convention on Climate Change to continue to participate actively in the preparatory process for the World Summit, and in the Summit itself, and to report thereon to the Conference of the Parties at its eighth session.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## II. THE MARRAKESH ACCORDS

### Decision 2/CP.7

#### Capacity building in developing countries (non-Annex I Parties)

*The Conference of the Parties,*

*Being guided* by Articles 4.1, 4.3, 4.4, 4.5 and 4.7, in the context of Article 3, and Articles 5 and 6 of the Convention,

*Recalling* the provisions related to capacity building for developing countries contained in its decisions 11/CP.1, 10/CP.2, 11/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 5/CP.4, 6/CP.4, 7/CP.4, 12/CP.4 and 14/CP.4,

*Noting* Article 10, paragraphs (c), (d) and (e), and Article 11 of the Kyoto Protocol,

*Recalling also* the paragraphs on capacity building of Agenda 21 and the Programme for the Further Implementation of Agenda 21,

*Reaffirming* its decision 10/CP.5,

*Reaffirming also* that capacity building for developing countries is essential to enable them to participate fully in, and to implement effectively their commitments under, the Convention,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

1. *Adopts* the framework for capacity building in developing countries annexed to this decision;
2. *Decides* that this framework should guide capacity-building activities related to the implementation of the Convention and effective participation in the Kyoto Protocol process;
3. *Decides* to give immediate effect to this framework in order to assist developing countries to implement the Convention and to effectively participate in the Kyoto Protocol process;
4. *Notes* that areas for capacity building identified under the Convention are relevant to the preparation of developing country Parties for their effective participation in the Kyoto Protocol process;
5. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to report on its progress in support of the implementation of this framework in its reports to the Conference of the Parties;

6. *Urges* the operating entity of the financial mechanism to adopt a streamlined and expedited approach in financing activities within this framework;

7. *Invites* bilateral and multilateral agencies, and other intergovernmental organizations and institutions, to inform the Conference of the Parties, through the secretariat, of capacity-building activities conducted to assist developing country Parties with their implementation of the framework;

8. *Encourages* bilateral and multilateral agencies, and other intergovernmental organizations and institutions, to consult with developing countries in formulating programmes and action plans to support capacity-building activities in accordance with the annexed framework;

9. *Requests* the secretariat, in accordance with this framework for capacity building, and consistent with Article 8 of the Convention, to undertake the following tasks:

(a) To cooperate with the operating entity of the financial mechanism, its implementing agencies and other entities for capacity building, to facilitate the implementation of this framework;

(b) To collect, process, compile and disseminate, in both printed and electronic formats, the information needed by the Conference of the Parties or its subsidiary bodies to review the progress in the implementation of this framework for capacity building, drawing in particular on information contained in:

- (i) National communications of developing country Parties relating to capacity-building activities;
- (ii) National communications of Parties included in Annex II to the Convention on activities and programmes undertaken to facilitate capacity building in developing countries related to the implementation of this framework;
- (iii) Reports from the Global Environment Facility and other agencies;

(c) To provide reports to the Conference of the Parties at each of its sessions on activities to implement this framework;

10. *Decides* that the Subsidiary Body for Implementation will regularly monitor the progress of the implementation of this framework, taking into account the information provided under paragraphs 9(b) and 9(c) above, and reporting to the Conference of the Parties at each of its sessions;

11. *Decides* to conduct a comprehensive review of the implementation of this framework at the ninth session of the Conference of the Parties, and every five years thereafter;

12. *Invites* Parties to provide information through national communications and other reports to enable the Subsidiary Body for Implementation to monitor progress in the implementation of this framework;

13. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt a decision containing a framework on capacity building that reaffirms the framework annexed to the present decision with additional reference to priority areas for capacity building relating to the implementation of the Kyoto Protocol.

*8<sup>th</sup> plenary meeting  
10 November 2001*



## ANNEX

### **Framework for capacity building in developing countries**

#### **A. Purposes**

1. The present framework for capacity building in developing countries sets out the scope of, and provides the basis for action on, capacity building related to the implementation of the Convention and preparation for the effective participation of developing countries in the Kyoto Protocol process that will, in a coordinated manner, assist them in promoting sustainable development while meeting the objective of the Convention. It should serve as a guide for the Global Environment Facility as an operating entity of the financial mechanism, and be considered by multilateral and bilateral organizations in their capacity-building activities related to the implementation of the Convention and preparation for their effective participation in the Kyoto Protocol process.

#### **B. Guiding principles and approaches**

2. This framework for capacity-building in developing countries is guided and informed by, *inter alia*, Articles 4.1, 4.3, 4.4, 4.5 and 4.7, in the context of Article 3, and Articles 5, 6 and 11.1 of the Convention, and relevant provisions contained in decisions 11/CP.1, 10/CP.2, 11/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 5/CP.4, 6/CP.4, 7/CP.4, 12/CP.4, 14/CP.4, and 10/CP.5,<sup>1</sup> and takes into account Article 10, paragraphs (c), (d), and (e), and Article 11 of the Kyoto Protocol.

3. Capacity-building activities related to the implementation of the Convention by developing countries and to the preparation for their effective participation in the Kyoto Protocol process should build on work already undertaken by developing countries, as well as on the work undertaken with support from multilateral and bilateral organizations.

4. The capacity-building needs already identified in the various decisions of the Conference of the Parties should continue to be comprehensively and promptly addressed to promote sustainable development in developing countries through the effective implementation of the Convention and preparation for their effective participation in the Kyoto Protocol process.

5. There is no “one size fits all” formula for capacity building. Capacity building must be country-driven, addressing the specific needs and conditions of developing countries and reflecting their national sustainable development strategies, priorities and initiatives. It is primarily to be undertaken by and in developing countries in accordance with the provisions of the Convention.

6. Capacity building is a continuous, progressive and iterative process, the implementation of which should be based on the priorities of developing countries.

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<sup>1</sup> For the full texts of decisions adopted by the Conference of the Parties at its first, second, third, fourth and fifth sessions, see documents FCCC/CP/1995/7/Add.1, FCCC/CP/1996/15/Add.1, FCCC/CP/1997/7/Add.1, FCCC/CP/1998/16/Add.1 and FCCC/CP/1999/6/Add.1, respectively.

7. Capacity-building activities should be undertaken in an effective, efficient, integrated and programmatic manner, taking into consideration the specific national circumstances of developing countries.
8. Capacity-building activities undertaken within this framework should maximize synergies between the Convention and other global environmental agreements, as appropriate.
9. Capacity building is crucial to developing countries, especially those that are particularly vulnerable to the adverse effects of climate change. The special circumstances of least developed countries and small island developing States need to be taken into account in the implementation of this framework. They include:
  - (a) Fragile ecosystems;
  - (b) High population pressure and isolated geographic locations;
  - (c) Weak economies, low incomes, high levels of poverty and a lack of foreign investment;
  - (d) Land degradation, desertification;
  - (e) Undeveloped services, *inter alia*, meteorologic and hydrological services and water resources management;
  - (f) Lack of early warning systems for natural disaster management;
  - (g) Inadequate food security.
10. Capacity building involves “learning by doing”. Demonstration projects may be used in identifying and learning about the specific capacities that need to be further developed in developing countries.
11. Existing national institutions have an important role to play in supporting capacity-building activities in developing countries. Such centres can incorporate traditional skills, knowledge and practices, to provide appropriate services in developing countries and facilitate information sharing. Whenever possible and effective, therefore, capacity building should mobilize these existing national, subregional and regional institutions and the private sector in developing countries, and build on existing processes and endogenous capacities.
12. National coordinating mechanisms and focal points and national coordinating entities have an important role to play in ensuring coordination at the country and regional levels and may serve as the focal point for coordinating capacity-building activities.
13. Multilateral and bilateral bodies are encouraged to take account of this framework in their consultations with developing countries when supporting capacity-building activities related to the implementation of the Convention and the preparation for the effective participation by developing countries in the Kyoto Protocol process.

### **C. Objective and scope of capacity building**

#### *Objective*

14. Capacity building should assist developing countries to build, develop, strengthen, enhance, and improve their capabilities to achieve the objective of the Convention through the implementation of the provisions of the Convention and the preparation for their effective participation in the Kyoto Protocol process.

#### *Scope*

15. The following is the initial scope of needs and areas for capacity building in developing countries as broadly identified in the annex to decision 10/CP.5, in the compilation and synthesis document prepared by the secretariat,<sup>2</sup> and in submissions by Parties:<sup>3</sup>

- (a) Institutional capacity building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points;
- (b) Enhancement and/or creation of an enabling environment;
- (c) National communications;
- (d) National climate change programmes;
- (e) Greenhouse gas inventories, emission database management, and systems for collecting, managing and utilizing activity data and emission factors;
- (f) Vulnerability and adaptation assessment;
- (g) Capacity building for implementation of adaptation measures;
- (h) Assessment for implementation of mitigation options;
- (i) Research and systematic observation, including meteorological, hydrological and climatological services;
- (j) Development and transfer of technology;
- (k) Improved decision-making, including assistance for participation in international negotiations;
- (l) Clean development mechanism;
- (m) Needs arising out of the implementation of Article 4, paragraphs 8 and 9, of the Convention;
- (n) Education, training and public awareness;

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<sup>2</sup> FCCC/SB/2000/INF.1.

<sup>3</sup> FCCC/SB/2000/INF.5.

- (o) Information and networking, including the establishment of databases.

16. Other capacity-building needs and possible responses are being identified by the Parties in their discussions of other issues. The decisions resulting from these discussions, as well as other activities related to the implementation of the Convention and preparation for the effective participation by developing countries in the Kyoto Protocol process, should continue to inform the scope and implementation of this framework.

*Specific scope for capacity building in least developed countries*

17. The least developed countries, and small island developing States amongst them, are among the most vulnerable to extreme weather events and the adverse effects of climate change. They also have the least capacity to cope with and adapt to the adverse effects of climate change. The following is the initial assessment of needs and priority areas for capacity building in these countries:

- (a) Strengthening existing and, where needed, establishing national climate change secretariats or focal points to enable the effective implementation of the Convention and effective participation in the Kyoto Protocol process, including preparation of national communications;
- (b) Developing an integrated implementation programme which takes into account the role of research and training in capacity building;
- (c) Developing and enhancing technical capacities and skills to carry out and effectively integrate vulnerability and adaptation assessments into sustainable development programmes and develop national adaptation programmes of action;
- (d) Strengthening existing and, where needed, establishing national research and training institutions in order to ensure the sustainability of the capacity-building programmes;
- (e) Strengthening the capacity of meteorological and hydrological services to collect, analyse, interpret and disseminate weather and climate information to support implementation of national adaptation programmes of action;
- (f) Enhancing public awareness (level of understanding and human capacity development).

**D. Implementation**

*Actions to enhance the implementation of this framework, taking into account the initial scope outlined in paragraphs 15 to 17 above*

18. All Parties should improve the coordination and effectiveness of capacity-building efforts through dialogue between and among Annex II Parties, developing country Parties, and bilateral and multilateral institutions. All Parties should support the operation of this framework and promote conditions conducive to the sustainability and effectiveness of capacity-building activities.

19. In implementing this framework, developing country Parties should:

(a) Continue to identify their specific needs, options and priorities for capacity building on a country-driven basis, taking into account existing capacities and past and current activities;

(b) Promote South-South cooperation by utilizing the services of institutions in developing countries that can support capacity-building activities at the national, subregional and regional levels, wherever possible and effective;

(c) Promote the participation of a wide range of stakeholders, including governments at all levels, national and international organizations, civil society and the private sector, as appropriate;

(d) Promote the coordination and sustainability of activities undertaken within this framework, including the efforts of national coordinating mechanisms, focal points, and national coordinating entities;

(e) Facilitate the dissemination and sharing of information on capacity-building activities conducted by developing countries for better coordination and South-South cooperation.

20. In implementing this framework, Annex II Parties should:

(a) Provide additional financial and technical resources to assist developing countries, in particular the least developed countries and small island developing States among them, in the implementation of this framework, including promptly available financial and technical resources to enable them to undertake country-level needs assessments and to develop specific capacity-building activities consistent with this framework;

(b) Respond to the capacity-building needs and priorities of developing countries, in particular the least developed countries and small island developing States among them, in a coordinated and timely manner, and support activities implemented at the national and, as appropriate, subregional and regional levels;

(c) Give particular attention to the needs of least developed countries and small island developing States among them.

#### *Financing and operation*

21. Financial and technical resources should be made available, through an operating entity of the financial mechanism and, as appropriate, through multilateral and bilateral agencies and the private sector, to assist developing countries, in particular the least developed countries and small island developing States among them, in the implementation of this framework.

22. In response to this framework, the operating entity of the financial mechanism should elaborate a country-driven strategy for its capacity-building activities.

23. Multilateral and bilateral agencies are encouraged to take constructive action to support capacity-building activities in this framework through streamlined and coordinated approaches and in a timely manner.

24. Financial and other assistance is to be made available to developing countries, in particular to the least developed countries and small island developing States among them, to enable them to continue to determine, assess and prioritize their needs for capacity building in a simple, timely manner and to assist them in strengthening existing institutions and, when needed, to establish the institutional arrangements to implement effective capacity-building activities.

25. The capacity-building activities undertaken within this framework are to be country-driven and implemented primarily at the country level.

26. In order to facilitate the exchange of information and cooperation, developing countries, in collaboration with relevant institutions, should identify regional, subregional and sectoral activities that can effectively and efficiently address common capacity-building needs.

27. The results of activities conducted by the Global Environment Facility as a multilateral financial institution, including the Capacity Development Initiative, as well as activities undertaken by multilateral, bilateral and private sector entities, may be considered in further developing capacity-building activities within this framework at the regional and subregional levels.

#### *Time frame*

28. This framework for capacity building should be implemented promptly, taking into account the immediate, medium- and long-term priority needs identified by developing countries.

29. Developing countries which have already identified their capacity-building priorities through ongoing work aimed at the implementation of the Convention should be able to promptly implement capacity-building activities under this framework.

30. The immediate priority needs of developing countries, in particular the least developed countries and small island developing States among them, should be addressed urgently in the implementation of this framework.

#### *Review of progress*

31. The Conference of the Parties, through the Subsidiary Body for Implementation, shall regularly monitor and review the progress in the implementation of this framework.

32. The Global Environment Facility, as an operating entity of the financial mechanism, is requested to report on its progress in support of the implementation of this framework in its reports to the Conference of the Parties.

*Role of the secretariat*

33. In accordance with this framework for capacity building, the secretariat is requested, consistent with Article 8 of the Convention, to undertake the following tasks:

(a) To cooperate with the operating entity of the financial mechanism, its implementing agencies and other entities for capacity building to facilitate the implementation of this framework;

(b) To collect, process, compile and disseminate the information needed by the Conference of the Parties or its subsidiary bodies to review the progress made in the implementation of this framework for capacity building.

### **Decision 3/CP.7**

#### **Capacity building in countries with economies in transition**

*The Conference of the Parties,*

*Recalling* its decision 11/CP.5,

*Recalling* Articles 4.1, 4.2, 4.5 and 4.6, 5, 6 and 12 of the Convention,

*Noting* Articles 2, 3, 5, 6, 7, 10 and 17 of the Kyoto Protocol,

*Further recalling* its decisions 9/CP.2, 6/CP.4 and 7/CP.4,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation,<sup>1</sup>

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

1. *Adopts* the framework for capacity-building activities in countries with economies in transition contained in the annex below;
2. *Decides* to give immediate effect to this framework, in order to assist Parties with economies in transition to implement the Convention;
3. *Notes* that many areas for capacity building identified under the Convention are also relevant to the preparation of Parties with economies in transition for participation in the Kyoto Protocol when it enters into force;
4. *Decides* to review the effectiveness of the implementation of the framework at regular intervals;
5. *Invites* Parties included in Annex II to the Convention (Annex II Parties) and Parties with economies in transition to provide information to enable the Conference of the Parties and the subsidiary bodies to monitor progress in the implementation of this framework, consistent with guidelines for the preparation of national communications;
6. *Urges* Annex II Parties, through multilateral agencies, including through the Global Environment Facility within its mandate, and bilateral agencies and the private sector, as appropriate, to make available financial and technical support for the implementation of this framework for capacity building, including assistance for the development of national action plans of Parties with economies in transition consistent with their priorities;
7. *Further urges* multilateral and bilateral agencies to coordinate their activities in support of the implementation of this framework for capacity building;

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<sup>1</sup> FCCC/SBSTA/2000/10 and FCCC/SBI/2000/10.



8. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt a decision endorsing a framework for capacity building under the Convention that parallels the framework contained in the annex below, with additional reference to priority areas for capacity building relating to implementation of the Kyoto Protocol;

9. *Requests* the secretariat, consistent with Article 8 of the Convention:

(a) To cooperate with multilateral and bilateral institutions to facilitate the implementation of this framework;

(b) To collect, process, compile and disseminate the information needed by the Conference of the Parties and the subsidiary bodies to monitor progress in the implementation of this framework.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## ANNEX

### **Framework for capacity building in countries with economies in transition**

#### **A. Purpose**

1. The purpose of this framework for capacity building is to set out the scope and basis for action for capacity-building activities in countries with economies in transition (EIT Parties) under the Convention and for the preparation of EIT Parties for their participation in the Kyoto Protocol when it enters into force.

#### **B. Guiding principles and approaches**

2. This framework for capacity-building in EIT Parties is guided and informed by, *inter alia*, Articles 4.1, 4.2, 4.5 and 4.6, 5, 6 and 12 of the Convention and relevant provisions contained in decisions 9/CP.2, 6/CP.4, 7/CP.4 and 11/CP.5,<sup>2</sup> and takes account of Articles 2, 3, 5, 6, 7 and 17 of the Kyoto Protocol.

3. As Parties included in Annex I, EIT Parties have quantified emission limitation and reduction commitments that impose challenges to their existing capacities to implement the Convention. As Parties undergoing the process of transition to a market economy, they need to enhance their ability to address climate change issues. Capacity building is therefore critical to the effective implementation by EIT Parties of their commitments under the Convention and the preparation of EIT Parties for their participation in the Kyoto Protocol when it enters into force.

4. Capacity building for EIT Parties must be country-driven, be consistent with their national sustainable development strategies, reflect their national initiatives and priorities, respond to needs determined and prioritized by EIT Parties themselves, and be primarily undertaken by and in EIT Parties in partnership with other Parties and relevant organizations, as appropriate, in accordance with the provisions of the Convention.

5. Capacity building should contribute to the effective implementation of the Convention by EIT Parties and the preparation of EIT Parties for their participation in the Kyoto Protocol when it enters into force.

6. Capacity-building efforts are more effective when they take place within an enabling environment conducive to the development of human, institutional and technical capacity.

7. Capacity building should be results-oriented and implemented in an integrated and programmatic manner to facilitate its monitoring and evaluation, cost-effectiveness and efficiency.

8. Capacity building is a continuous process aimed at strengthening or establishing, as appropriate, relevant institutions, organizational structures, and human resources in order to strengthen expertise relevant to paragraph 3 of this framework.

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<sup>2</sup> For the full texts of decisions adopted by the Conference of the Parties at its second, fourth and fifth sessions, see FCCC/CP/1996/15/Add.1, FCCC/CP/1998/16/Add.1 and FCCC/CP/1999/6/Add.1 respectively.

9. Capacities should be developed and strengthened in a manner and under conditions that will work towards sustainability and support the short- and long-term objectives and priorities of EIT Parties under the Convention.
10. Capacity building involves “learning by doing”. Capacity-building activities should be designed and implemented in a flexible manner.
11. Capacity building should improve the coordination and effectiveness of existing efforts and promote the participation of, and dialogue between, a wide range of actors and constituencies, including governments at all levels, international organizations, civil society and the private sector.
12. Wherever possible, capacity-building should utilize existing institutions and bodies and build on existing processes and endogenous capacities.
13. National focal points and other institutions, such as research centres and universities and other relevant organizations, should play an important role in providing capacity-building services and facilitating the flow of knowledge, best practices and information.
14. Capacity-building should be designed so that it results in the development, strengthening and enhancement of institutional capacities, human resources, knowledge and information, methodologies and practices, and the participation and networking of EIT Parties to promote sustainable development, and for the purpose set out in paragraph 1 of this framework.
15. Capacity building in support of achieving the objectives of the Convention should maximize synergies between the Convention and other global environmental agreements, as appropriate.
16. Capacity building is more effective when it is coordinated at all levels (national, regional and international) through dialogue between and among Annex I Parties, and when past and existing efforts are taken into account.

### **C. Objective and scope of capacity building**

#### *Objective*

17. To build the capacity of EIT Parties to enable them to effectively implement the objective of the Convention and to prepare for their participation in the Kyoto Protocol when it enters into force.

#### *Scope*

18. To ensure that capacity-building efforts are country-driven, each EIT Party should, within the scope of capacity building, determine its specific objectives, needs, priorities, and options to implement the Convention and to prepare for its participation in the Kyoto Protocol when it enters into force, consistent with its national sustainable development strategy, taking into account existing capacities and past and current activities undertaken by the country itself, and in partnership with bilateral and multilateral institutions and the private sector.

19. The needs for capacity building in EIT Parties were first identified in the compilation and synthesis document prepared by the secretariat<sup>3</sup> based on the submissions of EIT Parties.<sup>4</sup> The general areas and needs for capacity building are listed below. This scope for capacity-building may be revised as further information is made available and as needs and priorities are further identified.

20. General priority areas for capacity-building identified by EIT Parties related to the implementation of the Convention, which may also be relevant to their preparation for participation in the Kyoto Protocol, are to be identified in their national action plan for capacity building, and include:

- (a) National greenhouse gas (GHG) inventories;
- (b) Projections of GHG emissions;
- (c) Policies and measures, and the estimation of their effects;
- (d) Impact assessment and adaptation;
- (e) Research and systematic observation;
- (f) Education, training and public awareness;
- (g) Transfer of environmentally sound technologies;
- (h) National communications and national climate action plans;
- (i) National systems for estimation of GHG emissions;
- (j) Modalities for accounting relating to targets, timetables and national registries;
- (k) Reporting obligations;
- (l) Joint implementation projects and emissions trading.

21. In order to maximize available resources for capacity building and to facilitate exchange and cooperation among EIT Parties, multilateral and bilateral agencies in consultation with EIT Parties should assist, as appropriate, the efforts of EIT Parties themselves to identify, develop and implement national, regional, subregional and sectoral activities that meet the capacity-building needs of EIT Parties. The results of the current and next phase of the Capacity Development Initiative of the Global Environment Facility (GEF) could provide valuable inputs for these activities.

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<sup>3</sup> FCCC/SB/2000/INF.2.

<sup>4</sup> FCCC/SB/2000/INF.7.

## **D. Implementation**

### *Responsibilities for implementation*

22. In implementing the activities undertaken within this framework for capacity-building, EIT and Annex II Parties have the following mutual responsibilities:

- (a) To improve the coordination and effectiveness of existing efforts;
- (b) To provide information to enable the Conference of the Parties to monitor progress in the implementation of this framework for capacity building.

23. In the implementation of this framework for capacity building, EIT Parties have the following responsibilities:

- (a) To provide an enabling environment to promote the sustainability and effectiveness of capacity-building activities relating to the implementation of the ultimate objective of the Convention;
- (b) To identify their specific needs, priorities and options for capacity building on a country-driven basis, taking into account existing capacities and past and current activities;
- (c) To identify and provide information on their own capacity-building activities;
- (d) To promote cooperation among EIT Parties as well as to report to the Conference of the Parties on these activities in their national communications;
- (e) To ensure the mobilization and sustainability of national capacities, including the institutional leadership necessary for national coordination and the effectiveness of capacity-building activities;
- (f) To promote the participation in and access to capacity-building activities of all stakeholders, including governments, civil society and the private sector, as appropriate.

24. In cooperating with EIT Parties to support the implementation of this framework for capacity building, Annex II Parties have the following responsibilities:

- (a) To assist EIT Parties, including by making available financial and other resources, to undertake country-level needs assessments to enable them to effectively implement the Convention and, as appropriate, to prepare them for participation in the Kyoto Protocol when it enters into force;
- (b) To assist EIT Parties, including through the provision of financial and other resources, to implement options for capacity building consistent with their specific priorities and this framework.

### *Financing*

25. The Annex II Parties, through multilateral agencies, including through the Global Environment Facility within its mandate, and bilateral agencies and the private sector as

appropriate, are requested to make available financial and technical support to assist EIT Parties in the implementation of this framework for capacity building.

*Time frame*

26. The implementation of activities undertaken within this framework for capacity building should commence as soon as possible.

*Monitoring of progress*

27. The Conference of the Parties, through the subsidiary bodies, shall monitor the effectiveness of the implementation of this framework for capacity building.

28. Information to enable the Conference of the Parties to monitor the effectiveness of the implementation of this framework should be reported by Parties. Other institutions involved in capacity building in EIT Parties are invited to provide information for this purpose.

*Role of the secretariat*

29. In accordance with this framework for capacity building, the secretariat is requested, consistent with Article 8 of the Convention, to undertake the following tasks:

(a) To cooperate with multilateral and bilateral institutions to facilitate the implementation of this framework;

(b) To collect, process, compile and disseminate the information needed by the Conference of the Parties or its subsidiary bodies to monitor progress in the implementation of this framework for capacity building.

## Decision 4/CP.7

### Development and transfer of technologies (decisions 4/CP.4 and 9/CP.5)

*The Conference of the Parties,*

*Recalling* chapter 34 of Agenda 21 and the relevant provisions of the programme for the further implementation of Agenda 21 on the transfer of environmentally sound technologies adopted by the United Nations General Assembly at its nineteenth special session,<sup>1</sup>

*Pursuant* to the relevant provisions of the Convention, in particular, its Articles 4.1, 4.3, 4.5, 4.7, 4.8 and 4.9, Article 9.2(c), Articles 11.1, 11.5, and Articles 12.3 and 12.4,

*Recalling* its decisions 11/CP.1, 13/CP.1, 7/CP.2, 9/CP.3, 4/CP.4, 9/CP.5 and the relevant provisions of its decision 1/CP.4 on the Buenos Aires Plan of Action,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

1. *Decides* to adopt the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention contained in the annex to this decision as part of the outcome of the technology transfer consultative process (decision 4/CP.4) and the Buenos Aires Plan of Action (decision 1/CP.4);
2. *Decides* to establish an expert group on technology transfer to be nominated by Parties, with the objective of enhancing the implementation of Article 4, paragraph 5, of the Convention, including, *inter alia*, by analysing and identifying ways to facilitate and advance technology transfer activities and making recommendations to the Subsidiary Body for Scientific and Technological Advice. The Conference of the Parties will review at its twelfth session the progress of the work and terms of reference, including, if appropriate, the status and continuation of the expert group;
3. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism of the Convention, to provide financial support for the implementation of the annexed framework through its climate change focal area and the special climate change fund established under decision 7/CP.7;
4. *Urges* developed country Parties to provide technical and financial assistance, as appropriate, through existing bilateral and multilateral cooperative programmes to support the efforts of the Parties in implementing the programmes and measures identified in the annexed framework and to enhance the implementation of Article 4, paragraph 5, of the Convention;

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<sup>1</sup> A/RES/S-19/2.

5. *Requests* the Convention secretariat:

(a) To consult with relevant international organizations, and solicit information on their capabilities and abilities to support certain activities identified in the framework for meaningful and effective actions contained in the annex to this decision, and to report on its findings to the Subsidiary Body for Scientific and Technological Advice at its seventeenth session;

(b) To facilitate the implementation of the annexed framework in cooperation with the Parties, the Global Environment Facility and other relevant international organizations.

*8<sup>th</sup> plenary meeting  
10 November 2001*



## ANNEX

### **Framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention**

#### **A. Purpose**

1. The purpose of this framework is to develop meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention by increasing and improving the transfer of and access to environmentally sound technologies (ESTs) and know-how.

#### **B. Overall approach**

2. The successful development and transfer of ESTs and know-how requires a country-driven, integrated approach, at a national and sectoral level. This should involve cooperation among various stakeholders (the private sector, governments, the donor community, bilateral and multilateral institutions, non-governmental organizations and academic and research institutions), including activities on technology needs assessments, technology information, enabling environments, capacity building and mechanisms for technology transfer.

#### **C. Key themes and areas for meaningful and effective actions**

##### **1. Technology needs and needs assessments**

###### *Definition*

3. Technology needs and needs assessments are a set of country-driven activities that identify and determine the mitigation and adaptation technology priorities of Parties other than developed country Parties, and other developed Parties not included in Annex II, particularly developing country Parties. They involve different stakeholders in a consultative process to identify the barriers to technology transfer and measures to address these barriers through sectoral analyses. These activities may address soft and hard technologies, such as mitigation and adaptation technologies, identify regulatory options and develop fiscal and financial incentives and capacity building.

###### *Purpose*

4. The purpose of technology needs assessments is to assist in identifying and analysing priority technology needs, which can form the basis for a portfolio of EST projects and programmes which can facilitate the transfer of, and access to, the ESTs and know-how in the implementation of Article 4, paragraph 5, of the Convention.

###### *Implementation*

5. Parties other than developed country Parties, and other developed Parties not included in Annex II, particularly developing country Parties, are encouraged to undertake assessments of country-specific technology needs, subject to the provision of resources, as appropriate to country-specific circumstances, from developed country Parties and other developed Parties included in Annex II. Other organizations in a position to do so may also assist in facilitating the

technology needs assessment process. Parties are encouraged to make available information on the results of their needs assessments in their national communications, other related national reports and channels (for example, technology information clearing houses) for consideration by the Subsidiary Body for Scientific and Technological Advice (SBSTA) on a regular basis.

6. Developed country Parties and other developed Parties included in Annex II to the Convention are urged to facilitate and support the needs assessments process, recognizing the special circumstances of least developed countries.

7. The Chairman of the SBSTA, with the assistance of the secretariat, in consultation with the expert group on technology transfer, is requested to organize a meeting with representatives from governments, experts drawn from the UNFCCC roster of experts, and representatives from relevant international organizations, to identify methodologies needed to undertake technology needs assessments and to report its findings to the SBSTA at its sixteenth session.

## 2. Technology information

### *Definition*

8. The technology information component of the framework defines the means, including hardware, software and networking, to facilitate the flow of information between the different stakeholders to enhance the development and transfer of environmentally sound technologies. This technology information component of the framework could provide information on technical parameters, economic and environmental aspects of environmentally sound technologies and the identified technology needs of Parties not included in Annex II, particularly developing country Parties, as well as information on the availability of environmentally sound technologies from developed countries and opportunities for technology transfer.

### *Purpose*

9. The technology information component serves to establish an efficient information system in support of technology transfer and to improve the generation and flow of, access to, and quality of technical, economic, environmental and regulatory information relating to the development and transfer of ESTs under the Convention.

### *Implementation*

10. The Convention secretariat is requested:

(a) To build on the success of the current work, including that undertaken by the secretariat, in cooperation with the Climate Technology Initiative and other relevant organizations, *inter alia*, to develop a new search engine on the Internet that will allow for quick access to existing inventories of environmentally sound and economically viable technologies and know-how, including those conducive to mitigating and adapting to climate change;

(b) To identify, in collaboration with regional centres and other institutions, gaps in existing EST inventories, and update and develop inventories, as needed;

(c) To organize an expert workshop on technology information, including options for the establishment of an information clearing house and enhancement of information centres and networks, and to further define user needs, criteria for quality control, technical specifications and the role and contribution of the Parties;

(d) To accelerate its work on the development of a technology transfer information clearing house by coordinating with Parties and relevant United Nations agencies and other international organizations and institutions, and developing options for implementation, in particular, networking of an international technology information clearing house under the Convention, and enhancement of technology information centres and networks. A report on the options and recommendations should be provided to the SBSTA at its sixteenth session.

11. An information clearing house, including a network of technology information centres, should be established under the auspices of the secretariat, by the time of the eighth session of the Conference of the Parties, taking into consideration the conclusions of the SBSTA, at its sixteenth session, on the above-mentioned report.

### 3. Enabling environments

#### *Definition*

12. The enabling environments component of the framework focuses on government actions, such as fair trade policies, removal of technical, legal and administrative barriers to technology transfer, sound economic policy, regulatory frameworks and transparency, all of which create an environment conducive to private and public sector technology transfer.

#### *Purpose*

13. The purpose of the enabling environments component of the framework is to improve the effectiveness of the transfer of environmentally sound technologies by identifying and analysing ways of facilitating the transfer of environmentally sound technologies, including the identification and removal of barriers at each stage of the process.

#### *Implementation*

14. The following are means of creating enabling environments for technology transfer:

(a) All Parties, particularly developed country Parties, are urged to improve, as appropriate, the enabling environment for the transfer of environmentally sound technologies through the identification and removal of barriers, including, *inter alia*, strengthening environmental regulatory frameworks, enhancing legal systems, ensuring fair trade policies, utilizing tax preferences, protecting intellectual property rights and improving access to publicly funded technologies and other programmes, in order to expand commercial and public technology transfer to developing countries;

(b) All Parties are urged to explore, as appropriate, opportunities for providing positive incentives, such as preferential government procurement and transparent and efficient approval procedures for technology transfer projects, which support the development and diffusion of environmentally sound technologies;

(c) All Parties are urged to promote joint research and development programmes, as appropriate, both bilaterally and multilaterally;

(d) Developed country Parties are encouraged to promote further and to implement facilitative measures, for example export credit programmes and tax preferences, and regulations, as appropriate, to promote the transfer of environmentally sound technologies;

(e) All Parties, particularly developed country Parties, are encouraged to integrate, as appropriate, the objective of technology transfer to developing countries into their national policies, including environmental and research and development policies and programmes;

(f) Developed countries are encouraged to promote, as appropriate, the transfer of publicly owned technologies.

#### 4. Capacity building

##### *Definition*

15. Within the context of enhancing the implementation of Article 4, paragraph 5, of the Convention, capacity building is a process which seeks to build, develop, strengthen, enhance and improve existing scientific and technical skills, capabilities and institutions in Parties other than developed country Parties, and other developed Parties not included in Annex II, particularly developing country Parties, to enable them to assess, adapt, manage and develop environmentally sound technologies.

16. Capacity building must be country-driven, addressing specific needs and conditions of developing countries and reflecting their national sustainable development strategies, priorities and initiatives. It is primarily to be undertaken by and in developing countries in accordance with the provisions of the Convention.

##### *Purpose*

17. The purpose of capacity building under this framework is to strengthen the capacities of Parties other than developed country Parties and other developed Parties not included in Annex II, particularly developing country Parties, to promote the widespread dissemination, application and development of environmentally sound technologies and know-how, to enable them to implement the provisions of the Convention. Capacity building under this framework should be guided by the principles established in the decisions related to capacity building (decisions 2/CP.7 and 3/CP.7).

##### *Scope*

18. The following sets out the initial scope of the needs and areas for capacity building of Parties, other than developed country Parties and other developed Parties not included in Annex II, particularly developing country Parties, for the transfer of, and access to, environmentally sound technologies and know-how:

(a) Implementation of regional, subregional and/or national capacity-building activities related to the transfer and development of technologies;

- (b) Enhancement of the awareness of financial institutions, public, private and international, of the need to evaluate environmentally sound technologies on an equal footing with other technology options;
  - (c) Provision of opportunities for training in the use of environmentally sound technologies through demonstration projects;
  - (d) Enhancement of skills in the adoption, adaptation, installation, operation and maintenance of specific environmentally sound technologies and a broadening of understanding of methodologies for evaluating alternative technological options;
  - (e) Strengthening of the capacities of existing national and regional institutions relevant to technology transfer, taking into account country- and sector-specific circumstances, including South-South cooperation and collaboration;
  - (f) Training in project development and the management and operation of climate technologies;
  - (g) Development and implementation of standards and regulations promoting the use, transfer of, and access to ESTs, taking cognizance of country-specific policies, programmes and circumstances;
  - (h) Development of skills and know-how in conducting technology needs assessments;
  - (i) Improvement of knowledge on energy efficiency and the utilization of renewable energy technologies.
19. The following sets out the initial scope of the needs and areas for capacity building for the development and enhancement of endogenous capacities and technologies in developing countries. These shall be country-driven processes supported by developed country Parties:
- (a) To establish and/or strengthen, as appropriate, relevant organizations and institutions in developing countries;
  - (b) To establish and/or strengthen, to the extent possible, training, expert exchange, scholarship and cooperative research programmes in relevant national and regional institutions in developing countries for the transfer, operation, maintenance, adaptation, diffusion and development of environmentally sound technologies;
  - (c) To build capacity for adapting to the adverse effects of climate change;
  - (d) To strengthen the endogenous capacities and capabilities in research, development, technological innovation, adoption and adaptation, and technology for systematic observation relevant to climate change and its associated adverse effects;
  - (e) To improve knowledge in the areas of energy efficiency and the utilization of renewable energy technologies.

### *Implementation*

20. Developed country Parties and other Parties included in Annex II shall take all practicable steps:

(a) To make available resources to assist developing countries in the implementation of capacity building to enhance the implementation of Article 4, paragraph 5, taking into account the provisions of paragraphs 18 and 19 above. These resources should include adequate financial and technical resources to enable developing countries to undertake country-level needs assessments and to develop specific capacity-building activities consistent with enhancing the implementation of Article 4, paragraph 5;

(b) To respond to the capacity-building needs and priorities of developing countries in a coordinated and timely manner, and support activities implemented at the national and, as appropriate, subregional and regional levels;

(c) To give particular attention to the needs of least developed countries and small island developing States.

21. All Parties should improve the coordination and effectiveness of capacity-building activities relating to the development and transfer of technologies. All Parties should promote conditions conducive to the sustainability and effectiveness of these capacity-building activities.

## 5. Mechanisms for technology transfer

### *Definition*

22. The mechanisms for technology transfer, as identified in this section, are to facilitate the support of financial, institutional and methodological activities: (a) to enhance the coordination of the full range of stakeholders in different countries and regions; (b) to engage them in cooperative efforts to accelerate the development and diffusion, including transfer, of environmentally sound technologies, know-how and practices to and between Parties other than developed country Parties and other developed Parties not included in Annex II, particularly developing country Parties, through technology cooperation and partnerships (public/public, private/public and private/private); and (c) to facilitate the development of projects and programmes to support such ends.

### *Purpose*

23. The purpose of the proposed mechanisms is to develop meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention by increasing the transfer of and access to environmentally sound technologies and know-how.

### *Implementation - Institutional arrangement for technology transfer*

24. Functions: To provide scientific and technical advice on the advancement of the development and transfer of environmentally sound technologies and know-how under the Convention, including the preparation of an action plan to enhance the implementation of Article 4, paragraph 5, of the Convention.

25. The terms of reference of the expert group on technology transfer appear in the appendix below.
26. The expert group on technology transfer shall comprise 20 experts, as follows:
- (a) Three members from each of the regions of the Parties not included in Annex I, namely Africa, Asia and the Pacific, and Latin America and the Caribbean;
  - (b) One member from the small island developing States;
  - (c) Seven members from Parties included in Annex I; and
  - (d) Three members from relevant international organizations.
27. The secretariat shall facilitate the organization of meetings of the group and the preparation of its reports to the SBSTA at its subsequent sessions and to the Conference of the Parties.
28. The expert group on technology transfer shall meet twice a year in conjunction with the sessions of the subsidiary bodies.

## APPENDIX

### **Terms of reference of the expert group on technology transfer**

1. The expert group on technology transfer shall have the objectives of enhancing the implementation of Article 4, paragraph 5, of the Convention and advancing the technology transfer activities under the Convention.
2. The expert group on technology transfer shall analyse and identify ways to facilitate and advance technology transfer activities, including those identified in the annex to decision 3/CP.7, and make recommendations to the Subsidiary Body for Scientific and Technological Advice (SBSTA).
3. The expert group on technology transfer shall report on its work each year and propose a programme of work for the following year for decision by the SBSTA.
4. The members of the expert group on technology transfer shall be nominated by Parties for a period of two years and be eligible to serve two consecutive terms. The SBSTA shall ensure that half of the members of the expert group nominated initially shall serve for a period of three years, taking into account the need to maintain the overall balance of the group. Every year thereafter, half of the members shall be nominated for a period of two years. Appointment pursuant to paragraph 5 shall count as one term. The members shall remain in office until their successors are nominated. The members from three relevant international organizations shall serve on an issue-oriented basis.
5. If a member of the expert group on technology transfer resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the expert group may decide, bearing in mind the proximity of the next session of the Conference of the Parties, to request the group that had nominated the member to nominate another member to replace the said member for the remainder of that member's mandate. In such a case, the expert group shall take into account any views expressed by the group that had nominated the member.
6. The expert group on technology transfer shall annually elect a chairperson and a vice-chairperson from among its members, with one being a member from a Party included in Annex I and the other being a member from a Party not included in Annex I. The positions of chairperson and vice-chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.
7. The members of the expert group on technology transfer shall serve in their personal capacity and shall have expertise in any of the following areas, *inter alia*, greenhouse gas mitigation and adaptation technologies, technology assessments, information technology, resource economics, or social development.



### Decision 5/CP.7

#### **Implementation of Article 4, paragraphs 8 and 9, of the Convention (decision 3/CP.3 and Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol)<sup>1</sup>**

*The Conference of the Parties,*

*Determined* to protect the climate system for present and future generations,

*Recalling* its decisions 11/CP.1, 3/CP.3, 1/CP.4, 5/CP.4 and 12/CP.5,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Recognizing* the specific needs and concerns of developing country Parties referred to in Article 4, paragraph 8, of the Convention, and the specific needs and special situations of the least developed countries referred to in Article 4, paragraph 9,

*Recognizing* that low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas or areas liable to floods, drought and desertification, and developing countries with fragile mountainous ecosystems are particularly vulnerable to the adverse effects of climate change,

*Recognizing* the special difficulties of those countries, especially developing countries, whose economies are particularly dependent on fossil fuel production, use and exportation, as a consequence of action taken to limit greenhouse gas emissions,

*Reaffirming* that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities, and that, accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof,

*Reaffirming* that the specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable to the adverse effects of climate change, and of those Parties, especially developing country Parties, which would have to bear a disproportionate or abnormal burden under the Convention, should be given full consideration,

*Affirming* 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 sustained economic growth and the eradication of poverty,

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<sup>1</sup> Paragraphs 13, 17, and 18 of the draft decision contained in document FCCC/CP/2001/5/Add.1 have been omitted from the final text of this decision, since their content is subsumed in decisions 6/CP.7, 28/CP.7 and 29/CP.7 and by the conclusions contained in section V.D. of document FCCC/CP/2001/13/Add.4.

*Acknowledging* the efforts already made by Parties to meet the specific needs and concerns of developing country Parties, in particular the least developed countries, with regard to adaptation,

*Acknowledging* the need to sensitize policy makers and the general public in Parties not included in Annex I to the Convention to climate change and its effects, in accordance with Article 6(a) of the Convention,

*Having considered* the report,<sup>2</sup> in two parts, on the two workshops referred to in decision 12/CP.5,

*Noting* the many persistent uncertainties highlighted by those workshops, particularly with regard to the impact of response measures,

*Insisting* that the extent to which developing country Parties will effectively implement their commitments will depend on the effective implementation by the developed country Parties of their commitments relating to financial resources and transfer of technology and will also take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties,

*Acknowledging* that the impact of the implementation of response measures will differ significantly from country to country, depending on each country's unique national circumstances, including the structure of its economy, trade and investment, natural resource endowment, social system, legal regime and population growth rate,

*Recognizing* that the least developed country Parties are among the most vulnerable to the adverse effects of climate change, and in particular that widespread poverty limits their adaptive capacity,

*Acknowledging* that the human, infrastructural and economic conditions of the least developed countries severely limit their capacities to participate effectively in the climate change process,

*Noting* that many of the least developed country Parties do not have the capacity to prepare and submit national communications in the foreseeable future,

## **I. ADVERSE EFFECTS OF CLIMATE CHANGE**

1. *Asserts* the importance of a country-driven approach that allows developing country Parties to pursue the specific activities most appropriate to their unique national circumstances;
2. *Insists* that action related to adaptation follow an assessment and evaluation process, based on national communications and/or other relevant information, so as to prevent maladaptation and to ensure that adaptation actions are environmentally sound and will produce real benefits in support of sustainable development;

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<sup>2</sup> FCCC/SB/2000/2.

3. *Encourages* Parties not included in Annex I to the Convention (non-Annex I Parties) to provide information, including in their national communications, and/or any other relevant information sources, on their specific needs and concerns arising from the adverse effects of climate change;
4. *Stresses* the need for Parties included in Annex II to the Convention (Annex II Parties) to provide detailed information, including in their national communications, on support programmes to meet the specific needs and circumstances of developing country Parties arising from the adverse effects of climate change;
5. *Encourages* Parties to exchange information on their experience regarding the adverse effects of climate change and on measures to meet their needs arising from these adverse effects;
6. *Underlines* the importance of the ongoing work of the secretariat in compiling and disseminating information on methods and tools for evaluating impacts and adaptation strategies;
7. *Decides* that the implementation of the following activities shall be supported through the Global Environment Facility (in accordance with decision 6/CP.7) and other bilateral and multilateral sources:
  - (a) Information and methodologies:
    - (i) Improving data collection and information gathering, as well as their analysis, interpretation and dissemination to end-users;
    - (ii) Integrating climate change considerations into sustainable development planning;
    - (iii) Providing training in specialized fields relevant to adaptation such as climate and hydroclimate studies, geographical information systems, environmental impact assessment, modelling, integrated coastal zone management, soil and water conservation and soil restoration;
    - (iv) Strengthening existing and, where needed, establishing national and regional systematic observation and monitoring networks (sea-level rise, climate and hydrological monitoring stations, fire hazards, land degradation, floods, cyclones and droughts);
    - (v) Strengthening existing and, where needed, establishing national and regional centres and institutions for the provision of research, training, education and scientific and technical support in specialized fields relevant to climate change, utilizing information technology as much as possible;
    - (vi) Strengthening existing and, where needed, establishing national and regional research programmes on climate variability and climate change, oriented towards improving knowledge of the climate system at the regional level, and creating national and regional scientific capability;

- (vii) Supporting education and training in, and public awareness of, climate change related issues, for example through workshops and information dissemination;
- (b) Vulnerability and adaptation:
  - (i) Supporting enabling activities for vulnerability and adaptation assessment;
  - (ii) Enhancing technical training for integrated climate change impact and vulnerability and adaptation assessments across all relevant sectors, and environmental management related to climate change;
  - (iii) Enhancing capacity, including institutional capacity, to integrate adaptation into sustainable development programmes;
  - (iv) Promoting the transfer of adaptation technologies;
  - (v) Establishing pilot or demonstration projects to show how adaptation planning and assessment can be practically translated into projects that will provide real benefits, and may be integrated into national policy and sustainable development planning, on the basis of information provided in the national communications from non-Annex I Parties and/or other relevant sources, and of the staged approach endorsed by the Conference of the Parties in its decision 11/CP.1;
  - (vi) Supporting capacity building, including institutional capacity, for preventive measures, planning, preparedness of disasters relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme weather events;
  - (vii) Strengthening existing and, where needed, establishing early warning systems for extreme weather events in an integrated and interdisciplinary manner to assist developing country Parties, in particular those most vulnerable to climate change;

8. *Decides* that the implementation of the following activities shall be supported through the special climate change fund (in accordance with decision 7/CP.7) and/or the adaptation fund (in accordance with decision 10/CP.7), and other bilateral and multilateral sources:

(a) Starting to implement adaptation activities promptly where sufficient information is available to warrant such activities, *inter alia*, in the areas of water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountainous ecosystems, and integrated coastal zone management;

(b) Improving the monitoring of diseases and vectors affected by climate change, and related forecasting and early-warning systems, and in this context improving disease control and prevention;

(c) Supporting capacity building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme weather events;

(d) Strengthening existing and, where needed, establishing national and regional centres and information networks for rapid response to extreme weather events, utilizing information technology as much as possible;

9. *Decides* to consider, at its eighth session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change, based on the outcome of the workshops referred to in paragraphs 37 and 38 below;

10. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to review, at their subsequent sessions, the progress of the above-mentioned activities and make recommendations thereon to the Conference of the Parties at its eighth session;

## **II. IMPLEMENTATION OF ARTICLE 4, PARAGRAPH 9, OF THE CONVENTION**

11. *Decides* to establish a work programme for the implementation of Article 4, paragraph 9, of the Convention, which would include activities covered under paragraphs 15 to 19 below, as well as the following:

(a) Strengthening existing and, where needed, establishing, national climate change secretariats and/or focal points to enable the effective implementation of the Convention and the Kyoto Protocol, in the least developed country Parties;

(b) Providing training, on an ongoing basis, in negotiating skills and language, where needed, to develop the capacity of negotiators from the least developed countries to participate effectively in the climate change process;

(c) Supporting the preparation of national adaptation programmes of action;

12. *Decides* that a least developed countries fund shall be established (in accordance with decision 7/CP.7), to be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the Conference of the Parties, to support the work programme for the least developed countries. This work programme shall include, *inter alia*, the preparation and implementation of national adaptation programmes of action;

13. *Invites* Annex II Parties to contribute financially to the programme mentioned in paragraph 11 above;

14. *Invites* Annex II Parties to support least developed country Parties for the following activities:

- (a) Promotion of public awareness programmes to ensure the dissemination of information on climate change issues;
- (b) Development and transfer of technology, particularly adaptation technology (in accordance with decision 4/CP.7);
- (c) Strengthening of the capacity of meteorological and hydrological services to collect, analyse, interpret and disseminate weather and climate information to support implementation of national adaptation programmes of action;

15. *Decides* that support be provided for the development, by the least developed countries, of national adaptation programmes of action which will serve as a simplified and direct channel of communication of information relating to the vulnerabilities and adaptation needs of the least developed countries; the information contained in national adaptation programmes of action may constitute the first step in the preparation of initial national communications;

16. *Decides* to consider, at its current session, the establishment of a least developed country group of experts, including its terms of reference, taking into account geographical balance, as well as the above-mentioned consideration of the terms of reference of the Consultative Group of Experts;

17. *Decides* to assess, at its current session, the status of implementation of Article 4, paragraph 9, of the Convention and to consider further action thereon;

### **III. IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES**

18. *Stresses* that Parties should take action consistent with the provisions of the Convention;

19. *Decides* that the implementation of the activities included in paragraphs 25 to 32 below shall be supported through the Global Environment Facility (in accordance with decision 6/CP.7), the special climate change fund (in accordance with decision 7/CP.7), and other bilateral and multilateral sources:

20. *Encourages* non-Annex I Parties to provide information, in their national communications and/or other relevant reports, on their specific needs and concerns arising from the impact of the implementation of response measures;

21. *Requests* Annex II Parties to provide detailed information, in their national communications and/or any other relevant reports, on their existing and planned support programmes to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures;

22. *Encourages* Annex I and non-Annex I Parties to cooperate in creating favourable conditions for investment in sectors where such investment can contribute to economic diversification;

23. *Requests* Annex II Parties to assist developing countries, in particular those most vulnerable to the impact of the implementation of response measures, in meeting their capacity-building needs for the implementation of programmes which address these impacts;
24. *Urges* Parties to consider appropriate technological options in addressing the impact of response measures, consistent with national priorities and indigenous resources;
25. *Encourages* Parties to cooperate in the technological development of non-energy uses of fossil fuels, and requests Annex II Parties to support developing country Parties to this end;
26. *Encourages* Parties to cooperate in the development, diffusion and transfer of less greenhouse gas-emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels, that capture and store greenhouse gases, and requests Annex II Parties to facilitate the participation of the least developed countries and other non-Annex I Parties in this effort;
27. *Urges* Annex II Parties to provide financial and technological support for strengthening the capacity of developing country Parties identified in Article 4, paragraphs 8 and 9, of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities;
28. *Encourages* Annex II Parties to promote investment in, and to support and cooperate with, developing country Parties in the development, production, distribution and transport of indigenous, less greenhouse gas-emitting, environmentally sound,<sup>3</sup> energy sources, including natural gas, according to the national circumstances of each of these Parties;
29. *Urges* Annex II Parties to provide support for research into, and the development and use of, renewable energy, including solar and wind energy, in developing country Parties;
30. *Decides* to consider, at its eighth session, the implementation of insurance-related actions to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change, based on the outcome of the workshops referred to in paragraphs 37 and 38 below;
31. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to consider, at their subsequent sessions, the response by Parties to the actions listed in paragraphs 25 to 32 above;

#### **IV. FURTHER MULTILATERAL WORK RELATING TO ISSUES UNDER ARTICLE 4, PARAGRAPHS 8 AND 9 OF THE CONVENTION**

32. *Requests* the secretariat to organize regional workshops in order to facilitate information exchange and integrated assessments, including for adaptation;

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<sup>3</sup> Throughout this decision, the term “environmentally sound” means “environmentally safe and sound” (Source: Agenda 21, chapter 1).

33. *Requests* the secretariat to organize a workshop, before the eighth session of the Conference of the Parties, on the status of modelling activities to assess the adverse effects of climate change and the impact of response measures already implemented on individual developing country Parties, including on how to enhance the participation of developing country experts in such efforts, and to report the results of this workshop to the Conference of the Parties at its eighth session. The terms of reference of this workshop will include assessments on approaches to minimize the adverse effects of response measures on developing countries;
34. *Requests* the secretariat to organize a workshop, to be held immediately before the workshop referred to in paragraph 38 below, and before the eighth session of the Conference of the Parties, on insurance and risk assessment in the context of climate change and extreme weather events, and to report the results of this workshop to the Conference of the Parties at its eighth session;
35. *Requests* the secretariat to organize a workshop, to be held immediately after the workshop referred to in paragraph 37 above, and before the eighth session of the Conference of the Parties, on insurance-related actions to address the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and from the impact of the implementation of response measures, and to report the results of this workshop to the Conference of the Parties at its eighth session;
36. *Requests* the secretariat to organize a workshop, before the ninth session of the Conference of the Parties, on possible synergies and joint action with the other multilateral environmental conventions and agreements, such as the United Nations Convention to Combat Desertification, and to report the results of this workshop to the Conference of the Parties at its ninth session;
37. *Requests* the secretariat to organize a workshop, before the ninth session of the Conference of the Parties, on the needs and options of non-Annex I Parties for economic diversification, and on support programmes by Annex II Parties to address these needs, and to report the results of this workshop to the Conference of the Parties at its ninth session;



## **Decision 6/CP.7**

### **Additional guidance to an operating entity of the financial mechanism**

*The Conference of the Parties,*

*Recalling* its decisions 11/CP.1, 10/CP.2, 11/CP.2, 12/CP.2, 2/CP.4, 8/CP.5 and 10/CP.5,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* the extension of funding through the expedited procedures of the Global Environment Facility (GEF) for countries to address capacity-building needs identified in decision 2/CP.4 enabling Parties to maintain and enhance relevant national capacities, and for the preparation of second national communications,

*Noting also* the launching of the GEF Country Dialogue Workshops, which have been designed to strengthen national coordination and capacity building and to promote awareness-raising, and the results of the first phase of the GEF Capacity Development Initiative, a strategic partnership between the GEF secretariat and the United Nations Development Programme, which were forwarded to Parties in accordance with decision 10/CP.5,

1. *Decides* that, in accordance with Articles 4.3, 4.5 and 11.1 of the Convention, the GEF, as an operating entity of the financial mechanism, should provide financial resources to developing country Parties, in particular the least developed and the small island developing States among them, for the following activities, including those identified in paragraph 7 of decision 5/CP.7:

(a) Strengthening, in particularly vulnerable countries and regions identified in stage I activities and especially countries vulnerable to climate-related natural disasters, the implementation of country-driven stage II adaptation activities, pursuant to decision 2/CP.4, paragraph 1 (a), that build upon work done at the national level, either in the context of national communications or of in-depth national studies, including national adaptation programmes of action (NAPAs);

(b) Establishing pilot or demonstration projects to show how adaptation planning and assessment can be practically translated into projects that will provide real benefits, and may be integrated into national policy and sustainable development planning, on the basis of information provided in the national communications, or of in-depth national studies, including NAPAs, and of the staged approach endorsed by the Conference of the Parties in its decision 11/CP.1;

(c) Supporting the continuation of the “country-team” approach, which enhances the collection, management, archiving, analysis, interpretation and dissemination of data on climate change issues and increases national commitment to the implementation of the objective of the Convention;

- (d) Enhancing the capacity of their subregional and/or regional information networks to enable such networks to serve as repositories of climate change related information on vulnerability and adaptation assessments and geographic information systems;
- (e) Improving climate change related data collection (for example, local emission and regional factors) and information-gathering, as well as the analysis, interpretation and dissemination of these data to national policy makers and other end-users;
- (f) Strengthening and, where necessary, establishing:
  - (i) National, subregional or regional databases on climate change;
  - (ii) Subregional and/or regional climate change related institutions and “centres of excellence”, to enable these institutions and centres to provide a supportive framework, which would include information retrieval and technical support;
- (g) Developing and implementing, as appropriate, prioritized projects identified in their national communications;
- (h) Undertaking more in-depth public awareness and education activities and community involvement and participation in climate change issues;
- (i) Building the capacity, including, where appropriate, institutional capacity, for preventive measures, planning, preparedness for disasters related to climate change, including in particular, contingency planning for droughts and floods in areas prone to extreme weather events;
- (j) Strengthening existing and, where needed, establishing early warning systems for extreme weather events in an integrated and interdisciplinary manner to assist developing country Parties, in particular those most vulnerable to climate change;
- (k) Supporting the continuation of GEF-related programmes which assist Parties that are at various stages of preparing and/or completing their initial national communications;

2. *Invites* the GEF:

- (a) To continue its efforts to minimize the time between the approval of project concepts, the development and approval of the related projects, and the disbursement of funds by its implementing/executing agencies to the recipient countries of those projects;
- (b) Further to streamline its project cycle with a view to making project preparations simpler, more transparent and country-driven. In this regard, the project cycles of its implementing/executing agencies should be coordinated with the GEF project cycle;
- (c) To urge its implementing/executing agencies to be more responsive to requests for GEF assistance from developing country Parties for climate change related project activities aimed at implementing the guidance of the Conference of the Parties;

(d) Further to encourage the use of national and regional experts and/or consultants to enhance project development and implementation; in this regard, it should make its list of national and regional experts and/or consultants publicly available;

(e) To give consideration to measures to increase opportunities available to developing country Parties for accessing GEF funds for climate change activities aimed at implementing the guidance of the Conference of the Parties, including a review of the adequacy of the number of implementing/executing agencies available to deliver GEF programmes and projects;

3. *Urges* the GEF to adopt a streamlined and expedited approach to financing activities within the framework for capacity-building in developing countries (non-Annex I Parties) contained in decision 2/CP.7;

4. *Requests* the GEF to include in its report to the Conference of the Parties at its eighth session the specific steps it has taken to implement the provisions of this decision and to include information on its implementation of the framework for capacity-building in developing countries (non-Annex I Parties) contained in decision 2/CP.7;

5. *Requests* the GEF, as an operating entity of the financial mechanism, to provide financial support to implement the capacity-building framework annexed to decision 2/CP.7 and further to support, enhance and implement its capacity-building activities in accordance with this framework.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## Decision 7/CP.7

### Funding under the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, and in particular its Articles 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9, 4.10 and Article 11,

*Recalling also* its decisions 11/CP.1 and 15/CP.1,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* that, by its decisions 2/CP.7, and 6/CP.7, provisions have been made for funding the implementation of capacity-building activities in Parties not included in Annex I, and that additional guidance has been given to the Global Environment Facility to that effect,

*Welcoming* the statements made at the second part of the sixth session by most Parties included in Annex II<sup>1</sup> on their willingness to commit themselves to provide funding,

*Welcoming also* the joint political declaration made by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland, on their preparedness to contribute collectively €450 million / US\$ 410 million annually by 2005, with this level to be reviewed in 2008,

1. *Decides* that:

(a) There is a need for funding, including funding that is new and additional to contributions which are allocated to the climate change focal area of the Global Environment Facility and to multilateral and bilateral funding, for the implementation of the Convention;

(b) Predictable and adequate levels of funding shall be made available to Parties not included in Annex I;

(c) In order to meet the commitments under Articles 4.1, 4.3, 4.4, 4.5, 4.8 and 4.9, Parties included in Annex II, and other Parties included in Annex I that are in a position to do so, should provide funding for developing country Parties, through the following channels:

- (i) Increased Global Environment Facility replenishment;
- (ii) The special climate change fund to be established under this decision;
- (iii) The least developed countries fund to be established under this decision;
- (iv) Bilateral and multilateral sources;

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<sup>1</sup> Joint political declaration by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland, and a statement by Japan. For the text of the political declaration and the statement by Japan, see document FCCC/CP/2001/MISC.4.

(d) Appropriate modalities for burden sharing among the Parties included in Annex II need to be developed;

(e) Parties included in Annex II shall report on their financial contributions on an annual basis;

(f) The Conference of the Parties shall review the reports referred to in subparagraph (e) above on an annual basis;

2. *Decides also* that a special climate change fund shall be established to finance activities, programmes and measures, relating to climate change, that are complementary to those funded by the resources allocated to the climate change focal area of Global Environment Facility and by bilateral and multilateral funding, in the following areas:

(a) Adaptation, in accordance with paragraph 8 of decision 5/CP.7;

(b) Transfer of technologies, in accordance with decision 4/CP.7;

(c) Energy, transport, industry, agriculture, forestry and waste management;

(d) Activities to assist developing country Parties referred to under Article 4, paragraph 8(h), in diversifying their economies, in accordance with decision 5/CP.7;

3. *Decides further* that Parties included in Annex II, and other Parties included in Annex I that are in a position to do so, shall be invited to contribute to the fund, which shall be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the Conference of the Parties;

4. *Invites* the entity referred to in paragraph 3 above to make the necessary arrangements for this purpose and report thereon to the Conference of the Parties at its eighth session for appropriate action;

5. *Decides* to provide guidance to the entity referred to in paragraph 3 above on the modalities for operating this fund, including expedited access;

6. *Decides also* that a least developed countries fund shall be established, which shall be operated by an entity entrusted with the operation of the financial mechanism, under the guidance of the Conference of the Parties, to support a work programme for the least developed countries. This work programme shall include, *inter alia*, national adaptation programmes of action in accordance with Section II, "Implementation of Article 4, paragraph 9, of the Convention", of decision 5/CP.7;

7. *Invites* the entity referred to in paragraph 6 above to make the necessary arrangements for this purpose and report thereon to the Conference of the Parties at its eighth session for appropriate action;

8. *Decides* to provide guidance to the entity referred to in paragraph 6 above on the modalities for operating this fund, including expedited access;

9. *Welcomes* the intention expressed by Canada to contribute C\$10 million, to enable the prompt start of this fund.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## Decision 8/CP.7

### Activities implemented jointly under the pilot phase

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1 and 13/CP.5,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Taking note* of the fourth synthesis report on activities implemented jointly under the pilot phase<sup>1</sup> and the draft revised uniform reporting format,<sup>2</sup>

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation at the first part of their thirteenth sessions,<sup>3</sup>

*Acknowledging* that participating in activities implemented jointly under the pilot phase provides an important opportunity for learning by doing,

*Further acknowledging* the importance of offering opportunities to participate in activities implemented jointly under the pilot phase to those Parties that have not yet experienced such activities,

*Noting* that the geographical distribution of activities implemented jointly under the pilot phase remains unbalanced despite recent improvements,

1. *Decides* to continue the pilot phase for activities implemented jointly;
2. *Requests* the secretariat to organize before the sixteenth sessions of the subsidiary bodies a workshop on the draft revised uniform reporting format providing an opportunity to Parties to exchange views on and understand further the methodological issues related to the format;

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<sup>1</sup> FCCC/SB/2000/6.

<sup>2</sup> FCCC/SB/2000/6/Add.1.

<sup>3</sup> FCCC/SBSTA/2000/10 and FCCC/SBI/2000/10.

3. *Urges* Parties reporting on activities implemented jointly under the pilot phase to submit joint reports through the designated national authority of one Party, which should provide proof that the designated national authorities of all the other Parties involved concur with the reports.

*8<sup>th</sup> plenary meeting  
10 November 2001*



**Decision 9/CP.7**

**Matters relating to Article 3, paragraph 14, of the Kyoto Protocol**

*The Conference of the Parties,*

*Having considered* matters relating to Article 3, paragraph 14, of the Kyoto Protocol,

*Recalling* its decision 8/CP.4, particularly as it refers to decision 5/CP.4,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Matters relating to Article 3, paragraph 14, of the Kyoto Protocol*) below.

*8<sup>th</sup> plenary meeting  
10 November 2001*

**Draft decision -/CMP.1 (*Matters relating to Article 3, paragraph 14, of the Kyoto Protocol*)**

**Matters relating to Article 3, paragraph 14, of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Determined* to protect the climate system for present and future generations,

*Having considered* matters relating to Article 3, paragraph 14, of the Kyoto Protocol,

*Recalling* decisions 8/CP.4 and 5/CP.4,

*Recalling also* decisions 5/CP.4 and 12/CP.5,

*Reiterating* that the extent to which developing country Parties will effectively implement their commitments will depend on the effective implementation by the developed country Parties of their commitments related to financial resources and transfer of technology and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties,

*Reiterating* that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities and, accordingly, that the developed country Parties should take the lead in combating climate change and the adverse effects thereof,

*Recognizing* that developing country Parties that would have to bear a disproportionate or abnormal burden under the Convention should be given full consideration,

*Recognizing* that low-lying and other small island countries, countries with low-lying coastal, arid and semi-arid areas or areas liable to floods, drought and desertification, and developing countries with fragile mountainous ecosystems, are particularly vulnerable to the adverse effects of climate change,

*Recognizing* the special difficulties of those countries, especially developing countries, whose economies are particularly dependent on fossil fuel production, use and exportation, as a consequence of action taken to limit greenhouse gas emissions,

1. *Decides* to establish a process for the implementation of Article 3, paragraph 14, of the Kyoto Protocol, including exchange of information and the development of methodologies on the assessment of adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention, and of their minimization; among the issues to be considered shall be the establishment of funding, insurance and transfer of technology;
2. *Recognizes* that minimizing the impact of the implementation of Article 3, paragraph 1, of the Kyoto Protocol is a development concern affecting both the industrialized and developing countries. Each Party included in Annex I commits itself to take fully into account the consequences of these actions on developing countries, and to prevent or minimize their adverse effects on developing countries; these Parties consider such action as a cost-effectiveness measure;
3. *Requests* each Party included in Annex I to provide information, as part of the necessary supplementary information to its annual inventory report, in accordance with the guidelines under Article 7, paragraph 1, of the Kyoto Protocol, relating to how it is striving, under Article 3, paragraph 14, of the Kyoto Protocol, to implement the commitments mentioned in Article 3, paragraph 1, of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention; and further requests those Parties to incorporate, in this respect, information on action identified in paragraph 8 below, based on methodologies identified at the workshop referred to in paragraph 11 below;
4. *Decides* that the information referred to in paragraph 3 above shall be considered by the facilitative branch of the compliance committee;
5. *Invites* Parties not included in Annex I to provide information on their specific needs and concerns related to the adverse social, environmental and economic impacts arising from the implementation of commitments under Article 3, paragraph 1, of the Kyoto Protocol, and requests Parties included in Annex II to the Convention to provide support for that purpose;

6. *Decides* to develop guidelines before the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to help determine if Parties included in Annex I are striving to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties, and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, based on methodologies identified at the workshop referred to in paragraph 11 below;

7. *Invites* the Intergovernmental Panel on Climate Change, in cooperation with other relevant organizations, to prepare a technical paper on geological carbon storage technologies, covering current information, and report on it for the consideration of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its second session;

8. *Agrees that* Parties included in Annex II to the Convention, and other Parties included in Annex I in a position to do so, should give priority, in implementing their commitments under Article 3, paragraph 14, of the Kyoto Protocol, to the following actions:

(a) The progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities, in pursuit of the objective of the Convention;

(b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies;

(c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end;

(d) Cooperating in the development, diffusion and transfer of less greenhouse gas-emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture and store greenhouse gases, and encouraging their wider use; and facilitating the participation of the least developed countries and other Parties not included in Annex I in this effort;

(e) Strengthening the capacity of developing country Parties identified in Article 4, paragraphs 8 and 9, of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities;

(f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies;

9. *Encourages* Parties included in Annex I to adopt policies and measures that will result in reductions in emissions of greenhouse gases, as an effective contribution to minimizing the adverse effects of climate change, and to provide information on these policies and measures in their national communications;

10. *Decides* to review the actions taken by Parties included in Annex I, in accordance with this decision, and to consider, at its third session, what further actions are necessary; among the issues to be considered shall be the establishment of funding, insurance and transfer of technology, pursuant to Article 3, paragraph 14;

11. *Requests* the secretariat to organize, before the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, a workshop on reporting methodologies on ways to minimize adverse social, environmental and economic impacts on developing country Parties of the implementation of policies and measures by Parties included in Annex I in achieving their quantified emission limitation and reduction commitments under Article 3, paragraph 1;

12. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to consider the output of the workshop referred to in paragraph 11 above, and to make recommendations thereon to the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

## Decision 10/CP.7

### Funding under the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* Articles 10, 11 and 12, paragraph 8, of the Kyoto Protocol,

*Recalling also* its decisions 11/CP.1 and 15/CP.1,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Recognizing* that funding should be made available to Parties not included in Annex I which is new and additional to contributions under the Convention,

*Recognizing also* that appropriate modalities for burden sharing need to be developed,

*Welcoming* the statements made at the second part of the sixth session of the Conference of the Parties by most Parties included in Annex II<sup>1</sup> on their willingness to commit themselves to provide funding,

*Welcoming also* the joint political declaration made by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland, on their preparedness to collectively contribute €450 million/US\$ 410 million annually by 2005, with this level to be reviewed in 2008,

1. *Decides* that an adaptation fund shall be established to finance concrete adaptation projects and programmes in developing country Parties that are Parties to the Protocol, as well as activities identified in paragraph 8 of decision 5/CP.7;
2. *Decides also* that the adaptation fund shall be financed from the share of proceeds on the clean development mechanism project activities and other sources of funding;
3. *Decides further* that Parties included in Annex I that intend to ratify the Kyoto Protocol are invited to provide funding, which will be additional to the share of proceeds on clean development mechanism project activities;
4. *Decides also* that the adaptation fund shall be operated and managed by an entity entrusted with the operation of the financial mechanism of the Convention, under the guidance of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, with guidance to be provided by the Conference of the Parties in the period prior to entry into force of the Kyoto Protocol;

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<sup>1</sup> Joint political declaration by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland, and a statement by Japan. For the text of the political declaration and the statement by Japan see document FCCC/CP/2001/MISC.4.

5. *Invites* the entity referred to in paragraph 4 above to make the necessary arrangements for this purpose;

6. *Decides* that Parties included in Annex I that intend to ratify the Kyoto Protocol shall report on their financial contributions to the fund on an annual basis;

7. *Decides also* to review the reports referred to in paragraph 6 above on an annual basis, and that, upon entry into force of the Kyoto Protocol, such reports are to be reviewed by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## Decision 11/CP.7

### Land use, land-use change and forestry

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.4, 8/CP.4, 9/CP.4 and 16/CP.5,

*Recalling also* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Acknowledging with appreciation* the scientific advice provided in the *Special Report on Land use, Land-use Change and Forestry* prepared by the Intergovernmental Panel on Climate Change,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Land use, land-use change and forestry*) below;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA):
  - (a) To consider, following the completion of the methodological work by the Intergovernmental Panel on Climate Change (IPCC) as outlined in paragraph 3 (c) below, and adopt methodologies to account for anthropogenic greenhouse gas emissions resulting from direct human-induced degradation and devegetation activities, with a view to the Conference of the Parties at its tenth session recommending a decision for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session regarding whether such activities should be included in the first commitment period;
  - (b) To investigate the possible application of biome-specific forest definitions for the second and subsequent commitment periods with a view to the Conference of the Parties at its tenth session recommending a decision for adoption on the use of such biome-specific forest definitions for future commitment periods to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;
  - (c) To incorporate the work of the IPCC as outlined in paragraph 3 (d) below into any revisions of modalities, rules and guidelines prior to the second commitment period, for the accounting of activities under Article 3.4 of the Kyoto Protocol;
  - (d) To develop at its sixteenth session terms of reference for the work to be conducted under paragraph 2 (e) below;
  - (e) To develop definitions and modalities for including afforestation and reforestation project activities under Article 12 in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in the preamble to draft decision -/CMP.1 (*Land use, land-use change and forestry*)

attached hereto and the terms of reference referred to in paragraph 2 (d) above, with the aim of adopting a decision on these definitions and modalities at the ninth session of the Conference of the Parties, to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;

3. *Invites* the Intergovernmental Panel on Climate Change (IPCC):

(a) To elaborate methods to estimate, measure, monitor, and report changes in carbon stocks and anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, and Articles 6 and 12 of the Kyoto Protocol, on the basis of the *Revised 1996 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories*, taking into account the present decision (11/CP.7) and draft decision -/CMP.1 (*Land use, land-use change and forestry*) attached hereto, to be submitted for consideration and possible adoption to the Conference of the Parties at its ninth session;

(b) To prepare a report on good practice guidance and uncertainty management relating to the measurement, estimation, assessment of uncertainties, monitoring and reporting of net carbon stock changes and anthropogenic greenhouse gas emissions by sources and removals by sinks in the land use, land-use change and forestry sector, taking into consideration the present decision (11/CP.7) and draft decision -/CMP.1 (*Land use, land-use change and forestry*) attached hereto, to be submitted for consideration and possible adoption to the Conference of the Parties at its ninth session;

(c) To develop definitions for direct human-induced 'degradation' of forests and 'devegetation' of other vegetation types and methodological options to inventory and report on emissions resulting from these activities, to be submitted for consideration and possible adoption to the Conference of the Parties at its ninth session; and,

(d) To develop practicable methodologies to factor out direct human-induced changes in carbon stocks and greenhouse gas emissions by sources and removals by sinks from changes in carbon stocks and greenhouse gas emissions by sources and removals by sinks due to indirect human-induced and natural effects (such as those from carbon dioxide fertilization and nitrogen deposition), and effects due to past practices in forests (pre-reference year), to be submitted to the Conference of the Parties at its tenth session;

4. *Decides* that any changes to the treatment of harvested wood products shall be in accordance with future decisions of the Conference of the Parties.



**Draft decision -/CMP.1 (*Land use, land-use change and forestry*)**

**Land use, land-use change and forestry**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Affirming* that the implementation of land use, land-use change and forestry activities included under the provisions of the Kyoto Protocol shall be consistent with the objectives and principles of, and any decisions taken under, the United Nations Framework Convention on Climate Change and its Kyoto Protocol,

*Having considered* decision 11/CP.7 adopted by the Conference of the Parties at its seventh session,

1. *Affirms* that the following principles govern the treatment of land use, land-use change and forestry activities:
  - (a) That the treatment of these activities be based on sound science;
  - (b) That consistent methodologies be used over time for the estimation and reporting of these activities;
  - (c) That the aim stated in Article 3, paragraph 1 of the Kyoto Protocol not be changed by accounting for land use, land-use change and forestry activities;
  - (d) That the mere presence of carbon stocks be excluded from accounting;
  - (e) That the implementation of land use, land-use change and forestry activities contributes to the conservation of biodiversity and sustainable use of natural resources;
  - (f) That accounting for land use, land-use change and forestry does not imply a transfer of commitments to a future commitment period;
  - (g) That reversal of any removal due to land use, land-use change and forestry activities be accounted for at the appropriate point in time;
  - (h) That accounting excludes removals resulting from: (i) elevated carbon dioxide concentrations above their pre-industrial level; (ii) indirect nitrogen deposition; and (iii) the dynamic effects of age structure resulting from activities and practices before the reference year;
2. *Decides* that good practice guidance, and methods to estimate, measure, monitor and report changes in carbon stocks and anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities, as developed by the Intergovernmental Panel on Climate Change, shall be applied by Parties, if decided in accordance with relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
3. *Decides* that anthropogenic greenhouse gas emissions by sources and removals by sinks shall be accounted for in accordance with the annex to the present decision and reported in

annual inventories and reviewed in accordance with relevant decisions relating to Articles 5, 7 and 8 of the Kyoto Protocol, and in accordance with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*, any future elaboration of these guidelines, or parts of them, and any good practice guidance on land-use change and forestry in accordance with relevant decisions of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

4. *Adopts* the definitions, modalities, rules and guidelines relating to land use, land-use change and forestry activities under Articles 3, 6 and 12 of the Kyoto Protocol contained in the attached annex for application in the first commitment period.

## ANNEX

### **Definitions, modalities, rules and guidelines relating to land use, land-use change and forestry activities under the Kyoto Protocol**

#### **A. Definitions**

1. For land use, land-use change and forestry activities under Article<sup>1</sup> 3, paragraphs 3 and 4, the following definitions shall apply:

(a) “Forest” is a minimum area of land of 0.05-1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10-30 per cent with trees with the potential to reach a minimum height of 2-5 metres at maturity *in situ*. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10-30 per cent or tree height of 2-5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest;

(b) “Afforestation” is the direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or the human-induced promotion of natural seed sources;

(c) “Reforestation” is the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was forested but that has been converted to non-forested land. For the first commitment period, reforestation activities will be limited to reforestation occurring on those lands that did not contain forest on 31 December 1989;

(d) “Deforestation” is the direct human-induced conversion of forested land to non-forested land;

(e) “Revegetation” is a direct human-induced activity to increase carbon stocks on sites through the establishment of vegetation that covers a minimum area of 0.05 hectares and does not meet the definitions of afforestation and reforestation contained here;

(f) “Forest management” is a system of practices for stewardship and use of forest land aimed at fulfilling relevant ecological (including biological diversity), economic and social functions of the forest in a sustainable manner;

(g) “Cropland management” is the system of practices on land on which agricultural crops are grown and on land that is set aside or temporarily not being used for crop production;

(h) “Grazing land management” is the system of practices on land used for livestock production aimed at manipulating the amount and type of vegetation and livestock produced.

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<sup>1</sup> “Article” in this annex refers to an Article of the Kyoto Protocol, unless otherwise specified.

**B. Article 3, paragraph 3**

2. For the purposes of Article 3, paragraph 3, eligible activities are those direct human-induced afforestation, reforestation and/or deforestation activities that meet the requirements set forth in this annex and that started on or after 1 January 1990 and before 31 December of the last year of the commitment period.
3. For the purposes of determining the area of deforestation to come into the accounting system under Article 3, paragraph 3, each Party shall determine the forest area using the same spatial assessment unit as is used for the determination of afforestation and reforestation, but not larger than 1 hectare.
4. For the first commitment period, debits<sup>2</sup> resulting from harvesting during the first commitment period following afforestation and reforestation since 1990 shall not be greater than credits<sup>3</sup> accounted for on that unit of land.
5. Each Party included in Annex I shall report, in accordance with Article 7, on how harvesting or forest disturbance that is followed by the re-establishment of a forest is distinguished from deforestation. This information will be subject to review in accordance with Article 8.

**C. Article 3, paragraph 4**

6. A Party included in Annex I may choose to account for anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from any or all of the following human-induced activities, other than afforestation, reforestation and deforestation, under Article 3, paragraph 4, in the first commitment period: revegetation, forest management, cropland management, and grazing land management.
7. A Party included in Annex I wishing to account for activities under Article 3, paragraph 4, shall identify, in its report to enable the establishment of its assigned amount pursuant to Article 3.7 and Article 3.8, the activities under Article 3, paragraph 4, which it elects to include in its accounting for the first commitment period. Upon election, a decision by a Party will be fixed for the first commitment period.
8. During the first commitment period, a Party included in Annex I that selects any or all of the activities mentioned in paragraph 6 above shall demonstrate that such activities have occurred since 1990 and are human-induced. A Party included in Annex I shall not account for emissions by sources and removals by sinks resulting from activities under Article 3, paragraph 4, if these are already accounted for under Article 3, paragraph 3.
9. For the first commitment period, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from cropland management, grazing land management and revegetation under Article 3, paragraph 4, shall be equal to anthropogenic greenhouse gas

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<sup>2</sup> 'Debits': where emissions are larger than removals on a unit of land.

<sup>3</sup> 'Credits': where removals are larger than emissions on a unit of land.

emissions by sources and removals by sinks in the commitment period, less five times the anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from these eligible activities in the base year of that Party, while avoiding double accounting.

10. For the first commitment period, a Party included in Annex I that incurs a net source of emissions under the provisions of Article 3, paragraph 3, may account for anthropogenic greenhouse gas emissions by sources and removals by sinks in areas under forest management under Article 3, paragraph 4, up to a level that is equal to the net source of emissions under the provisions of Article 3.3, but not greater than 9.0 megatons of carbon times five, if the total anthropogenic greenhouse gas emissions by sources and removals by sinks in the managed forest since 1990 is equal to, or larger than, the net source of emissions incurred under Article 3, paragraph 3.

11. For the first commitment period only, additions to and subtractions from the assigned amount of a Party<sup>4</sup> resulting from forest management under Article 3, paragraph 4, after the application of paragraph 10 above and resulting from forest management project activities undertaken under Article 6, shall not exceed the value inscribed in the appendix<sup>5</sup> below, times five.

12. A Party may request the Conference of the Parties to reconsider its numerical values as contained in paragraph 10 and in the appendix to paragraph 11, with a view to the Conference of the Parties recommending a decision for adoption to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, no later than 2 years prior to the beginning of the first commitment period. Such a reconsideration shall be based upon country-specific data and the elements of guidance and consideration in footnote 5 to paragraph 11. These shall be submitted and reviewed in accordance with relevant decisions related to Articles 5, 7 and 8 of the Kyoto Protocol, and in accordance with the *Revised 1996 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories*, any future elaboration of these guidelines, or parts of them, and any good practice guidance on land use, land-use change and forestry in accordance with the relevant decisions of the Conference of the Parties.

#### **D. Article 12**

13. The eligibility of land use, land-use change and forestry project activities under Article 12 is limited to afforestation and reforestation.

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<sup>4</sup> In accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

<sup>5</sup> In arriving at the values in the appendix below, the Conference of the Parties was guided by the application of an 85 per cent discount factor to account for the removals identified in paragraph 1(h) of decision -/CMP.1 (*Land use, land-use change and forestry*) and a 3 per cent cap on forest management, using a combination of data provided by Parties and by the Food and Agriculture Organization (FAO). Consideration was also given to national circumstances (including the degree of effort needed to meet Kyoto commitments and the forest management measures implemented). The accounting framework established in this paragraph shall not be construed as establishing any precedent for the second and subsequent commitment periods.

14. For the first commitment period, the total of additions to a Party's assigned amount resulting from eligible land use, land-use change and forestry project activities under Article 12 shall not exceed one per cent of base year emissions of that Party, times five.
15. The treatment of land use, land-use change and forestry project activities under Article 12 in future commitment periods shall be decided as part of the negotiations on the second commitment period.

#### **E. General**

16. Each Party included in Annex I shall, for the purposes of applying the definition of "forest" as contained in paragraph 1(a) above, select a single minimum tree crown cover value between 10 and 30 per cent, a single minimum land area value between 0.05 and 1 hectare and a single minimum tree height value between 2 and 5 metres. The selection of a Party shall be fixed for the duration of the first commitment period. The selection shall be included as an integral part of its report to enable the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8 in accordance with decision 19/CP.7, and shall include the values for tree crown cover, tree height and the minimum land area. Each Party shall justify in its reporting that such values are consistent with the information that has historically been reported to the Food and Agriculture Organization of the United Nations or other international bodies, and if they differ, explain why and how such values were chosen.
17. For the first commitment period, and subject to other provisions in this annex, the additions to and subtractions from the assigned amount of a Party pursuant to Article 3, paragraphs 7 and 8 shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks measured as verifiable changes in carbon stocks, and non-carbon dioxide greenhouse gas emissions during the period 1 January 2008 to 31 December 2012 resulting from afforestation, reforestation and deforestation under Article 3.3 and forest management under Article 3, paragraph 4, that have taken place since 1 January 1990. Where the result of this calculation is a net sink of greenhouse gases, this value shall be added to the assigned amount of that Party. Where the result of this calculation is a net source of greenhouse gas emissions, this value shall be subtracted from the assigned amount of that Party.
18. Accounting of anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, shall begin with the onset of the activity or the beginning of the commitment period, whichever comes later.
19. Once land is accounted for under Article 3, paragraphs 3 and 4, all anthropogenic greenhouse gas emissions by sources from and removals by sinks on this land must be accounted for throughout subsequent and contiguous commitment periods.
20. National inventory systems under Article 5.1 shall ensure that areas of land subject to land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4 are identifiable, and information about these areas should be provided by each Party included in Annex I in their national inventories in accordance with Article 7. Such information will be reviewed in accordance with Article 8.

21. Each Party included in Annex I shall account for all changes in the following carbon pools: above-ground biomass, below-ground biomass, litter, dead wood, and soil organic carbon. A Party may choose not to account for a given pool in a commitment period, if transparent and verifiable information is provided that the pool is not a source.

APPENDIX<sup>6</sup>

<b>Party</b>	<b>Mt C/yr</b>
Australia	0.00
Austria	0.63
Belarus	
Belgium	0.03
Bulgaria	0.37
Canada	12.00
Croatia	
Czech Republic	0.32
Denmark	0.05
Estonia	0.10
Finland	0.16
France	0.88
Germany	1.24
Greece	0.09
Hungary	0.29
Iceland	0.00
Ireland	0.05
Italy	0.18
Japan	13.00
Latvia	0.34
Liechtenstein	0.01
Lithuania	0.28
Luxembourg	0.01
Monaco	0.00
Netherlands	0.01
New Zealand	0.20
Norway	0.40
Poland	0.82
Portugal	0.22
Romania	1.10
Russian Federation	17.63 <sup>7</sup>
Slovakia	0.50
Slovenia	0.36
Spain	0.67
Sweden	0.58
Switzerland	0.50
Ukraine	1.11
United Kingdom	0.37

<sup>6</sup> The list of countries in this table differs from that found in decision 5/CP.6 as a result of consultations undertaken during the session.

<sup>7</sup> This figure is changed to 33.00 Mt/C/yr by decision 12/CP.7 (Forest management activities under Article 3, paragraph 4, of the Kyoto Protocol: the Russian Federation).



**Decision 12/CP.7**

**Forest management activities under Article 3, paragraph 4, of the  
Kyoto Protocol: the Russian Federation**

*The Conference of the Parties,*

*Recalling* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Recalling also* the relevant provisions of decision 11/CP.7 and in particular, paragraphs 10 and 11 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*), attached thereto,

*Having considered* a submission by the Russian Federation<sup>1</sup> with regard to the value stated for this Party in the appendix to the above-mentioned annex,

*Decides* that, for the first commitment period, additions to and subtractions from the assigned amount of the Russian Federation, resulting from forest management under Article 3.4 after the application of paragraph 10 of the above-mentioned annex, and resulting from forest management projects under Article 6, shall not exceed 33 megatons of carbon per year, times five.<sup>2</sup>

*8<sup>th</sup> plenary meeting  
10 November 2001*

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<sup>1</sup> See FCCC/CP/2001/MISC.6.

<sup>2</sup> This corrects an error in the appendix to the draft decision on land use, land-use change and forestry in document FCCC/CP/2001/5/Add.2.

## Decision 13/CP.7

### **“Good practices” in policies and measures among Parties included in Annex I to the Convention<sup>1</sup>**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular in Articles 4 and 7, paragraph 2(b), and of the Kyoto Protocol, in particular in Articles 2, 3 and 7,

*Recalling also* its decision 8/CP.4 whereby it requested the Subsidiary Body for Scientific and Technological Advice to undertake preparatory work to enable the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session after the entry into force of the Kyoto Protocol, to consider ways to facilitate cooperation to enhance the individual and combined effectiveness of policies and measures under Article 2, paragraph 1(b), of the Kyoto Protocol,

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* the Chairman’s reports on the workshops held in Copenhagen from 11 to 13 April 2000,<sup>2</sup> pursuant to decision 8/CP.4, and from 8 to 10 October 2001,<sup>3</sup> pursuant to the request by the Conference of the Parties at the first part of its sixth session,<sup>4</sup>

*Appreciative* of the contribution of the Governments of Denmark and France and Norway in sponsoring these workshops,

*Recognizing* that the implementation of policies and measures contributes to achieving the objectives of the Convention and the Kyoto Protocol,

*Recognizing also* the value of information exchanges on “good practices” in policies and measures which are based on national circumstances, in furthering the objectives of the Convention and the Kyoto Protocol,

1. *Decides*, in making preparations during the lead-up to the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, in relation to Article 2, paragraph 1(b), of the Kyoto Protocol, to continue to facilitate cooperation among

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<sup>1</sup> In the context of this decision, the term “good practice” replaces the term “best practice”.

<sup>2</sup> FCCC/SBSTA/2000/2.

<sup>3</sup> FCCC/CP/SBSTA/2001/INF.5

<sup>4</sup> FCCC/CP/200/5/Add.2, section III. F.

Parties included in Annex I to the Convention (Annex I Parties) in order to enhance the individual and combined effectiveness of policies and measures such as those in Article 2, paragraph 1(a), of the Kyoto Protocol, in particular by sharing experience and exchanging information at a technical level, and taking into account national circumstances;

2. *Decides further* that the work referred to in paragraph 1 above should take place under the guidance of the Subsidiary Body for Scientific and Technological Advice (SBSTA), *inter alia* through initiatives involving all Parties and, as appropriate, environmental and business non-governmental organizations, and should include the exchange of information on policies and measures undertaken by Annex I Parties in all relevant sectors and on cross-cutting and methodological issues;

3. *Decides* that this work should contribute to the improvement of transparency, effectiveness and comparability of policies and measures. To that end this work should:

(a) Enhance transparency in reporting on policies and measures in the national communications of Annex I Parties through, as appropriate, criteria and quantitative parameters, and consider issues of methodology, attribution, and national circumstances;

(b) Facilitate information sharing on ways Annex I Parties have striven to implement policies and measures in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on developing country Parties, taking into account information related to these issues provided by Parties not included in Annex I to the Convention (non-Annex I Parties);

(c) Assist Parties and the Conference of the Parties in identifying further options for cooperation between Annex I Parties and other interested Parties to enhance the individual and combined effectiveness of their policies and measures;

4. *Decides also* that this work should contribute to the elaboration of elements for reporting information on demonstrable progress pursuant to decision 22/CP.7;

5. *Requests* the secretariat, under the guidance of the SBSTA in collaboration with relevant international and intergovernmental organizations of Annex I and non-Annex I Parties active in the area of policies and measures, to support this work by organizing, *inter alia*, workshops and side events and invites such organizations to provide input as appropriate and to present a status report on their activities related to policies and measures to the SBSTA at its seventeenth session;

6. *Requests* the secretariat to make available the information on policies and measures implemented and planned related to this work as well as to provide information on policies and measures reported in the third national communications by Annex I Parties when available;

7. *Requests* the SBSTA to consider at its seventeenth session the initial results obtained from the actions taken pursuant to this decision and to report them to the Conference of the Parties at its eighth session with a view to considering any further action;

8. *Invites* Annex I Parties and interested international organizations to provide the necessary financial support for the workshops and other activities identified in this decision.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## Decision 14/CP.7

### Impact of single projects on emissions in the commitment period

*The Conference of the Parties,*

*Recalling* its decision 1/CP.3, paragraph 5 (d),

*Recalling further* its decision 5/CP.6, containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its resumed thirteenth session,<sup>1</sup>

*Recognizing* the importance of renewable energy in meeting the objective of the Convention,

1. *Decides* that, for the purpose of this decision, a single project is defined as an industrial process facility at a single site that has come into operation since 1990 or an expansion of an industrial process facility at a single site in operation in 1990;

2. *Decides* that, for the first commitment period, industrial process carbon dioxide emissions from a single project which adds in any one year of that period more than 5 per cent to the total carbon dioxide emissions in 1990 of a Party listed in Annex B to the Protocol shall be reported separately and shall not be included in national totals to the extent that it would cause the Party to exceed its assigned amount, provided that:

(a) The total carbon dioxide emissions of the Party were less than 0.05 per cent of the total carbon dioxide emissions of Annex I Parties in 1990 calculated in accordance with the table contained in the annex to document FCCC/CP/1997/7/Add.1;

(b) Renewable energy is used, resulting in a reduction in greenhouse gas emissions per unit of production;

(c) Best environmental practice is followed and best available technology is used to minimize process emissions;

3. *Decides* that the total industrial process carbon dioxide emissions reported separately by a Party in accordance with paragraph 2 above shall not exceed 1.6 million tonnes of carbon dioxide annually on the average during the first commitment period and cannot be transferred by that Party or acquired by another Party under Articles 6 and 17 of the Kyoto Protocol;

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<sup>1</sup> FCCC/SBSTA/2000/14.

4. *Requests* any Party that intends to avail itself of the provisions of this decision to notify the Conference of the Parties, prior to its eighth session, of its intention;
5. *Requests* any Party with projects which meet the requirements specified above, to report emission factors, total process emissions from these projects, and an estimate of the emission savings resulting from the use of renewable energy in these projects in their annual inventory submissions;
6. *Requests* the secretariat to compile the information submitted by Parties in accordance with paragraph 5 above, to provide comparisons with relevant emission factors reported by other Parties, and to report this information to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

*8<sup>th</sup> plenary meeting  
10 November 2001*

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON  
ITS SEVENTH SESSION, HELD AT MARRAKESH  
FROM 29 OCTOBER TO 10 NOVEMBER 2001**

**Addendum**

**PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

**Volume II**

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**Decision 15/CP.7**

**Principles, nature and scope of the mechanisms pursuant to  
Articles 6, 12 and 17 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decision 1/CP.3, in particular paragraphs 5(b), (c) and (e),

*Further recalling* its decisions 7/CP.4, 8/CP.4, 9/CP.4, 14/CP.5, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action, as appropriate,

*Recalling also* the preamble to the Convention,

*Recognizing* that, in using the mechanisms, Parties shall be guided by the objective and principles contained in Articles 2 and 3 and by Article 4, paragraph 7, of the Convention,

*Further recognizing* that the Kyoto Protocol has not created or bestowed any right, title or entitlement to emissions of any kind on Parties included in Annex I,

*Emphasizing* that the Parties included in Annex I shall implement domestic action in accordance with national circumstances and with a view to reducing emissions in a manner conducive to narrowing per capita differences between developed and developing country Parties while working towards achievement of the ultimate objective of the Convention,

*Affirming* that the use of the mechanisms shall be supplemental to domestic action and that domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under Article 3, paragraph 1,

*Further emphasizing* that environmental integrity is to be achieved through sound modalities, rules and guidelines for the mechanisms, sound and strong principles and rules governing land use, land-use change and forestry activities and a strong compliance regime,

*Aware* of its decisions 11/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7 and 24/CP.7,

*Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
10 November 2001*



**Draft decision -/CMP.1 (Mechanisms)**

**Principles, nature and scope of the mechanisms pursuant to  
Articles 6, 12 and 17 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* decision 1/CP.3, in particular paragraphs 5(b), (c) and (e),

*Further recalling* decisions 7/CP.4, 8/CP.4, 9/CP.4, 14/CP.5, 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action, 11/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7 and 24/CP.7, as appropriate,

*Recalling also* the preamble to the Convention,

*Recognizing* that, in using the mechanisms, Parties shall be guided by the objective and principles contained in Articles 2 and 3 and by Article 4, paragraph 7, of the Convention,

*Further recognizing* that the Kyoto Protocol has not created or bestowed any right, title or entitlement to emissions of any kind on Parties included in Annex I,

*Emphasizing* that the Parties included in Annex I shall implement domestic action in accordance with national circumstances and with a view to reducing emissions in a manner conducive to narrowing per capita differences between developed and developing country Parties while working towards achievement of the ultimate objective of the Convention,

*Further emphasizing* that environmental integrity is to be achieved through sound modalities, rules and guidelines for the mechanisms, sound and strong principles and rules governing land use, land-use change and forestry activities, and a strong compliance regime,

*Aware* of its decisions -/CMP.1 (Article 6), -/CMP.1 (Article 12), -/CMP.1 (Article 17), -/CMP.1 (Land use, land-use change and forestry), -/CMP.1 (Modalities for the accounting of assigned amounts), -/CMP.1 (Article 5.1), -/CMP.1 (Article 5.2), -/CMP.1 (Article 7) and -/CMP.1 (Article 8) and decision 24/CP.7,

1. *Decides* that the use of the mechanisms shall be supplemental to domestic action and that domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under Article 3, paragraph 1;

2. *Requests* the Parties included in Annex I to provide relevant information in relation to paragraph 1 above, in accordance with Article 7 of the Kyoto Protocol, for review under its Article 8;

3. *Decides* that the provision of such information shall take into account reporting on demonstrable progress as contained in decision -/CMP.1 (Article 7);

4. *Requests* the facilitative branch of the compliance committee to address questions of implementation with respect to paragraphs 2 and 3 above;

5. *Decides* that the eligibility to participate in the mechanisms by a Party included in Annex I shall be dependent on its compliance with methodological and reporting requirements under Article 5, paragraphs 1 and 2, and Article 7, paragraphs 1 and 4, of the Kyoto Protocol. Oversight of this provision will be provided by the enforcement branch of the compliance committee, in accordance with the procedures and mechanisms relating to compliance as contained in decision 24/CP.7, assuming approval of such procedures and mechanisms by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in decision form in addition to any amendment entailing legally binding consequences, noting that it is the prerogative of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to decide on the legal form of the procedures and mechanisms relating to compliance;

6. *Decides* that certified emission reductions, emission reduction units and assigned amount units under Articles 6, 12 and 17, as well as removal units resulting from activities under Article 3, paragraphs 3 and 4, may be used to meet commitments under Article 3, paragraph 1, of the Parties included in Annex I, and can be added as provided for in Article 3, paragraphs 10, 11 and 12 of the Kyoto Protocol and in conformity with the provisions contained in decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and that emission reduction units, assigned amount units and removal units can be subtracted as provided for in Article 3, paragraphs 10 and 11, and in conformity with the provisions contained in decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), without altering the quantified emission limitation and reduction commitments inscribed in Annex B to the Kyoto Protocol.

## Decision 16/CP.7

### Guidelines for the implementation of Article 6 of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decision 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Aware* of its decisions 3/CP.7, 11/CP.7, 15/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7 and 24/CP.7,

*Affirming* that it is the host Party's prerogative to confirm whether an Article 6 project activity assists it in achieving sustainable development,

*Recognizing* that Parties included in Annex I to the Convention are to refrain from using emission reduction units generated from nuclear facilities to meet their commitments under Article 3, paragraph 1,

1. *Urges* the Parties included in Annex II to the Convention to facilitate the participation in projects under Article 6 of Parties included in Annex I with commitments inscribed in Annex B that are undergoing the process of transition to a market economy;

2. *Invites* Parties included in Annex I to finance the administrative expenses for operating joint implementation under Article 6 by making contributions to the UNFCCC Trust Fund for Supplementary Activities in order to facilitate preparatory work by the secretariat, if necessary;

3. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
10 November 2001*

**Draft decision -/CMP.1 (Article 6)**

**Guidelines for the implementation of Article 6 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms), -/CMP.1 (Article 12), -/CMP.1 (Article 17), -/CMP.1 (Land use, land-use change and forestry), -/CMP.1 (Modalities for the accounting of assigned amounts), -/CMP.1 (Article 5.1), -/CMP.1 (Article 5.2), -/CMP.1 (Article 7) and -/CMP.1 (Article 8), and decisions 3/CP.7 and 24/CP.7,*

1. *Decides* to confirm and give full effect to any actions taken pursuant to decision 16/CP.7 and to any other relevant decisions by the Conference of the Parties, as appropriate;
2. *Decides* to adopt the guidelines for the implementation of Article 6 of the Kyoto Protocol contained in the annex below;
3. *Decides* to establish the Article 6 supervisory committee, at its first session, to supervise, *inter alia*, the verification of ERUs generated by Article 6 projects;
4. *Decides* that projects under Article 6 aimed at enhancing anthropogenic removals by sinks shall conform to definitions, accounting rules, modalities and guidelines under Article 3, paragraphs 3 and 4, of the Kyoto Protocol;
5. *Decides* that projects starting as of the year 2000 may be eligible as Article 6 projects if they meet the requirements of the guidelines for the implementation of Article 6 of the Kyoto Protocol as set out in the annex below and that ERUs shall only be issued for a crediting period starting after the beginning of the year 2008;
6. *Urges* the Parties included in Annex II to facilitate the participation in Article 6 projects of Parties included in Annex I with commitments inscribed in Annex B that are undergoing the process of transition to a market economy;
7. *Decides* that any administrative costs arising from procedures contained in the annex below relating to the functions of the Article 6 supervisory committee shall be borne by both the Parties included in Annex I and the project participants according to specifications set out in a decision by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;
8. *Decides further* that any future revision of the guidelines for the implementation of Article 6 shall be decided in accordance with the rules of procedure of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, as applied. The first review shall be carried out no later than one year after the end of the first commitment period, based on recommendations by the Article 6 supervisory committee and by the Subsidiary Body for Implementation drawing on technical advice of the Subsidiary Body for Scientific and

Technological Advice, as needed. Further reviews shall be carried out periodically thereafter. Any revision of the decision shall not affect ongoing Article 6 projects.

## ANNEX

### **Guidelines for the implementation of Article 6 of the Kyoto Protocol**

#### **A. Definitions**

1. For the purpose of the present annex the definitions contained in Article 1<sup>1</sup> and the provisions of Article 14 shall apply. Furthermore:

(a) An “emission reduction unit” or “ERU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(b) A “certified emission reduction” or “CER” is a unit issued pursuant to Article 12 and requirements thereunder, as well as the relevant provisions in the annex to decision -/CMP.1 (*Article 12*), and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(c) An “assigned amount unit” or “AAU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(d) A “removal unit” or “RMU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(e) “Stakeholders” means the public, including individuals, groups or communities affected, or likely to be affected, by the project.

#### **B. Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

2. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) shall provide guidance regarding the implementation of Article 6 and exercise authority over the Article 6 supervisory committee.

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<sup>1</sup> In the context of this annex, “Article” refers to an Article of the Kyoto Protocol, unless otherwise specified.

### **C. Article 6 supervisory committee**

3. The Article 6 supervisory committee shall supervise, *inter alia*, the verification of ERUs generated by Article 6 project activities, referred to in section E below, and be responsible for:

- (a) Reporting on its activities to each session of the COP/MOP;
- (b) The accreditation of independent entities in accordance with standards and procedures contained in Appendix A below;
- (c) The review of standards and procedures for the accreditation of independent entities in Appendix A below, giving consideration to relevant work of the executive board of the clean development mechanism (CDM) and, as appropriate, making recommendations to the COP/MOP on revisions to these standards and procedures;
- (d) The review and revision of reporting guidelines and criteria for baselines and monitoring in Appendix B below, for consideration by the COP/MOP, giving consideration to relevant work of the executive board of the CDM, as appropriate;
- (e) The elaboration of the Article 6 project design document, for consideration by the COP/MOP, taking into consideration Appendix B of the Annex on modalities and procedures for a clean development mechanism and giving consideration to relevant work of the executive board of the CDM, as appropriate;
- (f) The review procedures set out in paragraphs 35 and 39 below;
- (g) The elaboration of any rules of procedure additional to those contained in the present annex, for consideration by the COP/MOP.

4. The Article 6 supervisory committee shall comprise ten members from Parties to the Kyoto Protocol, as follows:

- (a) Three members from Parties<sup>2</sup> included in Annex I that are undergoing the process of transition to a market economy;
- (b) Three members from Parties included in Annex I not referred to in subparagraph (a) above;
- (c) Three members from Parties not included in Annex I;
- (d) One member from the small island developing States.

5. Members, including alternate members, of the Article 6 supervisory committee shall be nominated by the relevant constituencies referred to in paragraph 4 above and be elected by the COP/MOP. The COP/MOP shall elect to the Article 6 supervisory committee five members and five alternate members for a term of two years and five members and five alternate members for a term of three years. Thereafter, the COP/MOP shall elect, every year, five new members and five alternate members for a term of two years. Appointment pursuant to paragraph 12 below

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<sup>2</sup> In the context of this annex, "Party" refers to a Party to the Kyoto Protocol, unless otherwise specified.

shall count as one term. The members and alternate members shall remain in office until their successors are elected.

6. Members of the Article 6 supervisory committee may be eligible to serve a maximum of two consecutive terms. Terms as alternate members do not count.

7. The Article 6 supervisory committee shall elect annually a chairperson and vice-chairperson from among its members, with one being from a Party included in Annex I and the other being from a Party not included in Annex I. The positions of chairperson and vice-chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.

8. The COP/MOP shall elect an alternate member for each member of the Article 6 supervisory committee based on the criteria in paragraphs 4, 5 and 6 above. The nomination by a constituency of a candidate member shall be accompanied by a nomination of a candidate alternate member from the same constituency.

9. The Article 6 supervisory committee shall meet at least two times each year, whenever possible in conjunction with the meetings of the subsidiary bodies, unless decided otherwise. All documentation for the Article 6 supervisory committee meetings shall be made available to alternate members.

10. Members, including alternate members, of the Article 6 supervisory committee shall:

(a) Serve in their personal capacities and shall have recognized competence relating to climate change issues and in relevant technical and policy fields. The cost of participation of members and of alternate members from developing country Parties and other Parties eligible under UNFCCC practice shall be covered by the budget for the Article 6 supervisory committee;

(b) Have no pecuniary or financial interest in any aspect of an Article 6 project;

(c) Subject to their responsibility to the Article 6 supervisory committee, not disclose any confidential or proprietary information coming to their knowledge by reason of their duties for the Article 6 supervisory committee. The duty of a member, including an alternate member, not to disclose confidential information constitutes an obligation in respect to that member, including an alternate member, and shall remain an obligation after the expiration or termination of that member's, including an alternate member's, function for the Article 6 supervisory committee;

(d) Be bound by the rules of procedure of the Article 6 supervisory committee;

(e) Take a written oath of service witnessed by the Executive Secretary of the UNFCCC or his/her authorized representative before assuming his or her duties.

11. The Article 6 supervisory committee may suspend and recommend to the COP/MOP the termination of the membership of a particular member, including an alternate member, for cause including, *inter alia*, breach of the conflict of interest provisions, breach of the confidentiality provisions, or failure to attend two consecutive meetings of the Article 6 supervisory committee without proper justification.



12. If a member, or an alternate member, of the Article 6 supervisory committee resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the Article 6 supervisory committee may decide, bearing in mind the proximity of the next session of the COP/MOP, to appoint another member, or an alternate member, from the same constituency to replace the said member for the remainder of that member's mandate. In such a case, the Article 6 supervisory committee shall take into account any views expressed by the group that had nominated the member.
13. The Article 6 supervisory committee shall draw on the expertise necessary to perform its functions, in particular taking into account national accreditation procedures.
14. At least two thirds of the members of the Article 6 supervisory committee, representing a majority of members from Parties included in Annex I and a majority of members from Parties not included in Annex I, must be present to constitute a quorum.
15. Decisions by the Article 6 supervisory committee shall be taken by consensus, whenever possible. If all efforts at reaching a consensus have been exhausted and no agreement has been reached, decisions shall as a last resort be adopted by a three-fourths majority vote of the members present and voting at the meeting. Members abstaining from voting shall be considered as not voting.
16. The full text of all decisions of the Article 6 supervisory committee shall be made publicly available. Decisions shall be made available in all six official languages of the United Nations.
17. The working language of the Article 6 supervisory committee shall be English.
18. Meetings of the Article 6 supervisory committee shall be open to attendance, as observers, by all Parties and by all UNFCCC accredited observers and stakeholders, except where otherwise decided by the Article 6 supervisory committee.
19. The secretariat shall service the Article 6 supervisory committee.

#### **D. Participation requirements**

20. A Party involved in an Article 6 project shall inform the secretariat of:
  - (a) Its designated focal point for approving projects pursuant to Article 6, paragraph 1(a);
  - (b) Its national guidelines and procedures for approving Article 6 projects, including the consideration of stakeholders' comments, as well as monitoring and verification.

21. Subject to the provisions of paragraph 22 below, a Party included in Annex I with a commitment inscribed in Annex B is eligible to transfer and/or acquire ERUs issued in accordance with the relevant provisions, if it is in compliance with the following eligibility requirements:

- (a) It is a Party to the Kyoto Protocol;
- (b) Its assigned amount pursuant to Article 3, paragraphs 7 and 8, has been calculated and recorded in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (c) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, in accordance with Article 5, paragraph 1, and the requirements in the guidelines decided thereunder;
- (d) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder;
- (e) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the guidelines decided thereunder, including the national inventory report and the common reporting format. For the first commitment period, the quality assessment needed for the purpose of determining eligibility to use the mechanisms shall be limited to the parts of the inventory pertaining to emissions of greenhouse gases from sources/sector categories from Annex A to the Kyoto Protocol and the submission of the annual inventory on sinks;
- (f) It submits the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder and makes any additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, including for the activities under Article 3, paragraphs 3 and 4, in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder.

22. A Party included in Annex I with a commitment inscribed in Annex B shall be considered:

- (a) To meet the eligibility requirements referred to in paragraph 21 above after 16 months have elapsed since the submission of its report to facilitate the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and to demonstrate its capacity to account for its emissions and assigned amount, in accordance with the modalities adopted for the accounting of assigned amount under Article 7, paragraph 4, unless the enforcement branch of the compliance committee finds in accordance with decision 24/CP.7 that the Party does not meet these requirements, or, at an earlier date, if the enforcement branch of the compliance committee has decided that it is not proceeding with any questions of implementation relating to these requirements indicated in reports of the expert review teams under Article 8 of the Kyoto Protocol, and has transmitted this information to the secretariat;

(b) To continue to meet the eligibility requirements referred to in paragraph 21 above unless and until the enforcement branch of the compliance committee decides that the Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility, and has transmitted this information to the secretariat.

23. Where it is considered to meet the eligibility requirements set out in paragraph 21 above, a host Party may verify reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks from an Article 6 project as being additional to any that would otherwise occur, in accordance with Article 6, paragraph 1 (b). Upon such verification, the host Party may issue the appropriate quantity of ERUs in accordance with the relevant provisions of decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

24. Where a host Party does not meet the eligibility requirements set out in paragraph 21 above, the verification of reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks from an Article 6 project as being additional to any that would otherwise occur, in accordance with Article 6, paragraph 1(b), shall occur through the verification procedure under the Article 6 supervisory committee, as set out in section E below. The host Party may however only issue and transfer ERUs upon meeting the requirements in paragraphs 21 (a), (b) and (d) above.

25. A host Party which meets the requirements in paragraph 21 above may at any time elect to use the verification procedure under the Article 6 supervisory committee.

26. The provisions in Article 6, paragraph 4, shall pertain, *inter alia*, to the requirements of paragraph 21 above.

27. The secretariat shall maintain a publicly accessible list of Parties that meet the eligibility requirements and that have been suspended in accordance with relevant provisions contained in decision 24/CP.7.

28. A Party hosting an Article 6 project shall make publicly available, directly or through the secretariat, information on the project in accordance with the reporting guidelines set out in Appendix B below and the requirements contained in decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

29. A Party that authorizes legal entities to participate in Article 6 projects shall remain responsible for the fulfilment of its obligations under the Kyoto Protocol and shall ensure that such participation is consistent with the present annex. Legal entities may only transfer or acquire ERUs if the authorizing Party is eligible to do so at that time.

#### **E. Verification procedure under the Article 6 supervisory committee**

30. The verification procedure under the Article 6 supervisory committee is the determination by an independent entity, accredited pursuant to Appendix A below, of whether a project and the ensuing reductions of anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks meet the relevant requirements of Article 6 and these guidelines.

31. Project participants shall submit to an accredited independent entity a project design document that contains all information needed for the determination of whether the project:

- (a) Has been approved by the Parties involved;
- (b) Would result in a reduction of anthropogenic emissions by sources or an enhancement of anthropogenic removals by sinks that is additional to any that would otherwise occur;
- (c) Has an appropriate baseline and monitoring plan in accordance with the criteria set out in Appendix B below.

32. The accredited independent entity shall make the project design document publicly available through the secretariat, subject to confidentiality provisions set out in paragraph 40 below, and receive comments from Parties, stakeholders and UNFCCC accredited observers on the project design document and any supporting information for 30 days from the date the project design document is made publicly available.

33. The accredited independent entity shall determine whether:

- (a) The project has been approved by the Parties involved;
- (b) The project would result in a reduction of anthropogenic emissions by sources or an enhancement of anthropogenic removals by sinks that is additional to any that would otherwise occur;
- (c) The project has an appropriate baseline and monitoring plan in accordance with the criteria set out in Appendix B below;
- (d) Project participants have submitted to the accredited independent entity documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts, in accordance with procedures as determined by the host Party, and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party.

34. The accredited independent entity shall make its determination publicly available through the secretariat, together with an explanation of its reasons, including a summary of comments received and a report of how due account was taken of these.

35. The determination regarding a project design document shall be deemed final 45 days after the date on which the determination is made public, unless a Party involved in the project or three of the members of the Article 6 supervisory committee request a review by the Article 6 supervisory committee. If such a review is requested, the Article 6 supervisory committee shall finalize the review as soon as possible, but no later than six months or at the second meeting following the request for review. The Article 6 supervisory committee shall communicate its decision on the determination and the reasons for it to the project participants and the public. Its decision shall be final.

36. Project participants shall submit to an accredited independent entity a report in accordance with the monitoring plan on reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks that have already occurred. The report shall be made publicly available.
37. The accredited independent entity shall, upon receipt of a report referred to under paragraph 36 above, make a determination of the reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks reported by project participants in accordance with Appendix B below, provided that they were monitored and calculated in accordance with paragraph 33 above.
38. The accredited independent entity shall make its determination under paragraph 37 above publicly available through the secretariat, together with an explanation of its reasons.
39. The determination regarding reported reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks shall be deemed final 15 days after the date on which it is made public, unless a Party involved in the project or three of the members of the Article 6 supervisory committee request a review by the Article 6 supervisory committee. If such a review is requested, the Article 6 supervisory committee shall:
- (a) At its next meeting or no later than 30 days after the formal request for the review decide on its course of action. If it decides that the request has merit, it shall perform a review;
  - (b) Complete its review within 30 days following its decision to perform the review;
  - (c) Inform the project participants of the outcome of the review, and make public its decision and the reasons for it.
40. Information obtained from project participants marked as proprietary or confidential shall not be disclosed without the written consent of the provider of the information, except as required by applicable national law of the host Party. Information used to determine whether reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks are additional, to describe the baseline methodology and its application, and to support an environmental impact assessment referred to in paragraph 33(d) above, shall not be considered as proprietary or confidential.
41. Any provisions relating to the commitment period reserve or other limitations to transfers under Article 17 shall not apply to transfers by a Party of ERUs issued into its national registry that were verified in accordance with the verification procedure under the Article 6 supervisory committee.
42. The Article 6 supervisory committee shall suspend or withdraw the accreditation of an independent entity if it has carried out a review and found that the entity no longer meets the accreditation standards laid down in Appendix A. The Article 6 supervisory committee may suspend or withdraw accreditation only after the accredited independent entity has had the opportunity of a hearing and depending on the outcome of the hearing. The suspension or withdrawal is with immediate effect. The affected entity shall be notified, immediately and in

writing, once the Article 6 supervisory committee has decided upon its suspension or withdrawal. The decision by the Article 6 supervisory committee on such a case shall be made public.

43. Verified projects shall not be affected by the suspension or withdrawal of the accreditation of an accredited independent entity unless significant deficiencies are identified in the determination referred to in paragraphs 33 or 37 above for which the entity was responsible. In this case, the Article 6 supervisory committee shall decide whether a different accredited independent entity shall be appointed to assess and, where appropriate, correct such deficiencies. If such an assessment reveals that excess ERUs have been transferred as a result of the deficiencies identified in the determination referred to in paragraphs 33 or 37 above, the independent entity whose accreditation has been withdrawn or suspended shall acquire an equivalent amount of AAUs and ERUs and place them in the holding account of the Party hosting the project within 30 days from the assessment mentioned above.

44. Any suspension or withdrawal of an accredited independent entity that adversely affects verified projects shall be decided on by the Article 6 supervisory committee only after the affected project participants have had the opportunity of a hearing.

45. Any costs related to the assessment referred to in paragraph 44 above shall be borne by the accredited independent entity whose accreditation has been withdrawn or suspended.

#### APPENDIX A

##### Standards and procedures for the accreditation of independent entities

1. An independent entity shall:

(a) Be a legal entity (either a domestic legal entity or an international organization) and provide documentation of this status;

(b) Employ a sufficient number of persons having the necessary competence to perform all necessary functions relevant to the verification of ERUs generated by Article 6 projects relating to the type, range and volume of work performed, under a responsible senior executive;

(c) Have the financial stability, insurance coverage and resources required for its activities;

(d) Have sufficient arrangements to cover legal and financial liabilities arising from its activities;

(e) Have documented internal procedures for carrying out its functions including, *inter alia*, procedures for the allocation of responsibilities within the organization and for handling complaints. These procedures shall be made publicly available;

(f) Have the necessary expertise to carry out the functions specified in this and relevant decisions by the COP/MOP, and, in particular, have sufficient knowledge and understanding of:

- (i) The guidelines for the implementation of Article 6 of the Kyoto Protocol, relevant decisions of the COP/MOP and of the Article 6 supervisory committee;
  - (ii) Environmental issues relevant to the verification of Article 6 projects;
  - (iii) The technical aspects of Article 6 activities relevant to environmental issues, including expertise in the setting of baselines and monitoring of emissions and other environmental impacts;
  - (iv) Relevant environmental auditing requirements and methodologies;
  - (v) Methodologies for the accounting of anthropogenic emissions by sources and/or anthropogenic removals by sinks;
- (g) Have a management structure that has overall responsibility for performance and implementation of the entity's functions, including quality assurance procedures, and all relevant decisions relating to verification. The applicant independent entity shall make available:
- (i) The names, qualifications, experience and terms of reference of the senior executive, board members, senior officers and other relevant personnel;
  - (ii) An organizational chart showing lines of authority, responsibility and allocation of functions stemming from the senior executive;
  - (iii) Its quality assurance policy and procedures;
  - (iv) Administrative procedures, including document control;
  - (v) Its policy and procedures for the recruitment and training of independent entity personnel, for ensuring their competence for all necessary functions and for monitoring their performance;
  - (vi) Its procedures for handling complaints, appeals and disputes;
- (h) Not have pending any judicial process for malpractice, fraud and/or other activity incompatible with its functions as an accredited independent entity.

2. An applicant independent entity shall meet the following operational requirements:

- (a) Work in a credible, independent, non-discriminatory and transparent manner, complying with applicable national law and meeting, in particular, the following requirements:
- (i) An applicant independent entity shall have a documented structure, which safeguards impartiality, including provisions to ensure the impartiality of its operations;
  - (ii) If it is part of a larger organization, and where parts of that organization are, or may become, involved in the identification, development or financing of any Article 6 project, the applicant independent entity shall:

- Make a declaration of all the organization's actual and potential Article 6 activities;
- Clearly define the links with other parts of the organization, demonstrating that no conflicts of interest exist;
- Demonstrate that no actual or potential conflict of interest exists between its functions as an accredited independent entity and any other functions that it may have, and demonstrate how business is managed to minimize any identified risk to impartiality. The demonstration shall cover all potential sources of conflict of interest, whether they arise from within the applicant independent entity or from the activities of related bodies;
- Demonstrate that it, together with its senior executive and staff, is not involved in any commercial, financial or other processes which might influence its judgement or endanger trust in its independence of judgement and integrity in relation to its activities, and that it complies with any rules applicable in this respect;

(b) Have adequate arrangements to safeguard confidentiality of the information obtained from Article 6 project participants in accordance with provisions contained in the annex on guidelines for the implementation of Article 6.

## APPENDIX B

### Criteria for baseline setting and monitoring

#### Criteria for baseline setting

1. The baseline for an Article 6 project is the scenario that reasonably represents the anthropogenic emissions by sources or anthropogenic removals by sinks of greenhouse gases that would occur in the absence of the proposed project. A baseline shall cover emissions from all gases, sectors and source categories listed in Annex A, and anthropogenic removals by sinks, within the project boundary.
2. A baseline shall be established:
  - (a) On a project-specific basis and/or using a multi-project emission factor;
  - (b) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, data sources and key factors;
  - (c) Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the project sector;
  - (d) In such a way that ERUs cannot be earned for decreases in activity levels outside the project activity or due to *force majeure*;



- (e) Taking account of uncertainties and using conservative assumptions.
3. Project participants shall justify their choice of baseline.

Monitoring

4. Project participants shall include, as part of the project design document, a monitoring plan that provides for:
- (a) The collection and archiving of all relevant data necessary for estimating or measuring anthropogenic emissions by sources and/or anthropogenic removals by sinks of greenhouse gases occurring within the project boundary during the crediting period;
  - (b) The collection and archiving of all relevant data necessary for determining the baseline of anthropogenic emissions by sources and/or anthropogenic removals by sinks of greenhouse gases within the project boundary during the crediting period;
  - (c) The identification of all potential sources of, and the collection and archiving of data on increased anthropogenic emissions by sources and/or reduced anthropogenic removals by sinks of greenhouse gases outside the project boundary that are significant and reasonably attributable to the project during the crediting period. The project boundary shall encompass all anthropogenic emissions by sources and/or removals by sinks of greenhouse gases under the control of the project participants that are significant and reasonably attributable to the Article 6 project;
  - (d) The collection and archiving of information on environmental impacts, in accordance with procedures as required by the host Party, where applicable;
  - (e) Quality assurance and control procedures for the monitoring process;
  - (f) Procedures for the periodic calculation of the reductions of anthropogenic emissions by sources and/or enhancements of anthropogenic removals by sinks by the proposed Article 6 project, and for leakage effects, if any. Leakage is defined as the net change of anthropogenic emissions by sources and/or removals by sinks of greenhouse gases which occurs outside the project boundary, and that is measurable and attributable to the Article 6 project;
  - (g) Documentation of all steps involved in the calculations referred to in subparagraphs (b) and (f) above.
5. Revisions, if any, to the monitoring plan to improve its accuracy and/or completeness of information shall be justified by project participants and shall be submitted for the determination referred to in paragraph 37 of the annex on guidelines for the implementation of Article 6 of the Kyoto Protocol by the accredited independent entity.
6. The implementation of the monitoring plan and its revisions, as applicable, shall be a condition for verification.

## Decision 17/CP.7

### **Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* Article 12 of the Kyoto Protocol which provides that the purpose of the clean development mechanism shall be to assist Parties not included in Annex I to the Convention in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties included in Annex I in achieving compliance with their quantified emission limitation and reduction commitments under Article 3 of the Kyoto Protocol,

*Recalling also* its decision 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Aware of* its decisions 2/CP.7, 11/CP.7, 15/CP.7, 16/CP.7, 18/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7, 24/CP.7 and 38/CP.7,

*Affirming* that it is the host Party's prerogative to confirm whether a clean development mechanism project activity assists it in achieving sustainable development,

*Recognizing* that Parties included in Annex I are to refrain from using certified emission reductions generated from nuclear facilities to meet their commitments under Article 3, paragraph 1,

*Bearing in mind* the need to promote equitable geographic distribution of clean development mechanism project activities at regional and subregional levels,

*Emphasizing* that public funding for clean development mechanism projects from Parties in Annex I is not to result in the diversion of official development assistance and is to be separate from and not counted towards the financial obligations of Parties included in Annex I,

*Further emphasizing* that clean development mechanism project activities should lead to the transfer of environmentally safe and sound technology and know-how in addition to that required under Article 4, paragraph 5, of the Convention and Article 10 of the Kyoto Protocol,

*Recognizing* the need for guidance for project participants and designated operational entities, in particular for establishing reliable, transparent and conservative baselines, to assess whether clean development mechanism project activities are in accordance with the additionality criterion in Article 12, paragraph 5(c), of the Kyoto Protocol,

1. *Decides* to facilitate a prompt start for a clean development mechanism by adopting the modalities and procedures contained in the annex below;

2. *Decides* that, for the purposes of the present decision, the Conference of the Parties shall assume the responsibilities of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as set out in the annex below on modalities and procedures;

3. *Invites* nominations for membership in the executive board:

(a) For facilitating the prompt start of the clean development mechanism, from Parties to the Convention to be submitted to the President of the Conference of the Parties at its present session, with a view to the Conference of the Parties electing the members of the executive board at that session;

(b) Upon the entry into force of the Kyoto Protocol, to replace any member of the executive board of the clean development mechanism whose country has not ratified or acceded to the Kyoto Protocol. Such new members shall be nominated by the same constituencies and elected at the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

4. *Decides* that, prior to the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the executive board and any designated operational entities shall operate in the same manner as the executive board and designated operational entities of the clean development mechanism as set out in the annex below;

5. *Decides* that the executive board shall convene its first meeting immediately upon the election of its members;

6. *Decides* that the executive board shall include in its work plan until the eighth session of the Conference of the Parties, *inter alia*, the following tasks:

(a) To develop and agree on its rules of procedure and recommend them to the Conference of the Parties for adoption, applying draft rules until then;

(b) To accredit operational entities and designate them, on a provisional basis, pending the designation by the Conference of the Parties at its eighth session;

(c) To develop and recommend to the Conference of the Parties, at its eighth session, simplified modalities and procedures for the following small-scale clean development mechanism project activities:

- (i) Renewable energy project activities with a maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent);
- (ii) Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatt/hours per year;
- (iii) Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually;

(d) To prepare recommendations on any relevant matter, including on Appendix C to the annex below, for consideration by the Conference of the Parties at its eighth session;

(e) To identify modalities for seeking collaboration with the Subsidiary Body for Scientific and Technological Advice on methodological and scientific issues;

7. *Decides:*

(a) That the eligibility of land use, land-use change and forestry project activities under the clean development mechanism is limited to afforestation and reforestation;

(b) That for the first commitment period, the total of additions to a Party's assigned amount resulting from eligible land use, land-use change and forestry project activities under the clean development mechanism shall not exceed one per cent of base year emissions of that Party, times five;

(c) That the treatment of land use, land-use change and forestry project activities under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period;

8. *Requests* the secretariat to organize a workshop before the sixteenth session of the Subsidiary Body for Scientific and Technological Advice with the aim of recommending terms of reference and an agenda for the work to be conducted under paragraph 10(b) below on the basis of, *inter alia*, submissions by Parties referred to in paragraph 9 below;

9. *Invites* Parties to provide submissions to the secretariat by 1 February 2002 on the organization of the workshop referred to in paragraph 8 above, and to express their views on the terms of reference and the agenda for the work to be conducted under paragraph 10(b) below;

10. *Requests* the Subsidiary Body for Scientific and Technological Advice:

(a) To develop at its sixteenth session terms of reference and an agenda for the work to be conducted under subparagraph (b) below, taking into consideration, *inter alia*, the outcome of the workshop mentioned in paragraph 8 above;

(b) To develop definitions and modalities for including afforestation and reforestation project activities under the clean development mechanism in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in the preamble to decision -/CMP.1 (*Land use, land-use change and forestry*) and the terms of reference referred to in subparagraph (a) above, with the aim of adopting a decision on these definitions and modalities at the ninth session of the Conference of the Parties, to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;

11. *Decides* that the decision by the Conference of the Parties at its ninth session, on definitions and modalities for inclusion of afforestation and reforestation project activities under the clean development mechanism, for the first commitment period, referred to in paragraph 10 (b) above, shall be in the form of an annex on modalities and procedures for

afforestation and reforestation project activities for a clean development mechanism reflecting, *mutatis mutandis*, the annex to the present decision on modalities and procedures for a clean development mechanism;

12. *Decides* that certified emission reductions shall only be issued for a crediting period starting after the date of registration of a clean development mechanism project activity;

13. *Further decides* that a project activity starting as of the year 2000, and prior to the adoption of this decision, shall be eligible for validation and registration as a clean development mechanism project activity if submitted for registration before 31 December 2005. If registered, the crediting period for such project activities may start prior to the date of its registration but not earlier than 1 January 2000;

14. *Requests* Parties included in Annex I to start implementing measures to assist Parties not included in Annex I, in particular the least developed and small island developing States among them, with building capacity in order to facilitate their participation in the clean development mechanism, taking into account relevant decisions by the Conference of the Parties on capacity-building and on the financial mechanism of the Convention;

15. *Decides*:

(a) That the share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation, as referred to in Article 12, paragraph 8, of the Kyoto Protocol, shall be two per cent of the certified emission reductions issued for a clean development mechanism project activity;

(b) That clean development mechanism project activities in least developed country Parties shall be exempt from the share of proceeds to assist with the costs of adaptation;

16. *Decides* that the level of the share of proceeds to cover administrative expenses of the clean development mechanism shall be determined by the Conference of the Parties upon the recommendation of the executive board;

17. *Invites* Parties to finance the administrative expenses for operating the clean development mechanism by making contributions to the UNFCCC Trust Fund for Supplementary Activities. Such contributions shall be reimbursed, if requested, in accordance with procedures and a timetable to be determined by the Conference of the Parties upon the recommendation of the executive board. Until the Conference of the Parties determines a percentage for the share of proceeds for the administrative expenses, the executive board shall charge a fee to recover any project related expenses;

18. *Requests* the secretariat to perform any functions assigned to it in the present decision and in the annex below;

19. *Decides* to assess progress made regarding the clean development mechanism and to take appropriate action, as necessary. Any revision of the decision shall not affect clean development mechanism project activities already registered;

20. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
10 November 2001*

**Draft decision -/CMP.1 (Article 12)**

**Modalities and procedures for a clean development mechanism  
as defined in Article 12 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* the provisions of Articles 3 and 12 of the Kyoto Protocol,

*Bearing in mind* that, in accordance with Article 12, the purpose of the clean development mechanism is to assist Parties not included in Annex I to the Convention in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties included in Annex I in achieving compliance with their quantified emission limitation and reduction commitments under Article 3 of the Kyoto Protocol,

*Aware* of its decisions -/CMP.1 (*Mechanisms*), -/CMP.1 (*Article 6*), -/CMP.1 (*Article 17*), -/CMP.1 (*Land use, land-use change and forestry*), -/CMP.1 (*Modalities for the accounting of assigned amounts*), -/CMP.1 (*Article 5.1*), -/CMP.1 (*Article 5.2*), -/CMP.1 (*Article 7*) and -/CMP.1 (*Article 8*), and decisions 2/CP.7 and 24/CP.7,

*Cognizant* of decision 17/CP.7 on modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol,

1. *Decides* to confirm, and give full effect to any actions taken pursuant to, decision 17/CP.7 and to any other relevant decisions by the Conference of the Parties, as appropriate;
2. *Adopts* the modalities and procedures for a clean development mechanism contained in the annex below;
3. *Invites* the executive board to review the simplified modalities, procedures and the definitions of small-scale project activities referred to in paragraph 6(c) of decision 17/CP.7 and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
4. *Decides* further that any future revision of the modalities and procedures for a clean development mechanism shall be decided in accordance with the rules of procedure of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, as applied. The first review shall be carried out no later than one year after the end of the first commitment period, based on recommendations by the executive board and by the Subsidiary Body for Implementation drawing on technical advice from the Subsidiary Body for Scientific and Technological Advice, as needed. Further reviews shall be carried out periodically thereafter. Any revision of the decision shall not affect clean development mechanism project activities already registered.

## ANNEX

### **Modalities and procedures for a clean development mechanism**

#### **A. Definitions**

1. For the purposes of the present annex the definitions contained in Article 1<sup>1</sup> and the provisions of Article 14 shall apply. Furthermore:

(a) An “emission reduction unit” or “ERU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(b) A “certified emission reduction” or “CER” is a unit issued pursuant to Article 12 and requirements thereunder, as well as the relevant provisions in these modalities and procedures, and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(c) An “assigned amount unit” or “AAU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(d) A “removal unit” or “RMU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(e) “Stakeholders” means the public, including individuals, groups or communities affected, or likely to be affected, by the proposed clean development mechanism project activity.

#### **B. Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

2. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) shall have authority over and provide guidance to the clean development mechanism (CDM).

3. The COP/MOP shall provide guidance to the executive board by taking decisions on:

(a) The recommendations made by the executive board on its rules of procedure;

(b) The recommendations made by the executive board, in accordance with provisions of decision 17/CP.7, the present annex and relevant decisions of the COP/MOP;

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<sup>1</sup> In the context of this annex, “Article” refers to an Article of the Kyoto Protocol, unless otherwise specified.



(c) The designation of operational entities accredited by the executive board in accordance with Article 12, paragraph 5, and accreditation standards contained in Appendix A below.

4. The COP/MOP shall further:

(a) Review annual reports of the executive board;

(b) Review the regional and subregional distribution of designated operational entities and take appropriate decisions to promote accreditation of such entities from developing country Parties<sup>2</sup>.

(c) Review the regional and subregional distribution of CDM project activities with a view to identifying systematic or systemic barriers to their equitable distribution and take appropriate decisions, based, *inter alia*, on a report by the executive board;

(d) Assist in arranging funding of CDM project activities, as necessary.

### **C. Executive board**

5. The executive board shall supervise the CDM, under the authority and guidance of the COP/MOP, and be fully accountable to the COP/MOP. In this context, the executive board shall:

(a) Make recommendations to the COP/MOP on further modalities and procedures for the CDM, as appropriate;

(b) Make recommendations to the COP/MOP on any amendments or additions to rules of procedure for the executive board contained in the present annex, as appropriate;

(c) Report on its activities to each session of the COP/MOP;

(d) Approve new methodologies related to, *inter alia*, baselines, monitoring plans and project boundaries in accordance with the provisions of Appendix C below;

(e) Review provisions with regard to simplified modalities, procedures and the definitions of small scale project activities and make recommendations to the COP/MOP;

(f) Be responsible for the accreditation of operational entities, in accordance with accreditation standards contained in Appendix A below, and make recommendations to the COP/MOP for the designation of operational entities, in accordance with Article 12, paragraph 5. This responsibility includes:

(i) Decisions on re-accreditation, suspension and withdrawal of accreditation;

(ii) Operationalization of accreditation procedures and standards;

(g) Review the accreditation standards in Appendix A below and make recommendations to the COP/MOP for consideration, as appropriate;

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<sup>2</sup> In the context of this annex, "Party" refers to a Party to the Kyoto Protocol, unless otherwise specified.

- (h) Report to the COP/MOP on the regional and subregional distribution of CDM project activities with a view to identifying systematic or systemic barriers to their equitable distribution;
- (i) Make publicly available relevant information, submitted to it for this purpose, on proposed CDM project activities in need of funding and on investors seeking opportunities, in order to assist in arranging funding of CDM project activities, as necessary;
- (j) Make any technical reports commissioned available to the public and provide a period of at least eight weeks for public comments on draft methodologies and guidance before documents are finalized and any recommendations are submitted to the COP/MOP for their consideration;
- (k) Develop, maintain and make publicly available a repository of approved rules, procedures, methodologies and standards;
- (l) Develop and maintain the CDM registry as defined in Appendix D below;
- (m) Develop and maintain a publicly available database of CDM project activities containing information on registered project design documents, comments received, verification reports, its decisions as well as information on all CERs issued;
- (n) Address issues relating to observance of modalities and procedures for the CDM by project participants and/or operational entities, and report on them to the COP/MOP;
- (o) Elaborate and recommend to the COP/MOP for adoption at its next session procedures for conducting the reviews referred to in paragraphs 41 and 65 below including, *inter alia*, procedures to facilitate consideration of information from Parties, stakeholders and UNFCCC accredited observers. Until their adoption by the COP/MOP, the procedures shall be applied provisionally;
- (p) Carry out any other functions ascribed to it in decision 17/CP.7, the present annex and relevant decisions of the COP/MOP.

6. Information obtained from CDM project participants marked as proprietary or confidential shall not be disclosed without the written consent of the provider of the information, except as required by national law. Information used to determine additionality as defined in paragraph 43 below, to describe the baseline methodology and its application, and to support an environmental impact assessment referred to in paragraph 37(c) below, shall not be considered as proprietary or confidential.

7. The executive board shall comprise ten members from Parties to the Kyoto Protocol, as follows: one member from each of the five United Nations regional groups, two other members from the Parties included in Annex I, two other members from the Parties not included in Annex I, and one representative of the small island developing States, taking into account the current practice in the Bureau of the Conference of the Parties.

8. Members, including alternate members, of the executive board shall:

(a) Be nominated by the relevant constituencies referred to in paragraph 7 above and be elected by the COP/MOP. Vacancies shall be filled in the same way;

(b) Be elected for a period of two years and be eligible to serve a maximum of two consecutive terms. Terms as alternate members do not count. Five members and five alternate members shall be elected initially for a term of three years and five members and five alternate members for a term of two years. Thereafter, the COP/MOP shall elect, every year, five new members, and five new alternate members, for a term of two years. Appointment pursuant to paragraph 11 below shall count as one term. The members, and alternate members, shall remain in office until their successors are elected;

(c) Possess appropriate technical and/or policy expertise and shall act in their personal capacity. The cost of participation of members, and of alternate members, from developing country Parties and other Parties eligible under UNFCCC practice shall be covered by the budget for the executive board;

(d) Be bound by the rules of procedure of the executive board;

(e) Take a written oath of service witnessed by the Executive Secretary of the UNFCCC or his/her authorized representative before assuming his or her duties;

(f) Have no pecuniary or financial interest in any aspect of a CDM project activity or any designated operational entity;

(g) Subject to their responsibilities to the executive board, not disclose any confidential or proprietary information coming to their knowledge by reason of their duties for the executive board. The duty of the member, including alternate member, not to disclose confidential information constitutes an obligation in respect of that member, and alternate member, and shall remain an obligation after the expiration or termination of that member's function for the executive board.

9. The COP/MOP shall elect an alternate for each member of the executive board based on the criteria in paragraphs 7 and 8 above. The nomination by a constituency of a candidate member shall be accompanied by a nomination for a candidate alternate member from the same constituency.

10. The executive board may suspend and recommend to the COP/MOP the termination of the membership of a particular member, including an alternate member, for cause including, *inter alia*, breach of the conflict of interest provisions, breach of the confidentiality provisions, or failure to attend two consecutive meetings of the executive board without proper justification.

11. If a member, or an alternate member, of the executive board resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the executive board may decide, bearing in mind the proximity of the next session of the COP/MOP, to appoint another member, or an alternate member, from the same constituency to replace the said member for the remainder of that member's mandate.

12. The executive board shall elect its own chairperson and vice-chairperson, with one being a member from a Party included in Annex I and the other being from a Party not included in Annex I. The positions of chairperson and vice-chairperson shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.
13. The executive board shall meet as necessary but no less than three times a year, bearing in mind the provisions of paragraph 41 below. All documentation for executive board meetings shall be made available to alternate members.
14. At least two thirds of the members of the executive board, representing a majority of members from Parties included in Annex I and a majority of members from Parties not included in Annex I, must be present to constitute a quorum.
15. Decisions by the executive board shall be taken by consensus, whenever possible. If all efforts at reaching a consensus have been exhausted and no agreement has been reached, decisions shall be taken by a three-fourths majority of the members present and voting at the meeting. Members abstaining from voting shall be considered as not voting.
16. Meetings of the executive board shall be open to attendance, as observers, by all Parties and by all UNFCCC accredited observers and stakeholders, except where otherwise decided by the executive board.
17. The full text of all decisions of the executive board shall be made publicly available. The working language of the executive board shall be English. Decisions shall be made available in all six official languages of the United Nations.
18. The executive board may establish committees, panels or working groups to assist it in the performance of its functions. The executive board shall draw on the expertise necessary to perform its functions, including from the UNFCCC roster of experts. In this context, it shall take fully into account the consideration of regional balance.
19. The secretariat shall service the executive board.

#### **D. Accreditation and designation of operational entities**

20. The executive board shall:
  - (a) Accredit operational entities which meet the accreditation standards contained in Appendix A below;
  - (b) Recommend the designation of operational entities to the COP/MOP;
  - (c) Maintain a publicly available list of all designated operational entities;
  - (d) Review whether each designated operational entity continues to comply with the accreditation standards contained in Appendix A below and on this basis confirm whether to reaccredit each operational entity every three years;
  - (e) Conduct spot-checking at any time and, on the basis of the results, decide to conduct the above-mentioned review, if warranted.

21. The executive board may recommend to the COP/MOP to suspend or withdraw the designation of a designated operational entity if it has carried out a review and found that the entity no longer meets the accreditation standards or applicable provisions in decisions of the COP/MOP. The executive board may recommend the suspension or withdrawal of designation only after the designated operational entity has had the possibility of a hearing. The suspension or withdrawal is with immediate effect, on a provisional basis, once the executive board has made a recommendation, and remains in effect pending a final decision by the COP/MOP. The affected entity shall be notified, immediately and in writing, once the executive board has recommended its suspension or withdrawal. The recommendation by the executive board and the decision by the COP/MOP on such a case shall be made public.

22. Registered project activities shall not be affected by the suspension or withdrawal of designation of a designated operational entity unless significant deficiencies are identified in the relevant validation, verification or certification report for which the entity was responsible. In this case, the executive board shall decide whether a different designated operational entity shall be appointed to review, and where appropriate correct, such deficiencies. If such a review reveals that excess CERs were issued, the designated operational entity whose accreditation has been withdrawn or suspended shall acquire and transfer, within 30 days of the end of review, an amount of reduced tonnes of carbon dioxide equivalent equal to the excess CERs issued, as determined by the executive board, to a cancellation account maintained in the CDM registry by the executive board.

23. Any suspension or withdrawal of a designated operational entity that adversely affects registered project activities shall be recommended by the executive board only after the affected project participants have had the possibility of a hearing.

24. Any costs related to the review referred to in paragraph 22 above shall be borne by the designated operational entity whose designation has been withdrawn or suspended.

25. The executive board may seek assistance in performing the functions in paragraph 20 above, in accordance with the provisions of paragraph 18 above.

#### **E. Designated operational entities**

26. Designated operational entities shall be accountable to the COP/MOP through the executive board and shall comply with the modalities and procedures in decision 17/CP.7, the present annex and relevant decisions of the COP/MOP and the executive board.

27. A designated operational entity shall:

- (a) Validate proposed CDM project activities;
- (b) Verify and certify reductions in anthropogenic emissions by sources of greenhouse gases;
- (c) Comply with applicable laws of the Parties hosting CDM project activities when carrying out its functions referred to in subparagraph (e) below;

(d) Demonstrate that it, and its subcontractors, have no real or potential conflict of interest with the participants in the CDM project activities for which it has been selected to carry out validation or verification and certification functions;

(e) Perform one of the following functions related to a given CDM project activity: validation or verification and certification. Upon request, the executive board may, however, allow a single designated operational entity to perform all these functions within a single CDM project activity;

(f) Maintain a publicly available list of all CDM project activities for which it has carried out validation, verification and certification;

(g) Submit an annual activity report to the executive board;

(h) Make information obtained from CDM project participants publicly available, as required by the executive board. Information marked as proprietary or confidential shall not be disclosed without the written consent of the provider of the information, except as required by national law. Information used to determine additionality as defined in paragraph 43 below, to describe the baseline methodology and its application, and to support an environmental impact assessment referred to in paragraph 37(c) below, shall not be considered as proprietary or confidential.

#### **F. Participation requirements**

28. Participation in a CDM project activity is voluntary.

29. Parties participating in the CDM shall designate a national authority for the CDM.

30. A Party not included in Annex I may participate in a CDM project activity if it is a Party to the Kyoto Protocol.

31. Subject to the provisions of paragraph 32 below, a Party included in Annex I with a commitment inscribed in Annex B is eligible to use CERs, issued in accordance with the relevant provisions, to contribute to compliance with part of its commitment under Article 3, paragraph 1, if it is in compliance with the following eligibility requirements:

(a) It is a Party to the Kyoto Protocol;

(b) Its assigned amount pursuant to Article 3, paragraphs 7 and 8, has been calculated and recorded in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(c) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, in accordance with Article 5, paragraph 1, and the requirements in the guidelines decided thereunder;

(d) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder;

(e) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the guidelines decided thereunder, including the national inventory report and the common reporting format. For the first commitment period, the quality assessment needed for the purpose of determining eligibility to use the mechanisms shall be limited to the parts of the inventory pertaining to emissions of greenhouse gases from sources/sector categories from Annex A to the Kyoto Protocol and the submission of the annual inventory on sinks;

(f) It submits the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder and makes any additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, including for the activities under Article 3, paragraphs 3 and 4, in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder.

32. A Party included in Annex I with a commitment inscribed in Annex B shall be considered:

(a) To meet the eligibility requirements referred to in paragraph 31 above after 16 months have elapsed since the submission of its report to facilitate the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and to demonstrate its capacity to account for its emissions and assigned amount, in accordance with the modalities adopted for the accounting of assigned amount under Article 7, paragraph 4, unless the enforcement branch of the compliance committee finds in accordance with decision 24/CP.7 that the Party does not meet these requirements, or, at an earlier date, if the enforcement branch of the compliance committee has decided that it is not proceeding with any questions of implementation relating to these requirements indicated in reports of the expert review teams under Article 8 of the Kyoto Protocol, and has transmitted this information to the secretariat;

(b) To continue to meet the eligibility requirements referred to in paragraph 31 above unless and until the enforcement branch of the compliance committee decides that the Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility, and has transmitted this information to the secretariat.

33. A Party that authorizes private and/or public entities to participate in Article 12 project activities shall remain responsible for the fulfilment of its obligations under the Kyoto Protocol and shall ensure that such participation is consistent with the present annex. Private and/or public entities may only transfer and acquire CERs if the authorizing Party is eligible to do so at that time.

34. The secretariat shall maintain publicly accessible lists of:

(a) Parties not included in Annex I which are Parties to the Kyoto Protocol;

(b) Parties included in Annex I that do not meet the requirements in paragraph 31 above or have been suspended.

### **G. Validation and registration**

35. Validation is the process of independent evaluation of a project activity by a designated operational entity against the requirements of the CDM as set out in decision 17/CP.7, the present annex and relevant decisions of the COP/MOP, on the basis of the project design document, as outlined in Appendix B below.

36. Registration is the formal acceptance by the executive board of a validated project as a CDM project activity. Registration is the prerequisite for the verification, certification and issuance of CERs related to that project activity.

37. The designated operational entity selected by project participants to validate a project activity, being under a contractual arrangement with them, shall review the project design document and any supporting documentation to confirm that the following requirements have been met:

(a) The participation requirements as set out in paragraphs 28 to 30 above are satisfied;

(b) Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the designated operational entity on how due account was taken of any comments has been received;

(c) Project participants have submitted to the designated operational entity documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party;

(d) The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 43 to 52 below;

(e) The baseline and monitoring methodologies comply with requirements pertaining to:

(i) Methodologies previously approved by the executive board; or

(ii) Modalities and procedures for establishing a new methodology, as set out in paragraph 38 below;

(f) Provisions for monitoring, verification and reporting are in accordance with decision 17/CP.7, the present annex and relevant decisions of the COP/MOP;

(g) The project activity conforms to all other requirements for CDM project activities in decision 17/CP.7, the present annex and relevant decisions by the COP/MOP and the executive board.



38. If the designated operational entity determines that the project activity intends to use a new baseline or monitoring methodology, as referred to in paragraph 37(e) (ii) above, it shall, prior to a submission for registration of this project activity, forward the proposed methodology, together with the draft project design document, including a description of the project and identification of the project participants, to the executive board for review. The executive board shall expeditiously, if possible at its next meeting but not later than four months, review the proposed new methodology in accordance with the modalities and procedures of the present annex. Once approved by the executive board it shall make the approved methodology publicly available along with any relevant guidance and the designated operational entity may proceed with the validation of the project activity and submit the project design document for registration. In the event that the COP/MOP requests the revision of an approved methodology, no CDM project activity may use this methodology. The project participants shall revise the methodology, as appropriate, taking into consideration any guidance received.

39. A revision of a methodology shall be carried out in accordance with the modalities and procedures for establishing new methodologies as set out in paragraph 38 above. Any revision to an approved methodology shall only be applicable to project activities registered subsequent to the date of revision and shall not affect existing registered project activities during their crediting periods.

40. The designated operational entity shall:

(a) Prior to the submission of the validation report to the executive board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development;

(b) In accordance with provisions on confidentiality contained in paragraph 27(h) above, make publicly available the project design document;

(c) Receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available;

(d) After the deadline for receipt of comments, make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated;

(e) Inform project participants of its determination on the validation of the project activity. Notification to the project participants will include:

- (i) Confirmation of validation and date of submission of the validation report to the executive board; or
- (ii) An explanation of reasons for non-acceptance if the project activity, as documented, is judged not to fulfil the requirements for validation;

(f) Submit to the executive board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party as referred to in subparagraph (a) above, and an explanation of how it has taken due account of comments received;

(g) Make this validation report publicly available upon transmission to the executive board.

41. The registration by the executive board shall be deemed final eight weeks after the date of receipt by the executive board of the request for registration, unless a Party involved in the project activity or at least three members of the executive board request a review of the proposed CDM project activity. The review by the executive board shall be made in accordance with the following provisions:

(a) It shall be related to issues associated with the validation requirements;

(b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.

42. A proposed project activity that is not accepted may be reconsidered for validation and subsequent registration, after appropriate revisions, provided that it follows the procedures and meets the requirements for validation and registration, including those related to public comments.

43. A CDM project activity is additional if anthropogenic emissions of greenhouse gases by sources are reduced below those that would have occurred in the absence of the registered CDM project activity.

44. The baseline for a CDM project activity is the scenario that reasonably represents the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed project activity. A baseline shall cover emissions from all gases, sectors and source categories listed in Annex A within the project boundary. A baseline shall be deemed to reasonably represent the anthropogenic emissions by sources that would occur in the absence of the proposed project activity if it is derived using a baseline methodology referred to in paragraphs 37 and 38 above.

45. A baseline shall be established:

(a) By project participants in accordance with provisions for the use of approved and new methodologies, contained in decision 17/CP.7, the present annex and relevant decisions of the COP/MOP;

(b) In a transparent and conservative manner regarding the choice of approaches, assumptions, methodologies, parameters, data sources, key factors and additionality, and taking into account uncertainty;

(c) On a project-specific basis;

(d) In the case of small-scale CDM project activities which meet the criteria specified in decision 17/CP.7 and relevant decisions by the COP/MOP, in accordance with simplified procedures developed for such activities;

(e) Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the project sector.

46. The baseline may include a scenario where future anthropogenic emissions by sources are projected to rise above current levels, due to the specific circumstances of the host Party.

47. The baseline shall be defined in a way that CERs cannot be earned for decreases in activity levels outside the project activity or due to *force majeure*.

48. In choosing a baseline methodology for a project activity, project participants shall select from among the following approaches the one deemed most appropriate for the project activity, taking into account any guidance by the executive board, and justify the appropriateness of their choice:

(a) Existing actual or historical emissions, as applicable; or

(b) Emissions from a technology that represents an economically attractive course of action, taking into account barriers to investment; or

(c) The average emissions of similar project activities undertaken in the previous five years, in similar social, economic, environmental and technological circumstances, and whose performance is among the top 20 per cent of their category.

49. Project participants shall select a crediting period for a proposed project activity from one of the following alternative approaches:

(a) A maximum of seven years which may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the executive board that the original project baseline is still valid or has been updated taking account of new data where applicable; or

(b) A maximum of ten years with no option of renewal.

50. Reductions in anthropogenic emissions by sources shall be adjusted for leakage in accordance with the monitoring and verification provisions in paragraphs 59 and 62(f) below, respectively.

51. Leakage is defined as the net change of anthropogenic emissions by sources of greenhouse gases which occurs outside the project boundary, and which is measurable and attributable to the CDM project activity.

52. The project boundary shall encompass all anthropogenic emissions by sources of greenhouse gases under the control of the project participants that are significant and reasonably attributable to the CDM project activity.

## **H. Monitoring**

53. Project participants shall include, as part of the project design document, a monitoring plan that provides for:

(a) The collection and archiving of all relevant data necessary for estimating or measuring anthropogenic emissions by sources of greenhouse gases occurring within the project boundary during the crediting period;

(b) The collection and archiving of all relevant data necessary for determining the baseline of anthropogenic emissions by sources of greenhouse gases within the project boundary during the crediting period;

(c) The identification of all potential sources of, and the collection and archiving of data on, increased anthropogenic emissions by sources of greenhouse gases outside the project boundary that are significant and reasonably attributable to the project activity during the crediting period;

(d) The collection and archiving of information relevant to the provisions in paragraph 37(c) above;

(e) Quality assurance and control procedures for the monitoring process;

(f) Procedures for the periodic calculation of the reductions of anthropogenic emissions by sources by the proposed CDM project activity, and for leakage effects;

(g) Documentation of all steps involved in the calculations referred to in paragraph 53(c) and (f) above.

54. A monitoring plan for a proposed project activity shall be based on a previously approved monitoring methodology or a new methodology, in accordance with paragraphs 37 and 38 above, that:

(a) Is determined by the designated operational entity as appropriate to the circumstances of the proposed project activity and has been successfully applied elsewhere;

(b) Reflects good monitoring practice appropriate to the type of project activity.

55. For small-scale CDM project activities meeting the criteria specified in decision 17/CP.7 and relevant decisions by the COP/MOP, project participants may use simplified modalities and procedures for small-scale projects.

56. Project participants shall implement the monitoring plan contained in the registered project design document.

57. Revisions, if any, to the monitoring plan to improve its accuracy and/or completeness of information shall be justified by project participants and shall be submitted for validation to a designated operational entity.

58. The implementation of the registered monitoring plan and its revisions, as applicable, shall be a condition for verification, certification and the issuance of CERs.
59. Subsequent to the monitoring and reporting of reductions in anthropogenic emissions, CERs resulting from a CDM project activity during a specified time period shall be calculated, applying the registered methodology, by subtracting the actual anthropogenic emissions by sources from baseline emissions and adjusting for leakage.
60. The project participants shall provide to the designated operational entity, contracted by the project participants to perform the verification, a monitoring report in accordance with the registered monitoring plan set out in paragraph 53 above for the purpose of verification and certification.

### **I. Verification and certification**

61. Verification is the periodic independent review and *ex post* determination by the designated operational entity of the monitored reductions in anthropogenic emissions by sources of greenhouse gases that have occurred as a result of a registered CDM project activity during the verification period. Certification is the written assurance by the designated operational entity that, during a specified time period, a project activity achieved the reductions in anthropogenic emissions by sources of greenhouse gases as verified.
62. In accordance with the provisions on confidentiality in paragraph 27(h) above, the designated operational entity contracted by the project participants to perform the verification shall make the monitoring report publicly available, and shall:
- (a) Determine whether the project documentation provided is in accordance with the requirements of the registered project design document and relevant provisions of decision 17/CP.7, the present annex and relevant decisions of the COP/MOP;
  - (b) Conduct on-site inspections, as appropriate, that may comprise, *inter alia*, a review of performance records, interviews with project participants and local stakeholders, collection of measurements, observation of established practices and testing of the accuracy of monitoring equipment;
  - (c) If appropriate, use additional data from other sources;
  - (d) Review monitoring results and verify that the monitoring methodologies for the estimation of reductions in anthropogenic emissions by sources have been applied correctly and their documentation is complete and transparent;
  - (e) Recommend to the project participants appropriate changes to the monitoring methodology for any future crediting period, if necessary;
  - (f) Determine the reductions in anthropogenic emissions by sources of greenhouse gases that would not have occurred in the absence of the CDM project activity, based on the data and information derived under subparagraph (a) above and obtained under subparagraph (b) and/or (c) above, as appropriate, using calculation procedures consistent with those contained in the registered project design document and in the monitoring plan;

(g) Identify and inform the project participants of any concerns related to the conformity of the actual project activity and its operation with the registered project design document. Project participants shall address the concerns and supply relevant additional information;

(h) Provide a verification report to the project participants, the Parties involved and the executive board. The report shall be made publicly available.

63. The designated operational entity shall, based on its verification report, certify in writing that, during the specified time period, the project activity achieved the verified amount of reductions in anthropogenic emissions by sources of greenhouse gases that would not have occurred in the absence of the CDM project activity. It shall inform the project participants, Parties involved and the executive board of its certification decision in writing immediately upon completion of the certification process and make the certification report publicly available.

#### **J. Issuance of certified emission reductions**

64. The certification report shall constitute a request for issuance to the executive board of CERs equal to the verified amount of reductions of anthropogenic emissions by sources of greenhouse gases.

65. The issuance shall be considered final 15 days after the date of receipt of the request for issuance, unless a Party involved in the project activity or at least three members of the executive board request a review of the proposed issuance of CERs. Such a review shall be limited to issues of fraud, malfeasance or incompetence of the designated operational entities and be conducted as follows:

(a) Upon receipt of a request for such a review, the executive board, at its next meeting, shall decide on its course of action. If it decides that the request has merit it shall perform a review and decide whether the proposed issuance of CERs should be approved;

(b) The executive board shall complete its review within 30 days following its decision to perform the review;

(c) The executive board shall inform the project participants of the outcome of the review, and make public its decision regarding the approval of the proposed issuance of CERs and the reasons for it.

66. Upon being instructed by the executive board to issue CERs for a CDM project activity, the CDM registry administrator, working under the authority of the executive board, shall, promptly, issue the specified quantity of CERs into the pending account of the executive board in the CDM registry, in accordance with Appendix D below. Upon such issuance, the CDM registry administrator shall promptly:

(a) Forward the quantity of CERs corresponding to the share of proceeds to cover administrative expenses and to assist in meeting costs of adaptation, respectively, in accordance with Article 12, paragraph 8, to the appropriate accounts in the CDM registry for the management of the share of proceeds;

(b) Forward the remaining CERs to the registry accounts of Parties and project participants involved, in accordance with their request.

## APPENDIX A

### Standards for the accreditation of operational entities

1. An operational entity shall:

- (a) Be a legal entity (either a domestic legal entity or an international organization) and provide documentation of this status;
- (b) Employ a sufficient number of persons having the necessary competence to perform validation, verification and certification functions relating to the type, range and volume of work performed, under a responsible senior executive;
- (c) Have the financial stability, insurance coverage and resources required for its activities;
- (d) Have sufficient arrangements to cover legal and financial liabilities arising from its activities;
- (e) Have documented internal procedures for carrying out its functions including, among others, procedures for the allocation of responsibility within the organization and for handling complaints. These procedures shall be made publicly available;
- (f) Have, or have access to, the necessary expertise to carry out the functions specified in modalities and procedures of the CDM and relevant decisions by the COP/MOP, in particular knowledge and understanding of:
  - (i) The modalities and procedures and guidelines for the operation of the CDM, relevant decisions of the COP/MOP and of the executive board;
  - (ii) Issues, in particular environmental, relevant to validation, verification and certification of CDM project activities, as appropriate;
  - (iii) The technical aspects of CDM project activities relevant to environmental issues, including expertise in the setting of baselines and monitoring of emissions;
  - (iv) Relevant environmental auditing requirements and methodologies;
  - (v) Methodologies for accounting of anthropogenic emissions by sources;
  - (vi) Regional and sectoral aspects;
- (g) Have a management structure that has overall responsibility for performance and implementation of the entity's functions, including quality assurance procedures, and all relevant decisions relating to validation, verification and certification. The applicant operational entity shall make available:

- (i) The names, qualifications, experience and terms of reference of senior management personnel such as the senior executive, board members, senior officers and other relevant personnel;
  - (ii) An organizational chart showing lines of authority, responsibility and allocation of functions stemming from senior management;
  - (iii) Its quality assurance policy and procedures;
  - (iv) Administrative procedures, including document control;
  - (v) Its policy and procedures for the recruitment and training of operational entity personnel, for ensuring their competence for all necessary functions for validation, verification and certification functions, and for monitoring their performance;
  - (vi) Its procedures for handling complaints, appeals and disputes;
- (h) Not have pending any judicial process for malpractice, fraud and/or other activity incompatible with its functions as a designated operational entity.

2. An applicant operational entity shall meet the following operational requirements:

(a) Work in a credible, independent, non-discriminatory and transparent manner, complying with applicable national law and meeting, in particular, the following requirements:

- (i) An applicant operational entity shall have a documented structure, which safeguards impartiality, including provisions to ensure impartiality of its operations;
- (ii) If it is part of a larger organization, and where parts of that organization are, or may become, involved in the identification, development or financing of any CDM project activity, the applicant operational entity shall:
  - Make a declaration of all the organization's actual and planned involvement in CDM project activities, if any, indicating which part of the organization is involved and in which particular CDM project activities;
  - Clearly define the links with other parts of the organization, demonstrating that no conflicts of interest exist;
  - Demonstrate that no conflict of interest exists between its functions as an operational entity and any other functions that it may have, and demonstrate how business is managed to minimize any identified risk to impartiality. The demonstration shall cover all sources of conflict of interest, whether they arise from within the applicant operational entity or from the activities of related bodies;



- Demonstrate that it, together with its senior management and staff, is not involved in any commercial, financial or other processes which might influence its judgement or endanger trust in its independence of judgement and integrity in relation to its activities, and that it complies with any rules applicable in this respect;
- (b) Have adequate arrangements to safeguard confidentiality of the information obtained from CDM project participants in accordance with provisions contained in the present annex.

## APPENDIX B

### Project design document

1. The provisions of this appendix shall be interpreted in accordance with the annex above on modalities and procedures for a CDM.
2. The purpose of this appendix is to outline the information required in the project design document. A project activity shall be described in detail taking into account the provisions of the annex on modalities and procedures for a CDM, in particular, section G on validation and registration and section H on monitoring, in a project design document which shall include the following:
  - (a) A description of the project comprising the project purpose, a technical description of the project, including how technology will be transferred, if any, and a description and justification of the project boundary;
  - (b) A proposed baseline methodology in accordance with the annex on modalities and procedures for a CDM including, in the case of the:
    - (i) Application of an approved methodology:
      - Statement of which approved methodology has been selected;
      - Description of how the approved methodology will be applied in the context of the project;
    - (ii) Application of a new methodology:
      - Description of the baseline methodology and justification of choice, including an assessment of strengths and weaknesses of the methodology;
      - Description of key parameters, data sources and assumptions used in the baseline estimate, and assessment of uncertainties;
      - Projections of baseline emissions;
      - Description of how the baseline methodology addresses potential leakage;

- (iii) Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account and an explanation of how the baseline was established in a transparent and conservative manner;
- (c) Statement of the estimated operational lifetime of the project and which crediting period was selected;
- (d) Description of how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered CDM project activity;
- (e) Environmental impacts:
  - (i) Documentation on the analysis of the environmental impacts, including transboundary impacts;
  - (ii) If impacts are considered significant by the project participants or the host Party: conclusions and all references to support documentation of an environmental impact assessment that has been undertaken in accordance with the procedures as required by the host Party;
- (f) Information on sources of public funding for the project activity from Parties included in Annex I which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties;
- (g) Stakeholder comments, including a brief description of the process, a summary of the comments received, and a report on how due account was taken of any comments received;
- (h) Monitoring plan:
  - (i) Identification of data needs and data quality with regard to accuracy, comparability, completeness and validity;
  - (ii) Methodologies to be used for data collection and monitoring including quality assurance and quality control provisions for monitoring, collecting and reporting;
  - (iii) In the case of a new monitoring methodology, provide a description of the methodology, including an assessment of strengths and weaknesses of the methodology and whether or not it has been applied successfully elsewhere;
- (i) Calculations:
  - (i) Description of formulae used to calculate and estimate anthropogenic emissions by sources of greenhouse gases of the CDM project activity within the project boundary;

- (ii) Description of formulae used to calculate and to project leakage, defined as: the net change of anthropogenic emissions by sources of greenhouse gases which occurs outside the CDM project activity boundary, and that is measurable and attributable to the CDM project activity;
  - (iii) The sum of (i) and (ii) above representing the CDM project activity emissions;
  - (iv) Description of formulae used to calculate and to project the anthropogenic emissions by sources of greenhouse gases of the baseline;
  - (v) Description of formulae used to calculate and to project leakage;
  - (vi) The sum of (iv) and (v) above representing the baseline emissions;
  - (vii) Difference between (vi) and (iii) above representing the emission reductions of the CDM project activity;
- (j) References to support the above, if any.

#### APPENDIX C

##### Terms of reference for establishing guidelines on baselines and monitoring methodologies

The executive board, drawing on experts in accordance with the modalities and procedures for a CDM, shall develop and recommend to the COP/MOP, *inter alia*:

- (a) General guidance on methodologies relating to baselines and monitoring consistent with the principles set out in those modalities and procedures in order to:
- (i) Elaborate the provisions relating to baseline and monitoring methodologies contained in decision 17/CP.7, the annex above and relevant decisions of the COP/MOP;
  - (ii) Promote consistency, transparency and predictability;
  - (iii) Provide rigour to ensure that net reductions in anthropogenic emissions are real and measurable, and an accurate reflection of what has occurred within the project boundary;
  - (iv) Ensure applicability in different geographical regions and to those project categories which are eligible in accordance with decision 17/CP.7 and relevant decisions of the COP/MOP;
  - (v) Address the additionality requirement of Article 12, paragraph 5(c), and paragraph 43 of the above annex;

- (b) Specific guidance in the following areas:
  - (i) Definition of project categories (e.g. based on sector, subsector, project type, technology, geographic area) that show common methodological characteristics for baseline setting, and/or monitoring, including guidance on the level of geographic aggregation, taking into account data availability;
  - (ii) Baseline methodologies deemed to reasonably represent what would have occurred in the absence of a project activity;
  - (iii) Monitoring methodologies that provide an accurate measure of actual reductions in anthropogenic emissions as a result of the project activity, taking into account the need for consistency and cost-effectiveness;
  - (iv) Decision trees and other methodological tools, where appropriate, to guide choices in order to ensure that the most appropriate methodologies are selected, taking into account relevant circumstances;
  - (v) The appropriate level of standardization of methodologies to allow a reasonable estimation of what would have occurred in the absence of a project activity wherever possible and appropriate. Standardization should be conservative in order to prevent any overestimation of reductions in anthropogenic emissions;
  - (vi) Determination of project boundaries including accounting for all greenhouse gases that should be included as a part of the baseline, and monitoring. Relevance of leakage and recommendations for establishing appropriate project boundaries and methods for the *ex post* evaluation of the level of leakage;
  - (vii) Accounting for applicable national policies and specific national or regional circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the sector relevant to the project activity;
  - (viii) The breadth of the baseline, e.g. how the baseline makes comparisons between the technology/fuel used and other technologies/fuels in the sector;
- (c) In developing the guidance in (a) and (b) above, the executive board shall take into account:
  - (i) Current practices in the host country or an appropriate region, and observed trends;
  - (ii) Least cost technology for the activity or project category.

## APPENDIX D

### Clean development mechanism registry requirements

1. The executive board shall establish and maintain a CDM registry to ensure the accurate accounting of the issuance, holding, transfer and acquisition of CERs by Parties not included in Annex I. The executive board shall identify a registry administrator to maintain the registry under its authority.
2. The CDM registry shall be in the form of a standardized electronic database which contains, *inter alia*, common data elements relevant to the issuance, holding, transfer and acquisition of CERs. The structure and data formats of the CDM registry shall conform to technical standards to be adopted by the COP/MOP for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the CDM registry and the independent transaction log.
3. The CDM registry shall have the following accounts:
  - (a) One pending account for the executive board, into which CERs are issued before being transferred to other accounts;
  - (b) At least one holding account for each Party not included in Annex I hosting a CDM project activity or requesting an account;
  - (c) At least one account for the purpose of cancelling ERUs, CERs, AAUs and RMUs equal to excess CERs issued, as determined by the executive board, where the accreditation of a designated operational entity has been withdrawn or suspended;
  - (d) At least one account for the purpose of holding and transferring CERs corresponding to the share of proceeds to cover administrative expenses and to assist in meeting costs of adaptation in accordance with Article 12, paragraph 8. Such an account may not otherwise acquire CERs.
4. Each CER shall be held in only one account in one registry at a given time.
5. Each account within the CDM registry shall have a unique account number comprising the following elements:
  - (a) Party/organization identifier: the Party for which the account is maintained, using the two-letter country code defined by the International Organization for Standardization (ISO 3166), or, in the cases of the pending account and an account for managing the CERs corresponding to the share of proceeds, the executive board or another appropriate organization;
  - (b) A unique number: a number unique to that account for the Party or organization for which the account is maintained.
6. Upon being instructed by the executive board to issue CERs for a CDM project activity, the registry administrator shall, in accordance with the transaction procedures set out in decision -/CMP.1 (*Modalities for the accounting of assigned amounts*):

- (a) Issue the specified quantity of CERs into a pending account of the executive board;
- (b) Forward the quantity of CERs corresponding to the share of proceeds to cover administrative expenses and to assist in meeting costs of adaptation, in accordance with Article 12, paragraph 8, to the appropriate accounts in the CDM registry for holding and transferring such CERs;
- (c) Forward the remaining CERs to the registry accounts of project participants and Parties involved, in accordance with their request.

7. Each CER shall have a unique serial number comprising the following elements:

- (a) Commitment period: the commitment period for which the CER is issued;
- (b) Party of origin: the Party which hosted the CDM project activity, using the two-letter country code defined by ISO 3166;
- (c) Type: this shall identify the unit as a CER;
- (d) Unit: a number unique to the CER for the identified commitment period and Party of origin;
- (e) Project identifier: a number unique to the CDM project activity for the Party of origin.

8. Where the accreditation of a designated operational entity has been withdrawn or suspended, ERUs, CERs, AAUs and/or RMUs equal to the excess CERs issued, as determined by the executive board, shall be transferred to a cancellation account in the CDM registry. Such ERUs, CERs, AAUs and RMUs may not be further transferred or used for the purpose of demonstrating the compliance of a Party with its commitment under Article 3, paragraph 1.

9. The CDM registry shall make non-confidential information publicly available and provide a publicly accessible user interface through the Internet that allows interested persons to query and view it.

10. The information referred to in paragraph 9 above shall include up-to-date information, for each account number in the registry, on the following:

- (a) Account name: the holder of the account;
- (b) Representative identifier: the representative of the account holder, using the Party/organization identifier (the two-letter country code defined by ISO 3166) and a number unique to that representative for that Party or organization;
- (c) Representative name and contact information: the full name, mailing address, telephone number, facsimile number and e-mail address of the representative of the account holder.

11. The information referred to in paragraph 9 above shall include the following CDM project activity information, for each project identifier against which the CERs have been issued:

- (a) Project name: a unique name for the CDM project activity;
- (b) Project location: the Party and town or region in which the CDM project activity is located;
- (c) Years of CER issuance: the years in which CERs have been issued as a result of the CDM project activity;
- (d) Operational entities: the operational entities involved in the validation, verification and certification of the CDM project activity;
- (e) Reports: downloadable electronic versions of documentation to be made publicly available in accordance with the provisions of the present annex.

12. The information referred to in paragraph 9 above shall include the following holding and transaction information relevant to the CDM registry, by serial number, for each calendar year (defined according to Greenwich Mean Time):

- (a) The total quantity of CERs in each account at the beginning of the year;
- (b) The total quantity of CERs issued;
- (c) The total quantity of CERs transferred and the identity of the acquiring accounts and registries;
- (d) The total quantity of ERUs, CERs, AAUs and RMUs cancelled in accordance with paragraph 8 above;
- (e) Current holdings of CERs in each account.

**Decision 18/CP.7**

**Modalities, rules and guidelines for emissions trading  
under Article 17 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decision 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Aware* of its decisions 3/CP.7, 11/CP.7, 15/CP.7, 16/CP.7, 17/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7 and 24/CP.7,

1. *Decides* to adopt the modalities, rules and guidelines for emissions trading contained in the annex below;
2. *Decides further* that any future revision of the modalities, rules and guidelines shall be decided in accordance with the rules of procedures of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as applied. The first review shall be carried out no later than one year after the end of the first commitment period, based on recommendations by the Subsidiary Body for Implementation drawing on technical advice of the Subsidiary Body for Scientific and Technological Advice, as needed. Further reviews shall be carried out periodically thereafter;
3. *Urges* the Parties included in Annex II to the Convention to facilitate the participation in emissions trading under Article 17 of the Kyoto Protocol of Parties included in Annex I to the Convention with commitments inscribed in Annex B which are undergoing the process of transition to a market economy;
4. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
10 November 2001*



**Draft decision -/CMP.1 (Article 17)**

**Modalities, rules and guidelines for emissions trading  
under Article 17 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms), -/CMP.1 (Article 6), -/CMP.1 (Article 12), -/CMP.1 (Land use, land-use change and forestry), -/CMP.1 (Modalities for the accounting of assigned amounts), -/CMP.1 (Article 5.1), -/CMP.1 (Article 5.2), -/CMP.1 (Article 7) and -/CMP.1 (Article 8) and decisions 3/CP.7 and 24/CP.7,*

1. *Decides* to confirm and give full effect to any actions taken pursuant to decision 18/CP.7 and to any other relevant decisions by the Conference of the Parties, as appropriate,

2. *Urges* the Parties included in Annex II to the Convention to facilitate the participation in emissions trading under Article 17 of the Kyoto Protocol of Parties included in Annex I to the Convention with commitments inscribed in Annex B which are undergoing the process of transition to a market economy.

ANNEX

**Modalities, rules and guidelines for emissions trading  
under Article 17 of the Kyoto Protocol<sup>1</sup>**

1. For the purpose of the present annex the definitions contained in Article 1<sup>2</sup> and the provisions of Article 14 shall apply. Furthermore:

(a) An “emission reduction unit” or “ERU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(b) A “certified emission reduction” or “CER” is a unit issued pursuant to Article 12 and requirements thereunder, as well as the relevant provisions in the annex to decision -/CMP.1 (*Article 12*), and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(c) An “assigned amount unit” or “AAU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5;

(d) A “removal unit” or “RMU” is a unit issued pursuant to the relevant provisions in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5.

2. Subject to the provisions of paragraph 3 below, a Party<sup>3</sup> included in Annex I with a commitment inscribed in Annex B is eligible to transfer and/or acquire ERUs, CERs, AAUs, or RMUs issued in accordance with the relevant provisions, if it is in compliance with the following eligibility requirements:

(a) It is a Party to the Kyoto Protocol;

(b) Its assigned amount pursuant to Article 3, paragraphs 7 and 8, has been calculated and recorded in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(c) It has in place a national system for the estimation of anthropogenic emissions by sources and anthropogenic removals by sinks of all greenhouse gases not controlled by the

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<sup>1</sup> The annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) contains operational provisions and procedures relevant to this annex.

<sup>2</sup> In the context of this annex, “Article” refers to an Article of the Kyoto Protocol, unless otherwise specified.

<sup>3</sup> In the context of this annex, “Party” refers to a Party to the Kyoto Protocol, unless otherwise specified.

Montreal Protocol, in accordance with Article 5, paragraph 1, and the requirements in the guidelines decided thereunder;

(d) It has in place a national registry in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder;

(e) It has submitted annually the most recent required inventory, in accordance with Article 5, paragraph 2, and Article 7, paragraph 1, and the requirements in the guidelines decided thereunder, including the national inventory report and the common reporting format. For the first commitment period, the quality assessment needed for the purpose of determining eligibility to use the mechanisms shall be limited to the parts of the inventory pertaining to emissions of greenhouse gases from sources/sector categories from Annex A to the Kyoto Protocol and the submission of the annual inventory on sinks;

(f) It submits the supplementary information on assigned amount in accordance with Article 7, paragraph 1, and the requirements in the guidelines decided thereunder and makes any additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, including for the activities under Article 3, paragraphs 3 and 4, in accordance with Article 7, paragraph 4, and the requirements in the guidelines decided thereunder;

3. A Party included in Annex I with a commitment inscribed in Annex B shall be considered:

(a) To meet the eligibility requirements referred to in paragraph 2 above after 16 months have elapsed since the submission of its report to facilitate the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and to demonstrate its capacity to account for its emissions and assigned amount, in accordance with the modalities adopted for the accounting of assigned amount under Article 7, paragraph 4, unless the enforcement branch of the compliance committee finds in accordance with decision 24/CP.7 that the Party does not meet these requirements, or, at an earlier date, if the enforcement branch of the compliance committee has decided that it is not proceeding with any questions of implementation relating to these requirements indicated in reports of the expert review teams under Article 8 of the Kyoto Protocol, and has transmitted this information to the secretariat;

(b) To continue to meet the eligibility requirements referred to in paragraph 2 above unless and until the enforcement branch of the compliance committee decides that the Party does not meet one or more of the eligibility requirements, has suspended the Party's eligibility and has transmitted this information to the secretariat.

4. The secretariat shall maintain a publicly accessible list of Parties that meet the eligibility requirements and of Parties that have been suspended.

5. Transfers and acquisitions between national registries shall be made under the responsibility of the Parties concerned in accordance with the provisions in decision -/CMP.1 (*Modalities for the accounting of assigned amounts*). A Party that authorizes legal entities to transfer and/or acquire under Article 17 shall remain responsible for the fulfilment of its obligations under the Kyoto Protocol and shall ensure that such participation is consistent with the present annex. The Party shall maintain an up-to-date list of such entities and make it

available to the secretariat and the public through its national registry. Legal entities may not transfer and/or acquire under Article 17 during any period of time in which the authorizing Party does not meet the eligibility requirements or has been suspended.

6. Each Party included in Annex I shall maintain, in its national registry, a commitment period reserve which should not drop below 90 per cent of the Party's assigned amount calculated pursuant to Article 3, paragraphs 7 and 8, of the Kyoto Protocol, or 100 per cent of five times its most recently reviewed inventory, whichever is lowest.

7. The commitment period reserve shall consist of holdings of ERUs, CERs, AAUs and/or RMUs for the relevant commitment period which have not been cancelled in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

8. Upon establishment of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and until expiration of the additional period for fulfilling commitments, a Party shall not make a transfer which would result in these holdings being below the required level of the commitment period reserve.

9. If calculations under paragraph 6 above, or cancellations of ERUs, CERs, AAUs and/or RMUs raise the required level of the commitment period reserve above the Party's holdings of ERUs, CERs, AAUs and/or RMUs valid for the relevant commitment period, which have not been cancelled, the Party shall be notified by the secretariat and, within 30 days of this notification, shall bring its holdings to the required level.

10. Any provisions relating to the commitment period reserve or other limitations to transfers under Article 17 shall not apply to transfers by a Party of ERUs issued into its national registry which were verified in accordance with the verification procedure under the Article 6 supervisory committee.

11. The secretariat shall perform functions as requested.

**Decision 19/CP.7**

**Modalities for the accounting of assigned amounts under  
Article 7, paragraph 4, of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 1/CP.4, 8/CP.4, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Articles 3, 4, 5, 6, 7, 8, 12, 17 and 18,

*Being aware* of its decisions 11/CP.7, 15/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7 and 24/CP.7,

1. *Requests* the Subsidiary Body for Scientific and Technical Advice to develop technical standards for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the transaction log, based on the annex to the decision below, with a view to recommending to the Conference of the Parties, at its eighth session, a decision on this matter, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, to facilitate the early development and establishment of national registries, as well as of the clean development mechanism registry and transaction log;

2. *Requests* the secretariat to develop the transaction log referred to in the annex to the draft decision below, taking into account the technical standards referred to in paragraph 1 above, with a view to establishing it no later than the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

3. *Requests* the Chairman of the Subsidiary Body for Scientific and Technological Advice, with the assistance of the secretariat, to convene inter-sessional consultations with Parties and experts for the purposes of:

(a) Preparing draft technical standards, as referred to in paragraph 1 above, for consideration by the Subsidiary Body for Scientific and Technological Advice at its sixteenth and seventeenth sessions;

(b) Providing for the exchange of information and experience between Parties included in Annex I and Parties not included in Annex I, as well as the secretariat, in relation to the development and establishment of national registries, the clean development mechanism registry and the transaction log.

4. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
10 November 2001*

**Draft decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)**

**Modalities for the accounting of assigned amounts under  
Article 7, paragraph 4, of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 7, paragraph 4, of the Kyoto Protocol,

*Recalling* decision 19/CP.7,

*Being aware* of its decisions -/CMP.1 (*Mechanisms*), -/CMP.1 (*Article 6*), -/CMP.1 (*Article 12*), -/CMP.1 (*Article 17*), -/CMP.1 (*Land use, land-use change and forestry*), -/CMP.1 (*Article 5.1*), -/CMP.1 (*Article 5.2*), -/CMP.1 (*Article 7*) and -/CMP.1 (*Article 8*) and decision 24/CP.7,

1. *Adopts* the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol, as contained in the annex to the present decision;
2. *Decides* that each Party included in Annex I with a commitment inscribed in Annex B shall submit to the secretariat, prior to 1 January 2007 or one year after the entry into force of the Kyoto Protocol for that Party, whichever is later, the report referred to in paragraph 6 of the annex to the present decision. After completion of the initial review under Article 8 and resolution of any question of implementation relating to adjustments under Article 5, paragraph 2, or its assigned amount pursuant to Article 3, paragraphs 7 and 8, the assigned amount pursuant to Article 3, paragraphs 7 and 8, of each Party shall be recorded in the database for the compilation and accounting of emissions and assigned amounts referred to in paragraph 50 of the annex to the present decision and shall remain fixed for the commitment period;
3. *Decides* that each Party included in Annex I with a commitment inscribed in Annex B shall submit to the secretariat, upon expiration of the additional period for fulfilling commitments, the report referred to in paragraph 49 of the annex to the present decision;
4. *Requests* the secretariat to begin publishing the annual compilation and accounting reports referred to in paragraph 61 of the annex to the present decision after completion of the initial review under Article 8 and resolution of any question of implementation relating to adjustments under Article 5, paragraph 2, or its assigned amount pursuant to Article 3, paragraphs 7 and 8, and to forward them to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the compliance committee and each Party concerned;
5. *Requests* the secretariat to publish, after the additional period for fulfilling commitments, the final compilation and accounting reports referred to in paragraph 62 of the annex to the present decision and forward them to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the compliance committee and each Party concerned.

ANNEX

**Modalities for the accounting of assigned amounts under  
Article 7, paragraph 4, of the Kyoto Protocol<sup>1</sup>**

**I. MODALITIES**

**A. Definitions**

1. An “emission reduction unit” or “ERU” is a unit issued pursuant to the relevant provisions in these modalities for the accounting of assigned amounts and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5.
2. A “certified emission reduction” or “CER” is a unit issued pursuant to Article 12 and requirements thereunder, as well as the relevant provisions in the annex to decision -/CMP.1 (*Article 12*), and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5.
3. An “assigned amount unit” or “AAU” is a unit issued pursuant to the relevant provisions in these modalities for the accounting of assigned amounts and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5.
4. A “removal unit” or “RMU” is a unit issued pursuant to the relevant provisions in these modalities for the accounting of assigned amounts and is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5.

**B. Calculation of assigned amount pursuant to Article 3, paragraphs 7 and 8**

5. The assigned amount pursuant to Article 3, paragraphs 7 and 8, for the first commitment period, from 2008 to 2012, for each Party included in Annex I with a commitment inscribed in Annex B to the Kyoto Protocol<sup>2</sup> shall be equal to the percentage inscribed for it in Annex B of its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases, and from the sources, listed in Annex A to the Kyoto Protocol in the base year, multiplied by five, taking into account the following:

(a) The base year shall be 1990 except for those Parties undergoing the process of transition to a market economy that have selected a historical base year or period other than 1990, in accordance with Article 3, paragraph 5, and for those Parties that have selected 1995 as the base year for total emissions of hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride, in accordance with Article 3, paragraph 8;

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<sup>1</sup> “Article” in these modalities refers to an article of the Kyoto Protocol, unless otherwise specified.

<sup>2</sup> Hereafter referred to as a “Party included in Annex I”.

(b) Those Parties for which land-use change and forestry (all emissions by sources and removals by sinks under category 5 of the *Revised 1996 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories*) constituted a net source of greenhouse gas emissions in the base year or period shall include in their emissions during that year or period the aggregate anthropogenic carbon dioxide equivalent emissions by sources minus removals by sinks in that year or period from land-use change (all emissions by sources minus removals by sinks reported in relation to the conversion of forests (deforestation));

(c) Those Parties that have reached an agreement in accordance with Article 4 to fulfil their commitments under Article 3 jointly shall use the respective emission level allocated to each of the Parties in that agreement instead of the percentage inscribed for it in Annex B.

6. Each Party included in Annex I shall facilitate the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, for the commitment period and demonstrate its capacity to account for its emissions and assigned amount. To this end, each Party shall submit a report, in two parts, containing the information specified in paragraphs 7 and 8 below.

7. Part one of the report referred to in paragraph 6 above shall contain the following information, or references to such information where it has been previously submitted to the secretariat:

(a) Complete inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for all years from 1990, or another approved base year or period under Article 3, paragraph 5, to the most recent year available, prepared in accordance with Article 5, paragraph 2, and relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), taking into account any relevant decisions of the Conference of the Parties (COP);

(b) Identification of its selected base year for hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in accordance with Article 3, paragraph 8;

(c) The agreement under Article 4, where the Party has reached such an agreement to fulfil its commitments under Article 3 jointly with other Parties;

(d) Calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, on the basis of its inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol.

8. Part two of the report referred to in paragraph 6 above shall contain the following information, or references to such information where it has been previously submitted to the secretariat:

(a) Calculation of its commitment period reserve in accordance with decision -/CMP.1 (*Article 17*);

(b) Identification of its selection of single minimum values for tree crown cover, land area and tree height for use in accounting for its activities under Article 3, paragraphs 3 and 4, together with a justification of the consistency of those values with the information that has been



historically reported to the Food and Agriculture Organization of the United Nations or other international bodies, and in the case of difference, an explanation of why and how such values were chosen, in accordance with decision -/CMP.1 (*Land use, land-use change and forestry*);

(c) Identification of its election of activities under Article 3, paragraph 4, for inclusion in its accounting for the first commitment period, together with information on how its national system under Article 5, paragraph 1, will identify land areas associated with the activities, in accordance with decision -/CMP.1 (*Land use, land-use change and forestry*);

(d) Identification of whether, for each activity under Article 3, paragraphs 3 and 4, it intends to account annually or for the entire commitment period;

(e) A description of its national system in accordance with Article 5, paragraph 1, reported in accordance with the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol;

(f) A description of its national registry, reported in accordance with the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol.

#### **C. Recording of assigned amount pursuant to Article 3, paragraphs 7 and 8**

9. After initial review under Article 8 and resolution of any questions of implementation relating to adjustments or the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, the assigned amount pursuant to Article 3, paragraphs 7 and 8, of each Party shall be recorded in the database for the compilation and accounting of emissions and assigned amounts referred to in paragraph 50 below.

10. Once recorded in the compilation and accounting database referred to in paragraph 50 below, the assigned amount pursuant to Article 3, paragraphs 7 and 8, of each Party shall remain fixed for the commitment period.

#### **D. Additions to, and subtractions from, assigned amount pursuant to Article 3, paragraphs 7 and 8, for the accounting of the compliance assessment**

11. At the end of the additional period for fulfilling commitments, the following additions to the assigned amount pursuant to Article 3, paragraphs 7 and 8, of a Party shall be made in accordance with Article 3, paragraphs 3, 4, 10, 12 and 13, for the accounting of the compliance assessment for the commitment period:

- (a) Acquisitions by the Party of ERUs in accordance with Articles 6 and 17;
- (b) Net acquisitions by the Party of CERs, where it acquires more CERs in accordance with Articles 12 and 17 than it transfers in accordance with Article 17;
- (c) Acquisitions by the Party of AAUs in accordance with Article 17;
- (d) Acquisitions by the Party of RMUs in accordance with Article 17;
- (e) Issuance by the Party of RMUs on the basis of its activities under Article 3, paragraph 3, and its elected activities under Article 3, paragraph 4, where such activities result in

a net removal of greenhouse gases, as reported in accordance with Article 7, reviewed in accordance with Article 8, taking into account any adjustments applied under Article 5, paragraph 2, accounted in accordance with the decision -/CMP.1 (*Land use, land-use change and forestry*) and subject to any question of implementation relating to those activities having been resolved;

(f) Carry-over by the Party of ERUs, CERs and/or AAUs from the previous commitment period, in accordance with paragraph 15 below.

12. At the end of the additional period for fulfilling commitments, the following subtractions from the assigned amount pursuant to Article 3, paragraphs 7 and 8, of a Party shall be made in accordance with Article 3, paragraphs 3, 4 and 11, for the accounting of the compliance assessment for the commitment period:

(a) Transfers by the Party of ERUs in accordance with Articles 6 and 17;

(b) Transfers by the Party of AAUs in accordance with Article 17;

(c) Transfers by the Party of RMUs in accordance with Article 17;

(d) Cancellation by the Party of ERUs, CERs, AAUs and/or RMUs on the basis of its activities under Article 3, paragraph 3, and its elected activities under Article 3, paragraph 4, where such activities result in a net source of greenhouse gas emissions, as reported in accordance with Article 7, reviewed in accordance with Article 8, taking into account any adjustments applied under Article 5, paragraph 2, and accounted in accordance with decision -/CMP.1 (*Land use, land-use change and forestry*);

(e) Cancellation by the Party of ERUs, CERs, AAUs and/or RMUs following determination by the compliance committee that the Party was not in compliance with its commitment under Article 3, paragraph 1, for the previous commitment period, in accordance with decision 24/CP.7;

(f) Other cancellations by the Party of ERUs, CERs, AAUs and/or RMUs.

#### **E. Basis for the compliance assessment**

13. Each Party included in Annex I shall retire ERUs, CERs, AAUs and/or RMUs for the purpose of demonstrating its compliance with its commitment under Article 3, paragraph 1.

14. The assessment, after the expiration of the additional period for fulfilling commitments, of the compliance of a Party included in Annex I with its commitment under Article 3, paragraph 1, shall be based on the comparison of the quantity of ERUs, CERs, AAUs and/or RMUs, valid for the commitment period in question, retired by the Party in accordance with paragraph 13 above, with its aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases, and from the sources, listed in Annex A to the Kyoto Protocol during the commitment period as reported in accordance with Article 7 and reviewed in accordance with Article 8, taking into account any adjustments in accordance with Article 5, paragraph 2, as recorded in the compilation and accounting database referred to in paragraph 50 below.

## **F. Carry-over**

15. After expiration of the additional period for fulfilling commitments and where the final compilation and accounting report referred to in paragraph 62 below indicates that the quantity of ERUs, CERs, AAUs and/or RMUs retired by the Party in accordance with paragraph 13 above is at least equivalent to its anthropogenic carbon dioxide equivalent emissions of the greenhouse gases, and from the sources, listed in Annex A to the Kyoto Protocol for that commitment period, the Party may carry over to the subsequent commitment period:

(a) Any ERUs held in its national registry, which have not been converted from RMUs and have not been retired for that commitment period or cancelled, to a maximum of 2.5 per cent of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party;

(b) Any CERs held in its national registry, which have not been retired for that commitment period or cancelled, to a maximum of 2.5 per cent of the assigned amount pursuant to Article 3, paragraphs 7 and 8, of that Party;

(c) Any AAUs held in its national registry, which have not been retired for that commitment period or cancelled.

16. RMUs may not be carried over to the subsequent commitment period.

## **II. REGISTRY REQUIREMENTS**

### **A. National registries**

17. Each Party included in Annex I shall establish and maintain a national registry to ensure the accurate accounting of the issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs.

18. Each Party shall designate an organization as its registry administrator to maintain the national registry of that Party. Any two or more Parties may voluntarily maintain their respective national registries in a consolidated system, provided that each national registry remains distinct.

19. A national registry shall be in the form of a standardized electronic database which contains, *inter alia*, common data elements relevant to the issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs. The structure and data formats of national registries shall conform to technical standards to be adopted by the COP/MOP for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism (CDM) registry and the independent transaction log.

20. Each ERU, CER, AAU and RMU shall be held in only one account in one registry at a given time.

21. Each national registry shall have the following accounts:

(a) At least one holding account for the Party;

(b) At least one holding account for each legal entity authorized by the Party to hold ERUs, CERs, AAUs and/or RMUs under its responsibility;

(c) At least one cancellation account for each commitment period for the purposes of cancelling ERUs, CERs, AAUs and/or RMUs under paragraph 12(d) above;

(d) One cancellation account for each commitment period for the purposes of cancelling ERUs, CERs, AAUs and/or RMUs under paragraph 12(e) above;

(e) At least one cancellation account for each commitment period for the purposes of cancelling ERUs, CERs, AAUs and/or RMUs under paragraph 12(f) above;

(f) One retirement account for each commitment period.

22. Each account within a national registry shall have a unique account number comprising the following elements:

(a) Party identifier: the Party in whose national registry the account is maintained, identified by means of the two-letter country code defined by the International Organization for Standardization (ISO 3166);

(b) A unique number: a number unique to that account for the Party in whose national registry the account is maintained.

#### **B. Issuance of ERUs, AAUs and RMUs**

23. Each Party included in Annex I shall, prior to any transactions taking place for that commitment period, issue a quantity of AAUs equivalent to its assigned amount pursuant to Article 3, paragraphs 7 and 8, calculated and recorded in accordance with paragraphs 5 to 10 above, in its national registry.

24. Each AAU shall have a unique serial number comprising the following elements:

(a) Commitment period: the commitment period for which the AAU is issued;

(b) Party of origin: the Party issuing the AAU, identified by means of the two-letter country code defined by ISO 3166;

(c) Type: an element identifying the unit as an AAU;

(d) Unit: a number unique to the AAU for the identified commitment period and Party of origin.

25. Each Party included in Annex I shall issue in its national registry RMUs equivalent to the net removals of anthropogenic greenhouse gases resulting from its activities under Article 3, paragraph 3, and its elected activities under Article 3, paragraph 4, accounted in accordance with decision -/CMP.1 (*Land use, land-use change and forestry*) as reported under Article 7, paragraph 1, following completion of the review in accordance with Article 8, taking into account any adjustments applied in accordance with Article 5, paragraph 2, and resolution of any questions of implementation related to the reported net removals of anthropogenic greenhouse

gases. Each Party shall elect for each activity, prior to the start of the commitment period, to issue such RMUs annually or for the entire commitment period. The decision of a Party shall remain fixed for the first commitment period.

26. Where a question of implementation is identified by an expert review team under Article 8 in relation to the calculation of the net removals of greenhouse gases from the activities of a Party under Article 3, paragraph 3 or 4, or where adjustments exceed thresholds to be decided according to paragraph 2 of decision 22/CP.7, the Party shall not issue the RMUs relating to the reported net removals of anthropogenic greenhouse gases for each activity under Article 3, paragraph 3, and for each elected activity under Article 3, paragraph 4, until the question of implementation is resolved.

27. Each RMU shall have a unique serial number comprising the following elements:

- (a) Commitment period: the commitment period for which the RMU is issued;
- (b) Party of origin: the Party included in Annex I issuing the RMU, identified by means of the two-letter country code defined by ISO 3166;
- (c) Type: an element identifying the unit as an RMU;
- (d) Activity: the type of activity for which the RMU was issued;
- (e) Unit: a number unique to the RMU for the identified commitment period and Party of origin.

28. Each Party included in Annex I shall ensure that the total quantity of RMUs issued into its registry pursuant to Article 3, paragraph 4, for the commitment period does not exceed the limits established for that Party as set out in decision -/CMP.1 (*Land use, land-use change and forestry*).

29. Prior to their transfer, each Party shall issue ERUs into its national registry by converting AAUs or RMUs previously issued by that Party and held in its national registry. An AAU or RMU shall be converted into an ERU by adding a project identifier to the serial number and changing the type indicator in the serial number to indicate an ERU. Other elements of the serial number of the AAU or RMU shall remain unchanged. The project identifier shall identify the specific Article 6 project for which the ERU is issued, using a number unique to the project for the Party of origin, including whether the relevant reductions in anthropogenic emissions by sources or enhancements of anthropogenic removals by sinks were verified under the Article 6 supervisory committee.

### **C. Transfer, acquisition, cancellation, retirement and carry-over**

30. ERUs, CERs, AAUs and RMUs may be transferred between registries in accordance with decisions -/CMP.1 (*Article 6*), -/CMP.1 (*Article 12*), -/CMP.1 (*Article 17*) and -/CMP.1 (*Land use, land-use and forestry*), and may be transferred within registries.

31. Each Party included in Annex I shall ensure that its net acquisitions of CERs from afforestation and reforestation activities under Article 12 for the first commitment period do not

exceed the limits established for that Party as set out in decision -/CMP.1 (*Land use, land-use and forestry*).

32. Each Party included in Annex I shall cancel CERs, ERUs, AAUs and/or RMUs equivalent to the net emissions of anthropogenic greenhouse gases resulting from its activities under Article 3, paragraph 3, and its elected activities under Article 3, paragraph 4, accounted in accordance with decision -/CMP.1 (*Land use, land-use change and forestry*) as reported under Article 7, paragraph 1, following completion of the review in accordance with Article 8, taking into account any adjustments applied in accordance with Article 5, paragraph 2, and resolution of any questions of implementation related to the reported net emissions of anthropogenic greenhouse gases, in accordance with paragraph 12(d) above, by transferring the ERUs, CERs, AAUs and/or RMUs to the appropriate cancellation account in its national registry. Each Party shall cancel ERUs, CERs, AAUs and/or RMUs for each activity for the same period for which it has elected to issue RMUs for that activity.

33. Each Party included in Annex I may cancel ERUs, CERs, AAUs and/or RMUs so they cannot be used in fulfilment of commitments under Article 3, paragraph 1, in accordance with paragraph 12 (f) above, by transferring ERUs, CERs, AAUs and/or RMUs to a cancellation account in its national registry. Legal entities, where authorized by the Party, may also transfer ERUs, CERs, AAUs and RMUs into a cancellation account.

34. Prior to the end of the additional period for fulfilling commitments, each Party included in Annex I shall retire ERUs, CERs, AAUs and/or RMUs valid for that commitment period for use towards meeting its commitments under Article 3, paragraph 1, in accordance with paragraph 13 above, by transferring ERUs, CERs, AAUs and/or RMUs to the retirement account for that commitment period in its national registry.

35. ERUs, CERs, AAUs and RMUs transferred to cancellation accounts or the retirement account for a commitment period may not be further transferred or carried over to the subsequent commitment period. ERUs, CERs, AAUs and RMUs transferred to cancellation accounts may not be used for the purpose of demonstrating the compliance of a Party with its commitment under Article 3, paragraph 1.

36. Each Party included in Annex I may carry over ERUs, CERs and/or AAUs held in its registry, that have not been cancelled or retired for a commitment period, to the subsequent commitment period in accordance with paragraph 15 above. Each ERU, CER and/or AAU carried over in this manner shall maintain its original serial number and shall be valid in the subsequent commitment period. ERUs, CERs, AAUs and RMUs of a previous commitment period held in the registry of a Party which have not been carried over in this manner shall be cancelled in accordance with paragraph 12(f) above once the additional period for fulfilling commitments has ended.

37. Where the compliance committee determines that the Party is not in compliance with its commitment under Article 3, paragraph 1, for a commitment period, the Party shall transfer the quantity of ERUs, CERs, AAUs and/or RMUs calculated in accordance with decision 24/CP.7 into the relevant cancellation account, in accordance with paragraph 12(e) above.

#### **D. Transaction procedures**

38. The secretariat shall establish and maintain an independent transaction log to verify the validity of transactions, including issuance, transfer and acquisition between registries, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs.
39. A Party included in Annex I shall initiate issuance of AAUs or RMUs by directing its national registry to issue AAUs or RMUs into a specific account within that registry. The executive board of the CDM shall initiate issuance of CERs by directing the CDM registry to issue CERs into its pending account in accordance with the requirements in Article 12 and requirements thereunder, as well as the relevant provisions in the annex to decision -/CMP.1 (*Article 12*). A Party included in Annex I shall initiate issuance of ERUs by directing its national registry to convert specified AAUs or RMUs into ERUs within an account of that national registry. Subject to notification by the transaction log that there are no discrepancies pertaining to the issuance, the issuance shall be completed when specific ERUs, CERs, AAUs or RMUs are recorded in the specified account and, in the case of ERUs, the specified AAUs or RMUs are removed from the account.
40. A Party included in Annex I shall initiate any transfer of ERUs, CERs, AAUs or RMUs, including those to cancellation and retirement accounts, by directing its national registry to transfer specified ERUs, CERs, AAUs or RMUs to a specific account within that registry or another registry. The executive board of the CDM shall initiate any transfer of CERs held in the CDM registry by directing it to transfer specified CERs to a specific account within that registry or another registry. Subject to notification by the transaction log, where applicable, that there are no discrepancies pertaining to the transfer, the transfer shall be completed when the specified ERUs, CERs, AAUs or RMUs are removed from the transferring account and are recorded in the acquiring account.
41. Upon the initiation of any issuance, transfer between registries, cancellation or retirement of ERUs, CERs, AAUs or RMUs, and prior to the completion of those transactions:
- (a) The initiating registry shall create a unique transaction number comprising: the commitment period for which the transaction is proposed; the Party identifier for the Party initiating the transaction (using the two-letter country code defined by ISO 3166); and a number unique to that transaction for the commitment period and initiating Party;
  - (b) The initiating registry shall send a record of the proposed transaction to the transaction log and, in the case of transfers to another registry, to the acquiring national registry. The record shall include: the transaction number; the transaction type (issuance, transfer, cancellation or retirement, further distinguished in accordance with the categories in paragraphs 11 and 12 above); the serial numbers of the relevant ERUs, CERs, AAUs or RMUs; and the relevant account numbers.
42. Upon receipt of the record, the transaction log shall conduct an automated check to verify that there is no discrepancy, with regard to:

(a) In all transactions: units previously retired or cancelled; units existing in more than one registry; units for which a previously identified discrepancy has not been resolved; units improperly carried over; units improperly issued, including those which infringe upon the limits contained in decision -/CMP.1 (*Land use, land-use change and forestry*); and the authorization of legal entities involved to participate in the transaction;

(b) In the case of transfers between registries: the eligibility of Parties involved in the transaction to participate in the mechanisms; and infringement upon the commitment period reserve of the transferring Party;

(c) In the case of acquisitions of CERs from land use, land-use change and forestry projects under Article 12: infringement of the limits contained in decision -/CMP.1 (*Land use, land-use change and forestry*);

(d) In the case of a retirement of CERs: the eligibility of the Party involved to use CERs to contribute to its compliance under Article 3, paragraph 1;

43. Upon completion of the automated check, the transaction log shall notify the initiating and, in the case of transfers to another registry, the acquiring registry of the results of the automated check. Depending on the outcome of the check, the following procedures shall apply:

(a) If a discrepancy is notified by the transaction log, the initiating registry shall terminate the transaction, notify the transaction log and, in the case of transfers to another registry, the acquiring registry of the termination. The transaction log shall forward a record of the discrepancy to the secretariat for consideration as part of the review process for the relevant Party or Parties under Article 8;

(b) In the event of a failure by the initiating registry to terminate the transaction, the ERUs, CERs, AAUs or RMUs involved in the transaction shall not be valid for use towards compliance with commitments under Article 3, paragraph 1, until the problem has been corrected and any questions of implementation pertaining to the transaction have been resolved. Upon resolution of a question of implementation pertaining to a Party's transactions, that Party shall perform any necessary corrective action within 30 days;

(c) If no discrepancy is notified by the transaction log, the initiating registry and, in the case of transfers to another registry, the acquiring registry, shall complete or terminate the transaction and send the record and a notification of completion or termination of the transaction to the transaction log. In the case of transfers to another registry, the initiating and acquiring registries shall also send their records and notifications to each other;

(d) The transaction log shall record, and make publicly available, all transaction records and the date and time of completion of each transaction, to facilitate its automated checks and the review under Article 8.



**E. Publicly accessible information**

44. Each national registry shall make non-confidential information publicly available and provide a publicly accessible user interface through the Internet that allows interested persons to query and view it.

45. The information referred to in paragraph 44 above shall include up-to-date information for each account number in that registry on the following:

- (a) Account name: the holder of the account;
- (b) Account type: the type of account (holding, cancellation or retirement);
- (c) Commitment period: the commitment period with which a cancellation or retirement account is associated;
- (d) Representative identifier: the representative of the account holder, using the Party identifier (the two-letter country code defined by ISO 3166) and a number unique to that representative within the Party's registry;
- (e) Representative name and contact information: the full name, mailing address, telephone number, facsimile number and email address of the representative of the account holder.

46. The information referred to in paragraph 44 above shall include the following Article 6 project information, for each project identifier against which the Party has issued ERUs:

- (a) Project name: a unique name for the project;
- (b) Project location: the Party and town or region in which the project is located;
- (c) Years of ERU issuance: the years in which ERUs have been issued as a result of the Article 6 project;
- (d) Reports: downloadable electronic versions of all publicly available documentation relating to the project, including proposals, monitoring, verification and issuance of ERUs, where relevant, subject to the confidentiality provisions in decision -/CMP.1 (*Article 6*).

47. The information referred to in paragraph 44 above shall include the following holding and transaction information relevant to the national registry, by serial number, for each calendar year (defined according to Greenwich Mean Time):

- (a) The total quantity of ERUs, CERs, AAUs and RMUs in each account at the beginning of the year;
- (b) The total quantity of AAUs issued on the basis of the assigned amount pursuant to Article 3, paragraphs 7 and 8;
- (c) The total quantity of ERUs issued on the basis of Article 6 projects;

(d) The total quantity of ERUs, CERs, AAUs and RMUs acquired from other registries and the identity of the transferring accounts and registries;

(e) The total quantity of RMUs issued on the basis of each activity under Article 3, paragraphs 3 and 4;

(f) The total quantity of ERUs, CERs, AAUs and RMUs transferred to other registries and the identity of the acquiring accounts and registries;

(g) The total quantity of ERUs, CERs, AAUs and RMUs cancelled on the basis of activities under Article 3, paragraphs 3 and 4;

(h) The total quantity of ERUs, CERs, AAUs and RMUs cancelled following determination by the compliance committee that the Party is not in compliance with its commitment under Article 3, paragraph 1;

(i) The total quantity of other ERUs, CERs, AAUs and RMUs cancelled;

(j) The total quantity of ERUs, CERs, AAUs and RMUs retired;

(k) The total quantity of ERUs, CERs, AAUs carried over from the previous commitment period;

(l) Current holdings of ERUs, CERs, AAUs and RMUs in each account.

48. The information referred to in paragraph 44 above shall include a list of legal entities authorized by the Party to hold ERUs, CERs, AAUs and/or RMUs under its responsibility.

### **III. COMPILATION AND ACCOUNTING OF EMISSION INVENTORIES AND ASSIGNED AMOUNTS**

#### **A. Report upon expiration of the additional period for fulfilling commitments**

49. Upon expiration of an additional period for fulfilling commitments, each Party included in Annex I shall report to the secretariat and make available to the public, in a standard electronic format, the following information. This information shall only include ERUs, CERs, AAUs and RMUs valid for the commitment period in question:

(a) The total quantities of the categories of ERUs, CERs, AAUs and RMUs listed in paragraph 47(a) to (j) above, for the current calendar year until the end of the additional period for fulfilling commitments (defined according to Greenwich Mean Time);

(b) The total quantity and serial numbers of ERUs, CERs, AAUs and RMUs in its retirement account;

(c) The total quantity and serial numbers of ERUs, CERs and AAUs which the Party requests to be carried over to the subsequent commitment period.

**B. Compilation and accounting database**

50. The secretariat shall establish a database to compile and account for emissions and assigned amounts pursuant to Article 3, paragraphs 7 and 8, and additions to, and subtractions from assigned amounts pursuant to Article 3, paragraphs 7 and 8, for the accounting of the compliance assessment, in accordance with paragraphs 11 and 12 above. The purpose of this database is to facilitate the assessment of the compliance of each Party included in Annex I with its commitment under Article 3, paragraph 1.

51. A separate record shall be maintained in the database for each Party included in Annex I for each commitment period. Information on ERUs, CERs, AAUs and RMUs shall only include units valid for the commitment period in question and shall be recorded separately for each type of unit.

52. The secretariat shall record in the database for each Party included in Annex I the following information:

(a) The assigned amount pursuant to Article 3, paragraphs 7 and 8;

(b) For the first commitment period, the total allowable issuances of RMUs resulting from forest management activities under Article 3, paragraph 4, and limits on net acquisitions of CERs from afforestation and reforestation activities under Article 12 pursuant to decision -/CMP.1 (*Land use, land-use change and forestry*).

53. The secretariat shall record in the database, for each Party included in Annex I, whether it is eligible to transfer and/or acquire ERUs, CERs, AAUs and RMUs pursuant to decisions -/CMP.1 (*Article 6*) and -/CMP.1 (*Article 17*) and to use CERs to contribute to its compliance under Article 3, paragraph 1, pursuant to decision -/CMP.1 (*Article 12*).

54. The secretariat shall annually record the following information relating to emissions for each Party included in Annex I, following the annual review under Article 8, the application of any adjustment under Article 5, paragraph 2, and the resolution of any questions of implementation pertaining to emission estimates:

(a) Aggregate annual anthropogenic carbon dioxide equivalent emissions of the greenhouse gases, and from the sources, listed in Annex A to the Kyoto Protocol for each year of the commitment period that has been reported in accordance with Article 7;

(b) Any adjustments under Article 5, paragraph 2, recorded as the difference, in carbon dioxide equivalent terms, between the adjusted estimate and the inventory estimate reported under Article 7;

(c) Aggregate anthropogenic carbon dioxide equivalent emissions in the commitment period, calculated as the sum of the amounts in subparagraphs (a) and (b) above for all years of the commitment period to date.

55. The secretariat shall annually record in the database the following information for each Party included in Annex I related to accounting for net emissions and removals of greenhouse

gases resulting from its activities under Article 3, paragraph 3, and its elected activities under Article 3, paragraph 4, following the annual review under Article 8, the application of any adjustment under Article 5, paragraph 2, and the resolution of any relevant questions of implementation:

- (a) The calculation of whether the activities under Article 3, paragraphs 3 and 4, that have been reported in accordance with Article 7 result in net anthropogenic emissions or net anthropogenic removals of greenhouse gases pursuant to decision -/CMP.1 (*Land use, land-use change and forestry*);
- (b) For those activities for which the Party has elected to account annually, the net anthropogenic emissions and removals of greenhouse gases pursuant to decision -/CMP.1 (*Land use, land-use change and forestry*) for the calendar year;
- (c) For those activities for which the Party has elected to account for the entire commitment period, the net anthropogenic emissions and removals of greenhouse gases pursuant to decision -/CMP.1 (*Land use, land-use change and forestry*) for the calendar year;
- (d) Any adjustments under Article 5, paragraph 2, recorded as the difference in carbon dioxide equivalent terms between the adjusted estimate and the estimate reported under Article 7;
- (e) The total net anthropogenic emissions and removals of greenhouse gases pursuant to decision -/CMP.1 (*Land use, land-use change and forestry*) for the commitment period, calculated as the sum for all years of the commitment period to date of the amounts referred to in subparagraphs (b), (c) and (d) above.

56. Where a Party submits recalculated estimates of emissions and removals of greenhouse gases for a year of the commitment period, subject to the review in accordance with Article 8, the secretariat shall make appropriate amendments to the information contained in the database including, where relevant, the removal of previously applied adjustments.

57. The secretariat shall record and update the required level of the commitment period reserve for each Party included in Annex I, in accordance with decision -/CMP.1 (*Article 17*).

58. The secretariat shall annually record in the database for each Party included in Annex I the following information related to transactions, for the previous calendar year and to date for the commitment period, following completion of the annual review under Article 8, including the application of any corrections, and resolution of any relevant questions of implementation:

- (a) Total transfers of ERUs, CERs, AAUs and RMUs;
- (b) Total acquisitions of ERUs, CERs, AAUs and RMUs;
- (c) Net acquisitions of CERs resulting from afforestation and reforestation activities under Article 12;
- (d) Total issuances of RMUs relating to each activity under Article 3, paragraphs 3 and 4;

- (e) Total issuances of ERUs on the basis of Article 6 projects;
- (f) Total of ERUs, CERs and AAUs carried over from the previous commitment period;
- (g) Total cancellations of ERUs, CERs, AAUs and RMUs relating to each activity under Article 3, paragraphs 3 and 4;
- (h) Total cancellations of ERUs, CERs, AAUs and RMUs following determination by the compliance committee that the Party is not in compliance with its commitment under Article 3, paragraph 1;
- (i) Total of any other cancellations of ERUs, CERs, AAUs and RMUs;
- (j) Total retirements of ERUs, CERs, AAUs and RMUs.

59. Upon expiration of the additional period for the fulfilment of commitments, and following review under Article 8 of the report submitted by the Party under paragraph 49 above, including the application of any corrections, and the resolution of any relevant questions of implementation, the secretariat shall record in the database the following information for each Party included in Annex I:

- (a) The total additions to, or subtractions from, the assigned amount pursuant to Article 3, paragraphs 7 and 8, for the accounting of the compliance assessment, in accordance with paragraphs 11 and 12 above;
- (b) The total quantity of ERUs, CERs, AAUs and RMUs in the retirement account of the Party for that commitment period.

60. Upon completion of the Article 8 review of the annual inventory for the last year of the commitment period, and the resolution of any related question of implementation, the secretariat shall record in the database the aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases, and from the sources, listed in Annex A to the Kyoto Protocol of the Party for the commitment period.

### **C. Compilation and accounting reports**

61. The secretariat shall publish an annual compilation and accounting report for each Party included in Annex I and forward it to the COP/MOP, the compliance committee and the Party concerned.

62. After the commitment period and the additional period for fulfilling commitments, the secretariat shall publish a final compilation and accounting report for each Party included in Annex I and forward it to the COP/MOP, the compliance committee and the Party concerned, indicating:

- (a) The aggregate anthropogenic carbon dioxide equivalent emissions of the Party for the commitment period as recorded under paragraph 60 above;

(b) The total quantity of ERUs, CERs, AAUs and RMUs in the retirement account of the Party for the commitment period, as recorded under paragraph 59 (b) above;

(c) Where applicable, the quantities of ERUs, CERs and AAUs in the registry available for carry-over to the subsequent commitment period;

(d) Where applicable, the quantity in tonnes by which the aggregate anthropogenic carbon dioxide equivalent emissions exceed the total quantity of ERUs, CERs, AAUs and RMUs in the retirement account of the Party for the commitment period.

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON  
ITS SEVENTH SESSION, HELD AT MARRAKESH  
FROM 29 OCTOBER TO 10 NOVEMBER 2001**

**Addendum**

**PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

**Volume III**

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**Decision 20/CP.7**

**Guidelines for national systems under Article 5, paragraph 1,  
of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 1/CP.4, 8/CP.4, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* Article 5, paragraph 1, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its twelfth and resumed thirteenth sessions,<sup>1</sup>

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Article 5.1*) below;
2. *Encourages* Parties included in Annex I to implement the recommended guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol as soon as possible with the aim of gaining experience with their implementation;
3. *Urges* Parties included in Annex II to the Convention to assist Parties included in Annex I with economies in transition, through appropriate bilateral or multilateral channels, with the implementation of the guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol.

*8<sup>th</sup> plenary meeting  
10 November 2001*

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<sup>1</sup> FCCC/SBSTA/2000/5 and FCCC/SBSTA/2000/14.



**Draft decision -/CMP.1 (Article 5.1)**

**Guidelines for national systems under Article 5, paragraph 1,  
of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 5, paragraph 1, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its provision that each Party included in Annex I shall have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol,

*Recognizing* the importance of such national systems for the implementation of other provisions of the Kyoto Protocol,

*Having considered* decision 20/CP.7, adopted by the Conference of the Parties at its seventh session,

1. *Adopts* the guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol as contained in the annex to the present decision;

1. *Urges* Parties included in Annex I to implement the guidelines as soon as possible.

## ANNEX

### **Guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol<sup>1</sup>**

#### **I. APPLICABILITY**

1. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol. Parties' implementation of national system requirements may differ according to national circumstances, but shall include the elements described in these guidelines. Any differences in implementation shall not impair the performance of the functions described in these guidelines.

#### **II. DEFINITIONS**

##### **A. Definition of national system**

2. A national system includes all institutional, legal and procedural arrangements made within a Party included in Annex I for estimating anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and for reporting and archiving inventory information.

##### **B. Other definitions**

3. The meaning of the following terms in these guidelines for national systems<sup>2</sup> is the same as in the glossary of the Intergovernmental Panel on Climate Change (IPCC) good practice guidance,<sup>3</sup> accepted by the IPCC at its sixteenth session:<sup>4</sup>

(a) Good practice is a set of procedures intended to ensure that greenhouse gas inventories are accurate in the sense that they are systematically neither over- nor underestimated as far as can be judged, and that uncertainties are reduced as far as possible. Good practice covers choice of estimation methods appropriate to national circumstances, quality assurance and quality control at the national level, quantification of uncertainties, and data archiving and reporting to promote transparency;

(b) Quality control (QC) is a system of routine technical activities to measure and control the quality of the inventory as it is being developed. The QC system is designed to:

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<sup>1</sup> "Article" in these guidelines refers to an Article of the Kyoto Protocol, unless otherwise specified.

<sup>2</sup> The guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol are referred to herein as "guidelines for national systems".

<sup>3</sup> The IPCC "*Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*" is referred to as the "IPCC good practice guidance" in these guidelines for national systems.

<sup>4</sup> Montreal, 1-8 May 2000.

- (i) Provide routine and consistent checks to ensure data integrity, correctness and completeness;
- (ii) Identify and address errors and omissions;
- (iii) Document and archive inventory material and record all QC activities.

Quality control activities include general methods such as accuracy checks on data acquisition and calculations and the use of approved standardized procedures for emission calculations, measurements, estimating uncertainties, archiving information and reporting. Higher tier QC activities also include technical reviews of source categories, activity and emission factor data and methods;

(c) Quality assurance (QA) activities include a planned system of review procedures conducted by personnel not directly involved in the inventory compilation development process, to verify that data quality objectives were met, ensure that the inventory represents the best possible estimate of emissions and sinks given the current state of scientific knowledge and data available, and support the effectiveness of the QC programme;

(d) Key source category is one that is prioritized within the national inventory because its estimate has a significant influence on a country's total inventory of direct greenhouse gases in terms of the absolute level of emissions, the trend in emissions, or both;

(e) Decision tree is a flow-chart describing the specific ordered steps which need to be followed to develop an inventory or an inventory component in accordance with the principles of good practice.

4. Recalculation, consistent with the UNFCCC reporting guidelines on annual inventories,<sup>5</sup> is a procedure for re-estimating anthropogenic greenhouse gas (GHG)<sup>6</sup> emissions by sources and removals by sinks of previously submitted inventories<sup>7</sup> as a consequence of changes in methodologies, changes in the manner in which emission factors and activity data are obtained and used, or the inclusion of new source and sink categories.

### III. OBJECTIVES

5. The objectives of national systems under Article 5, paragraph 1, for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, referred to below as national systems, are:

(a) To enable Parties included in Annex I to estimate anthropogenic GHG emissions by sources and removals by sinks, as required by Article 5, and to report these emissions by

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<sup>5</sup> FCCC/CP/1999/7.

<sup>6</sup> References to greenhouse gases (GHG) in these guidelines for national systems refer to GHGs not controlled by the Montreal Protocol.

<sup>7</sup> "National GHG inventories" are referred to simply as "inventories" in these guidelines for the sake of brevity.

sources and removals by sinks in accordance with Article 7, paragraph 1, and relevant decisions of the Conference of the Parties (COP) and/or the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP);

(b) To assist Parties included in Annex I in meeting their commitments under Articles 3 and 7;

(c) To facilitate the review of the information submitted under Article 7 by Parties included in Annex I, as required by Article 8;

(d) To assist Parties included in Annex I to ensure and improve the quality of their inventories.

#### **IV. CHARACTERISTICS**

6. National systems should be designed and operated to ensure the transparency, consistency, comparability, completeness and accuracy of inventories as defined in the guidelines for the preparation of inventories by Parties included in Annex I, in accordance with relevant decisions of the COP and/or COP/MOP.

7. National systems should be designed and operated to ensure the quality of the inventory through planning, preparation and management of inventory activities. Inventory activities include collecting activity data, selecting methods and emission factors appropriately, estimating anthropogenic GHG emissions by sources and removals by sinks, implementing uncertainty assessment and quality assurance/quality control (QA/QC) activities, and carrying out procedures for the verification of the inventory data at the national level, as described in these guidelines for national systems.

8. National systems should be designed and operated to support compliance with Kyoto Protocol commitments related to the estimation of anthropogenic GHG emissions by sources and removals by sinks.

9. National systems should be designed and operated to enable Parties included in Annex I to consistently estimate anthropogenic emissions by all sources and removals by all sinks of all GHGs, as covered by the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* and IPCC good practice guidance, in accordance with relevant decisions of the COP and/or COP/MOP.

#### **V. GENERAL FUNCTIONS**

10. In the implementation of its national system, each Party included in Annex I shall:

(a) Establish and maintain the institutional, legal and procedural arrangements necessary to perform the functions defined in these guidelines for national systems, as appropriate, between the government agencies and other entities responsible for the performance of all functions defined in these guidelines;

(b) Ensure sufficient capacity for timely performance of the functions defined in these guidelines for national systems, including data collection for estimating anthropogenic GHG

emissions by sources and removals by sinks and arrangements for technical competence of the staff involved in the inventory development process;

- (c) Designate a single national entity with overall responsibility for the national inventory;
- (d) Prepare national annual inventories and supplementary information in a timely manner in accordance with Article 5 and Article 7, paragraphs 1 and 2, and relevant decisions of the COP and/or COP/MOP;
- (e) Provide information necessary to meet the reporting requirements defined in the guidelines under Article 7 in accordance with the relevant decisions of the COP and/or COP/MOP.

## **VI. SPECIFIC FUNCTIONS**

11. In order to meet the objectives and perform the general functions described above, each Party included in Annex I shall undertake specific functions related to inventory planning, preparation and management.<sup>8</sup>

### **A. Inventory planning**

12. As part of its inventory planning, each Party included in Annex I shall:

- (a) Designate a single national entity with overall responsibility for the national inventory;
- (b) Make available the postal and electronic addresses of the national entity responsible for the inventory;
- (c) Define and allocate specific responsibilities in the inventory development process, including those related to choice of methods, data collection, particularly activity data and emission factors from statistical services and other entities, processing and archiving, and QC and QA. This definition shall specify the roles of, and cooperation between, government agencies and other entities involved in the preparation of the inventory, as well as the institutional, legal and procedural arrangements made to prepare the inventory;
- (d) Elaborate an inventory QA/QC plan which describes specific QC procedures to be implemented during the inventory development process, facilitate the overall QA procedures to be conducted, to the extent possible, on the entire inventory and establish quality objectives;
- (e) Establish processes for the official consideration and approval of the inventory, including any recalculations, prior to its submission and to respond to any issues raised by the inventory review process under Article 8.

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<sup>8</sup> For the purpose of these guidelines for national systems, the inventory development process encompasses inventory planning, preparation and management. These steps of the inventory development process are considered in these guidelines only in order to clearly identify the functions to be performed by the national systems, as described in paragraphs 12 to 17 of the present guidelines.

13. As part of its inventory planning, each Party included in Annex I should consider ways to improve the quality of activity data, emission factors, methods and other relevant technical elements of inventories. Information obtained from the implementation of the QA/QC programme, the review process under Article 8 and other reviews should be considered in the development and/or revision of the QA/QC plan and the quality objectives.

#### **B. Inventory preparation**

14. As part of its inventory preparation, each Party included in Annex I shall:

(a) Identify key source categories following the methods described in the IPCC good practice guidance (chapter 7, section 7.2);

(b) Prepare estimates in accordance with the methods described in the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*, as elaborated by the IPCC good practice guidance, and ensure that appropriate methods are used to estimate emissions from key source categories;

(c) Collect sufficient activity data, process information, and emission factors as are necessary to support the methods selected for estimating anthropogenic GHG emissions by sources and removals by sinks;

(d) Make a quantitative estimate of inventory uncertainty for each source category and for the inventory in total, following the IPCC good practice guidance;

(e) Ensure that any recalculations of previously submitted estimates of anthropogenic GHG emissions by sources and removals by sinks are prepared in accordance with the IPCC good practice guidance and relevant decisions of the COP and/or COP/MOP;

(f) Compile the national inventory in accordance with Article 7, paragraph 1, and relevant decisions of the COP and/or COP/MOP;

(g) Implement general inventory QC procedures (tier 1) in accordance with its QA/QC plan following the IPCC good practice guidance.

15. As part of its inventory preparation, each Party included in Annex I should:

(a) Apply source category specific QC procedures (tier 2) for key source categories and for those individual source categories in which significant methodological and/or data revisions have occurred, in accordance with the IPCC good practice guidance;

(b) Provide for a basic review of the inventory by personnel that have not been involved in the inventory development, preferably an independent third party, before the submission of the inventory, in accordance with the planned QA procedures referred to in paragraph 12 (d) above;

(c) Provide for a more extensive review of the inventory for key source categories, as well as source categories where significant changes in methods or data have been made;

(d) Based on the reviews described in paragraphs 15 (b) and 15 (c) above and periodic internal evaluations of the inventory preparation process, re-evaluate the inventory planning process in order to meet the established quality objectives referred to in paragraph 12 (d).

### **C. Inventory management**

16. As part of its inventory management, each Party included in Annex I shall:

(a) Archive inventory information for each year in accordance with relevant decisions of the COP and/or COP/MOP. This information shall include all disaggregated emission factors, activity data, and documentation about how these factors and data have been generated and aggregated for the preparation of the inventory. This information shall also include internal documentation on QA/QC procedures, external and internal reviews, documentation on annual key sources and key source identification and planned inventory improvements;

(b) Provide review teams under Article 8 with access to all archived information used by the Party to prepare the inventory, in accordance with relevant decisions of the COP and/or COP/MOP;

(c) Respond to requests for clarifying inventory information resulting from the different stages of the review process of the inventory information, and information on the national system, in a timely manner in accordance with Article 8.

17. As part of its inventory management, each Party included in Annex I should make the archived information accessible by collecting and gathering it at a single location.

## **VII. UPDATING OF THE GUIDELINES**

18. These guidelines shall be reviewed and revised, as appropriate, by consensus, in accordance with decisions of the COP/MOP, taking into account any relevant decisions of the COP.

## Decision 21/CP.7

### **Good practice guidance and adjustments under Article 5, paragraph 2, of the Kyoto Protocol**

*The Conference of the Parties,*

*Noting* Article 5, paragraph 2, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Recalling* its decisions 1/CP.3, 2/CP.3, 1/CP.4, 8/CP.4, and 5/CP.6 containing the Bonn Agreements on the Buenos Aires Plan of Action,

*Recognizing* the essential role of high quality greenhouse gas inventories under the Convention and the Kyoto Protocol,

*Recognizing* the need for confidence in estimates of anthropogenic emissions and anthropogenic removals<sup>1</sup> for the purpose of ascertaining compliance with commitments under Article 3 of the Kyoto Protocol,

*Acknowledging* the importance of ensuring that anthropogenic emissions are not underestimated and that anthropogenic removals by sinks and anthropogenic base year emissions are not overestimated,

*Having considered* the relevant conclusions and recommendations of the Subsidiary Body for Scientific and Technological Advice (SBSTA),<sup>2</sup>

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision –/CMP.1 (*Article 5.2*) below;

2. *Requests* the secretariat to organize a workshop prior to, and one or possibly more workshops after, the sixteenth session of the SBSTA on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol with the participation of greenhouse gas inventory experts and other experts nominated to the UNFCCC roster of experts and experts involved in the preparation of the Intergovernmental Panel on Climate Change report entitled “*Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*”. The purpose of the first workshop would be to elaborate draft technical guidance on methodologies for adjustments under Article 5, paragraph 2, building upon submissions by Parties contained in documents FCCC/SBSTA/2000/MISC.1 and Add.1, FCCC/SBSTA/2000/MISC.7 and Add.1-2, as well as FCCC/TP/2000/1, for consideration by the

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<sup>1</sup> In this decision, estimates of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol are referred to as anthropogenic emissions and anthropogenic removals respectively, for the sake of brevity.

<sup>2</sup> FCCC/SBSTA/1999/14, paragraph 51 (i); FCCC/SBSTA/2000/5, paragraph 40 (b).



SBSTA at its sixteenth session. At that session, the SBSTA should define more precisely the scope of the second workshop;<sup>3</sup>

3. *Requests* the SBSTA to complete technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol, building upon the attached draft decision and the outcome of the process described in paragraph 2 above, for consideration by the Conference of the Parties at its ninth session, with a view to recommending, at that session, such technical guidance for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;

4. *Decides* to develop technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol for estimates of anthropogenic emissions and removals from land use, land-use change and forestry, in the light of decision 11/CP.7, immediately after completion of the work of the Intergovernmental Panel on Climate Change on good practice guidance on land use, land-use change and forestry, with a view to recommending a decision on adjustments, at its tenth session, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its subsequent session.

*8<sup>th</sup> plenary meeting  
10 November 2001*

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<sup>3</sup> The organization of the workshops is subject to availability of funds.

**Draft decision -/CMP.1 (Article 5.2)**

**Good practice guidance and adjustments under Article 5, paragraph 2, of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling Article 5, paragraph 2, of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,*

*Further recalling decisions 1/CP.3, 2/CP.3, 1/CP.4, 8/CP.4 and 5/CP.6 of the Conference of the Parties,*

*Having considered decision 21/CP.7 adopted by the Conference of the Parties at its seventh session,*

1. *Endorses the Intergovernmental Panel on Climate Change (IPCC) report entitled **Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories**, as accepted by the sixteenth session of the IPCC held in Montreal, Canada, 1 to 8 May 2000 (hereinafter referred to as the IPCC good practice guidance), as an elaboration of the **Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories**;*

2. *Decides that the IPCC good practice guidance referred to in paragraph 1 shall be used by Parties included in Annex I in their preparation of national greenhouse gas inventories under the Kyoto Protocol;*

3. *Decides that adjustments referred to in Article 5, paragraph 2, of the Kyoto Protocol shall be applied only when inventory data submitted by Parties included in Annex I are found to be incomplete and/or are prepared in a way that is not consistent with the **Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories** as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;*

4. *Decides that the calculation of adjustments shall commence only after a Party included in Annex I has been provided with opportunities to correct any deficiencies in accordance with the time frame and procedures set forth in the guidelines for inventory review under Article 8;*

5. *Decides that the adjustment procedure shall result in estimates that are conservative for the Party concerned so as to ensure that anthropogenic emissions are not underestimated and anthropogenic removals by sinks and anthropogenic base year emissions are not overestimated;*

6. *Emphasizes that adjustments are intended to provide an incentive for Parties included in Annex I to provide complete and accurate annual greenhouse gas inventories prepared in accordance with the **Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories** as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the*

Kyoto Protocol. Adjustments are intended to correct inventory problems for the purpose of accounting emissions inventories and assigned amounts of the Parties included in Annex I. Adjustments are not intended to substitute for the obligation of a Party included in Annex I to estimate and report greenhouse gas inventories in accordance with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

7. *Decides* that adjusted estimates shall be calculated in accordance with the technical guidance on methodologies for adjustments contained in the annex to this decision. Such technical guidance shall ensure consistency and comparability and that similar methods are used for similar problems as far as possible across all inventories reviewed under Article 8;

8. *Decides* that any adjustments applied to the base year inventory estimates of a Party included in Annex I shall be used in the calculation of the Party's assigned amount pursuant to Article 3, paragraphs 7 and 8, in accordance with the modalities for the accounting of assigned amount under Article 7, paragraph 4, and shall not be replaced by a revised estimate subsequent to the establishment of the Party's assigned amount pursuant to Article 3, paragraphs 7 and 8;

9. *Decides* that any adjustments applied to the inventory for a year of the commitment period of the Party included in Annex I shall be used in the annual compilation and accounting of emission inventories and assigned amounts;

10. *Decides* that in the event of a disagreement between the Party included in Annex I and the expert review team regarding the adjustment, the issue will be forwarded to the Compliance Committee;

11. *Decides* that a Party included in Annex I may submit a revised estimate for a part of its inventory of a year of the commitment period to which an adjustment was previously applied, provided that the revised estimate is submitted, at the latest, in conjunction with the inventory for the year 2012. Subject to a review under Article 8 and the acceptance of the revised estimate by the expert review team, the revised estimate shall replace the adjusted estimate. In the event of a disagreement between the Party included in Annex I and the expert review team regarding the revised estimate, the issue will be forwarded to the Compliance Committee, which will resolve the disagreement in accordance with the procedures and mechanisms on compliance. The option for a Party included in Annex I to submit a revised estimate for a part of its inventory to which an adjustment was previously applied should not prevent Parties included in Annex I from making best efforts to correct the problem at the time it was initially identified and in accordance with the time frame set forth in the guidelines for review under Article 8.

## ANNEX

*[to be elaborated in accordance with decision 21/CP.7, paragraph 3]*

**Decision 22/CP.7**

**Guidelines for the preparation of the information required under  
Article 7 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 1/CP.4, 8/CP.4, 3/CP.5, 4/CP.5, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Article 7,

*Recognizing* the role of information submitted under the Kyoto Protocol pursuant to Article 7, in demonstrating the progress by 2005 of Parties included in Annex I towards meeting their commitments under the Protocol in accordance with their national circumstances,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Article 7*) below;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA) to develop criteria for cases of failure to submit information related to estimates of greenhouse gas emissions by sources and removal by sinks from activities under Article 3, paragraphs 3 and 4, including, *inter alia*, the reporting of those emissions and removals, similar to those described in paragraph 3 of the attached draft decision, after the work on good practice for land use, land-use change and forestry, with a view to recommending a decision on this matter as soon as practicable thereafter, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its subsequent session;
3. *Requests* the SBSTA, at its sixteenth session, to elaborate further the sections on information on assigned amounts and information on national registries contained in the appendix to the present decision. In so doing, the SBSTA should take into account the decision of the Conference of the Parties on modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol (decision 19/CP.7). The SBSTA should elaborate those sections with a view to recommending to the Conference of the Parties, at its eighth session, a decision incorporating those sections into the guidelines for the preparation of the information required under Article 7 (decision 22/CP.7) for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol.
4. *Urges* each Party included in Annex I that is also a Party to the Kyoto Protocol to submit, by 1 January 2006, a report to provide the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol with the basis for reviewing the demonstration of progress by 2005, in accordance with Article 3, paragraph 2, of the Kyoto Protocol. The report shall include:

- (a) A description of domestic measures, including any legal and institutional steps to prepare to implement its commitments under the Kyoto Protocol to mitigate greenhouse gas emissions, and any of its programmes for domestic compliance and enforcement;
- (b) Trends in, and projections of, its greenhouse gas emissions;
- (c) An evaluation of how such domestic measures, in light of these trends and projections, will contribute to the Party's meeting its commitments under Article 3;
- (d) A description of the activities, actions and programmes undertaken by the Party in fulfilment of its commitments under Articles 10 and 11;

5. *Requests* the SBSTA, at its sixteenth session, to consider how this information should be presented and evaluated taking into account document FCCC/CP/2001/MISC.2 and other relevant submissions by Parties with a view to recommending a decision on this matter for adoption by the Conference of the Parties at its eighth session.

*8<sup>th</sup> plenary meeting  
10 November 2001*

Appendix

**I. REPORTING OF SUPPLEMENTARY INFORMATION UNDER  
ARTICLE 7, PARAGRAPH 1**

**Information on emission reduction units, certified emission reductions,  
assigned amount units and removal units**

1. Each Party included in Annex I with a commitment inscribed in Annex B to the Kyoto Protocol shall report, in a standard electronic format, the following information on emission reduction units (ERUs), certified emission reductions (CERs), assigned amount units (AAUs) and removal units (RMUs)<sup>1</sup> from its national registry, for the previous calendar year (defined according to Greenwich Mean Time) distinguishing between units valid for different commitment periods:

- (a) The total quantity of ERUs, CERs, AAUs and RMUs in each account at the beginning of the year;
- (b) The total quantity of AAUs issued on the basis of assigned amount pursuant to Article 3, paragraphs 7 and 8;
- (c) The total quantity of ERUs, CERs, AAUs and RMUs acquired from other registries and the identity of the transferring accounts and national registries;
- (d) The total quantity of RMUs issued on the basis of activities under Article 3, paragraphs 3 and 4;
- (e) The total quantity of ERUs, CERs, AAUs and RMUs transferred to other registries and the identity of the acquiring accounts and national registries;
- (f) The total quantity of ERUs, CERs, AAUs and RMUs cancelled on the basis of activities under Article 3, paragraphs 3 and 4;
- (g) The total quantity of ERUs, CERs, AAUs and RMUs cancelled following determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1;
- (h) The total quantity of other ERUs, CERs, AAUs and RMUs cancelled;
- (i) The total quantity of ERUs, CERs, AAUs and RMUs retired;
- (j) The total quantity of ERUs, CERs and AAUs carried over from the previous commitment period;
- (k) The total quantity of ERUs, CERs, AAUs and RMUs in each account at the end of the year.

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<sup>1</sup> As defined in paragraphs 1 – 4 of the annex to decision -/CMP (*Modalities for the accounting of assigned amounts*).

2. Each Party included in Annex I shall report a calculation of its commitment period reserve calculated in accordance with decision 18/CP.7.

## **II. REPORTING OF SUPPLEMENTARY INFORMATION UNDER ARTICLE 7, PARAGRAPH 2**

### **National registries**

3. Each Party included in Annex I with a commitment inscribed in Annex B to the Kyoto Protocol shall provide a description of its national registry. The description shall include the following information:

- (a) The name and contact information of the registry administrator designated by the Party to maintain the national registry;
- (b) Any other Party with which the Party cooperates by maintaining their respective national registries in a consolidated system;
- (c) A description of the database structure used in the national registry;
- (d) A description of how the national registry conforms to the technical standards for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development registry and the independent transaction log, including:
  - (i) A description of the formats used in the national registry for account numbers, serial numbers for ERUs, CERs, AAUs and RMUs, including project identifiers and transaction numbers;
  - (ii) A list, and the electronic format, of the information transmitted electronically when transferring ERUs, CERs, AAUs and/or RMUs to other registries;
  - (iii) A list, and the electronic format, of the information transmitted electronically when acquiring ERUs, CERs, AAUs and/or RMUs from other national registries or the CDM registry;
  - (iv) A list, and the electronic format, of the information transmitted electronically from the national registry to the independent transaction log when issuing, transferring, acquiring, cancelling and retiring ERUs, CERs, AAUs and/or RMUs;
  - (v) An explanation of the procedures employed in the national registry to prevent discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and/or RMUs;
  - (vi) An overview of security measures employed in the national registry to deter unauthorized manipulations and minimize operator error;

(e) A list of the information publicly accessible through the user interface to the national registry;

(f) An explanation of how to access information through the user interface to the national registry.



**Draft decision -/CMP.1 (Article 7)****Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 7 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Recalling* that Parties have affirmed that the principles in decision -/CMP.1 (*Land use, land-use change and forestry*) govern the treatment of land use, land-use change and forestry activities in the annex to that decision,

*Having considered* decision 22/CP.7, adopted by the Conference of the Parties at its seventh session,

*Recognizing* the importance of transparent reporting for facilitating the review process under Article 8 of the Kyoto Protocol,

1. *Adopts* the guidelines for the preparation of information under Article 7 of the Kyoto Protocol as contained in the annex to the present decision;
2. *Decides* that each Party included in Annex I, bearing in mind Article 7, paragraph 3, of the Kyoto Protocol and the needs of the review under Article 8 of the Kyoto Protocol, shall start reporting the information under Article 7, paragraph 1, of the Kyoto Protocol with the inventory submission due under the Convention for the first year of the commitment period after the Protocol has entered into force for that Party, but may start reporting this information from the year following the submission of the information referred to in paragraph 6 of the annex to decision -/CMP.7 (*Modalities for the accounting of assigned amounts*) on a voluntary basis;
3. *Decides* that a Party included in Annex I shall fail to meet the methodological and reporting requirements under Article 7, paragraph 1, for the purpose of the eligibility requirements under paragraph 21 of the guidelines adopted under decision 16/CP.7, paragraph 31 of the guidelines adopted under decision 17/CP.7, and paragraph 2 of the guidelines adopted under decision 18/CP.7 if:
  - (a) The Party concerned has failed to submit an annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, including the national inventory report and the common reporting format within six weeks of the submission date established by the Conference of the Parties;
  - (b) The Party concerned has failed to include an estimate for an Annex A source category (as defined in chapter 7 of the Intergovernmental Panel on Climate Change *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, hereinafter referred to as the IPCC good practice guidance) that individually accounted for 7 per cent or more of the Party's aggregate emissions, defined as aggregate submitted emissions

of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party's reviewed inventories in which the source was estimated;

(c) For any single year during the commitment period, the aggregate adjusted greenhouse gas emissions for the Party concerned exceed the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, by more than 7 per cent;

(d) At any time during the commitment period the sum of the numerical values of the percentages calculated according to subparagraph (c) above for all years of the commitment period for which the review has been conducted exceeds 20;

(e) An adjustment for any key source category (as defined in chapter 7 of the IPCC good practice guidance) of the Party concerned that accounted for 2 per cent or more of the Party's aggregate emissions of the gases from the sources listed in Annex A was calculated during the inventory review in three subsequent years, unless the Party has requested assistance from the facilitative branch of the Compliance Committee in addressing this problem, prior to the beginning of the first commitment period, and the assistance is being provided.

4. Requests the secretariat to prepare a report relating to paragraph 4 of section VI.1 of the annex to decision 5/CP.6, based on information contained in national communications from Parties and other relevant sources, for consideration by the Subsidiary Body for Scientific and Technological Advice. This report shall be prepared each time that the review process under Article 8 of the Kyoto Protocol relating to national communications and supplementary information from Parties included in Annex I is completed.

ANNEX

**Guidelines for the preparation of the information required under  
Article 7 of the Kyoto Protocol<sup>1</sup>**

**I. REPORTING OF SUPPLEMENTARY INFORMATION UNDER  
ARTICLE 7, PARAGRAPH 1<sup>2</sup>**

**A. Applicability**

1. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol.

**B. General approach**

2. Each Party included in Annex I shall include the necessary supplementary information required by these guidelines, for the purpose of ensuring compliance with Article 3, in its annual inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, prepared in accordance with Article 5, paragraph 2, and submitted in accordance with decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), taking into account any relevant decisions of the Conference of the Parties (COP). A Party included in Annex I need not separately submit an inventory under Article 12, paragraph 1 (a), of the Convention.

**C. Objectives**

3. The objectives of these guidelines are:

(a) To enable Parties included in Annex I to meet their commitments for reporting information in accordance with Article 7, paragraph 1;

(b) To promote the reporting of consistent, transparent, comparable, accurate and complete information by Parties included in Annex I;

(c) To facilitate the preparation of the information to be submitted to the COP/MOP by Parties included in Annex I;

(d) To facilitate the review under Article 8 of inventories and supplementary information under Article 7, paragraph 1, from Parties included in Annex I.

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<sup>1</sup> Note that additional reporting requirements are included in the annex to decision -/CMP.1(*Modalities for the accounting of assigned amounts*).

<sup>2</sup> “Article” in these guidelines refers to an Article of the Kyoto Protocol, unless otherwise specified.

#### **D. Greenhouse gas inventory information**

4. Each Party included in Annex I shall describe in its annual inventory any steps taken to improve estimates in areas that were previously adjusted.

5. Each Party included in Annex I shall include in its annual<sup>3</sup> greenhouse gas inventory information on anthropogenic greenhouse gas emissions by sources and removals by sinks from land use, land-use change and forestry activities under Article 3, paragraph 3 and, if any, elected activities under Article 3, paragraph 4, in accordance with Article 5, paragraph 2, as elaborated by any good practice guidance in accordance with relevant decisions of the COP/MOP on land use, land-use change and forestry. Estimates for Article 3, paragraphs 3 and 4, shall be clearly distinguished from anthropogenic emissions from the sources listed in Annex A to the Kyoto Protocol. In reporting the information requested above, each Party included in Annex I shall include the reporting requirements specified in paragraphs 6 to 9 below, taking into consideration the selected values in accordance with paragraph 16 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

6. General information to be reported for activities under Article 3, paragraphs 3, and any elected activities<sup>4</sup> under Article 3, paragraph 4, shall include:

(a) Information on how inventory methodologies have been applied taking into account any IPCC Good Practice Guidance on land use, land-use change and forestry agreed by the COP and recognising the principles as laid out in decision -/CMP.1 (*Land use, land-use change and forestry*);

(b) The geographical location of the boundaries of the areas that encompass:

- (i) Units of land subject to activities under Article 3, paragraph 3;
- (ii) Units of land subject to activities under Article 3, paragraph 3, which would otherwise be included in land subject to elected activities under Article 3, paragraph 4, under the provisions of paragraph 8 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*); and
- (iii) Land subject to elected activities under Article 3, paragraph 4.

The information aims to ensure that units of land and areas of land are identifiable. Parties are encouraged to elaborate on this information on the basis of any relevant decisions of the COP/MOP on good practice guidance associated with land use, land-use change and forestry under Article 8;

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<sup>3</sup> It is recognised in the IPCC 1996 Revised Guidelines that the current practice on land use, land-use change and forestry does not in every situation request annual data collection for the purpose of preparing annual inventories based on a sound scientific basis.

<sup>4</sup> The elected activities shall be the same as those identified in the Party's report referred to in paragraph 8 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

(c) The spatial assessment unit used for determining the area of accounting for afforestation, reforestation and deforestation;

(d) Information on anthropogenic greenhouse gas emissions by sources and removals by sinks<sup>5</sup> resulting from activities under Article 3, paragraphs 3 and 4, for all geographical locations reported in the current and previous years, under paragraph 6 (b), above, since the beginning of the commitment period or the onset of the activity, whichever comes later. In the latter case the year of the onset of the activity shall also be included. Once land is accounted for under Article 3, paragraph 3, or Article 3, paragraph 4, reporting shall continue throughout subsequent and contiguous commitment periods;

(e) Information on which, if any, of the following pools: above-ground biomass, below-ground biomass, litter, dead wood and/or soil organic carbon were not accounted for, together with verifiable information that demonstrates that these unaccounted pools were not a net source of anthropogenic greenhouse gas emissions;

7. Information<sup>6</sup> should also be provided which indicates whether or not anthropogenic greenhouse gas emissions by sources and removals by sinks from land use, land-use change and forestry activities under Article 3 paragraph 3 and elected activities under Article 3 paragraph 4 factor out removals from:

(a) Elevated carbon dioxide concentrations above pre-industrial levels;

(b) Indirect nitrogen deposition; and

(c) The dynamic effects of age structure resulting from activities prior to 1 January 1990;

8. Specific information to be reported for activities under Article 3, paragraph 3, shall include:

(a) Information that demonstrates that activities under Article 3, paragraph 3, began on or after 1 January 1990 and before 31 December of the last year of the commitment period, and are directly human-induced;

(b) Information on how harvesting or forest disturbance that is followed by the re-establishment of a forest is distinguished from deforestation;

(c) Information on emissions and removals of greenhouse gases from lands harvested during the first commitment period following afforestation and reforestation on these units of

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<sup>5</sup> Such information shall be within levels of confidence as elaborated by any IPCC good practice guidance adopted by the COP/MOP and in accordance with relevant decisions of the COP/MOP on land use, land-use change and forestry.

<sup>6</sup> This recognises that the intent of the appendix to the annex to decision -/CMP.1 (*Land use, land-use change and forestry*) is to factor out the effects described in paragraphs 7(a) - 7(c) of these guidelines for the first commitment period.

land since 1990 consistent with the requirements under paragraph 4 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

9. Specific information to be reported for any elected activities<sup>7</sup> under Article 3, paragraph 4, shall include:

(a) A demonstration that activities under Article 3, paragraph 4, have occurred since 1 January 1990 and are human induced;

(b) For Parties included in Annex I that elect cropland management and/or grazing land management and/or revegetation, anthropogenic greenhouse gas emissions by sources and removals by sinks for each year of the commitment period and for the base year for each of the elected activities on the geographical locations reported under paragraph 6 (b) above;

(c) Information that demonstrates that emissions by sources and removals by sinks resulting from elected Article 3, paragraph 4, activities are not accounted for under activities under Article 3, paragraph 3;

(d) For Parties included in Annex I that elect to account for forest management, under Article 3, paragraph 4, information that indicates to what extent the anthropogenic greenhouse gas removal by sinks offsets the debit incurred under Article 3, paragraph 3, if any, consistent with the requirements under paragraph 10 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

**E. Information on emission reduction units, certified emission reductions, assigned amount units and removal units**

*[Text to be incorporated in accordance with paragraph 3 of decision 22/CP.7]*

**F. Changes in national systems in accordance with Article 5, paragraph 1**

10. Each Party included in Annex I shall include in its national inventory report information on any changes that have occurred in its national system compared with information reported in its last submission, including information submitted in accordance with paragraphs 19 to 20 of these guidelines.

**G. Changes in national registries**

11. Each Party included in Annex I with a commitment inscribed in Annex B shall include in its national inventory report information on any changes that have occurred in its national registry, compared with information reported in its last submission, including information submitted in accordance with paragraph ..<sup>8</sup> of these guidelines.

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<sup>7</sup> See footnote 5.

<sup>8</sup> This paragraph notation refers to paragraph 3, Section II. E, in appendix I to decision 22/CP.7. The number of this paragraph will change once the corresponding part of the appendix is incorporated in the present guidelines.

#### **H. Minimization of adverse impacts in accordance with Article 3, paragraph 14**

12. Each Party included in Annex I shall provide information relating to how it is striving, under Article 3, paragraph 14, of the Kyoto Protocol, to implement its commitments mentioned in Article 3, paragraph 1, of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention.

13. Parties included in Annex II, and other Parties included in Annex I that are in a position to do so, shall incorporate information on how they give priority, in implementing their commitments under Article 3, paragraph 14, to the following actions, based on relevant methodologies referred to in paragraph 11 of decision -/CMP.1 (*Matters relating to Article 3, paragraph 14, of the Kyoto Protocol*):

(a) The progressive reduction or phasing out of market imperfections, fiscal incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities;

(b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies;

(c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end;

(d) Cooperating in the development, diffusion, and transfer of less greenhouse gas emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture and store greenhouse gases, and encouraging their wider use; and facilitating the participation of the least developed countries and other non-Annex I Parties in this effort;

(e) Strengthening the capacity of developing country Parties identified in Article 4, paragraphs 8 and 9, of the Convention for improving efficiency in upstream and downstream activities relating to fossil fuels, taking into consideration the need to improve the environmental efficiency of these activities; and

(f) Assisting developing country Parties which are highly dependent on the export and consumption of fossil fuels in diversifying their economies.

14. Where the information referred to in paragraphs 12 and 13 above has been provided in earlier submissions, the Party included in Annex I shall include information in its national inventory report on any changes that have occurred, compared with the information reported in its last submission.

15. The secretariat shall annually compile the supplementary information mentioned in paragraphs 12 to 14 above.

## **II. REPORTING OF SUPPLEMENTARY INFORMATION UNDER ARTICLE 7, PARAGRAPH 2**

### **A. Applicability**

16. The provisions of these guidelines shall apply for each Party included in Annex I which is also a Party to the Kyoto Protocol.

### **B. General approach**

17. Each Party included in Annex I shall include the necessary supplementary information required under these guidelines to demonstrate compliance with its commitments under the Protocol in its national communication submitted under Article 12 of the Convention, with the time frames for the obligations established by the Kyoto Protocol, and with the relevant decisions of the COP and the COP/MOP.

### **C. Objectives**

18. The objectives of these guidelines are:

- (a) To enable Parties included in Annex I to meet their commitments for reporting information in accordance with Article 7, paragraph 2;
- (b) To promote the reporting of consistent, transparent, comparable, accurate and complete information by Parties included in Annex I;
- (c) To facilitate the preparation of the information to be submitted to the COP/MOP by Parties included in Annex I;
- (d) To facilitate the review under Article 8 of national communications and of the supplementary information under Article 7, paragraph 2, from Parties included in Annex I.

### **D. National systems in accordance with Article 5, paragraph 1**

19. Each Party included in Annex I shall provide a description of how it is performing the general and specific functions defined in the guidelines for national systems under Article 5, paragraph 1. The description shall contain the following elements:

- (a) The name and contact information for the national entity and its designated representative with overall responsibility for the national inventory of the Party;
- (b) The roles and responsibilities of various agencies and entities in relation to the inventory development process, as well as the institutional, legal and procedural arrangements made to prepare the inventory;
- (c) A description of the process for collecting activity data, for selecting emission factors and methods, and for the development of emission estimates;
- (d) A description of the process and the results of key source identification and, where relevant, archiving of test data;



(e) A description of the process for the recalculation of previously submitted inventory data;

(f) A description of the quality assurance and quality control plan, its implementation and the quality objectives established, and information on internal and external evaluation and review processes and their results in accordance with the guidelines for national systems;

(g) A description of the procedures for the official consideration and approval of the inventory.

20. Where the Party included in Annex I has not performed all functions, the Party shall provide an explanation of which functions were not performed or were only partially performed and information on the action planned or taken to perform these functions in the future.

#### **E. National registries**

*[Text to be incorporated in accordance with paragraph 3 of decision 22/CP.7]*

#### **F. Supplementarity relating to the mechanisms pursuant to Articles 6, 12 and 17**

21. Each Party included in Annex I shall provide information on how its use of the mechanisms is supplemental to domestic action, and how its domestic action thus constitutes a significant element of the effort made to meet its quantified limitation and reduction commitments under Article 3, paragraph 1, in accordance with the provisions of decision 5/CP.6.

#### **G. Policies and measures in accordance with Article 2**

22. In providing information under part II, section V, of the guidelines for the preparation of national communications by Parties included in Annex I to the Convention (FCCC/CP/1999/7), each Party included in Annex I shall specifically address policies and measures implemented and/or further elaborated as well as cooperation with other such Parties in achieving its quantified emission limitation and reduction commitment under Article 3, in order to promote sustainable development. Such reporting shall take into account any relevant decision by the COP and the COP/MOP resulting from the process for further consideration of the issue of policies and measures (decision 13/CP.7).

23. With respect to aviation and marine bunker fuels, each Party included in Annex I shall, in pursuit of Article 2, paragraph 2, of the Kyoto Protocol, identify the steps it has taken to promote and/or implement any decisions by the International Civil Aviation Organization and the International Maritime Organization in order to limit or reduce emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels.

24. Each Party included in Annex I shall also provide information not reported elsewhere under these guidelines on how it strives to implement policies and measures under Article 2 of the Kyoto Protocol in such a way as to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, taking into account Article 3 of the Convention.

**H. Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures**

25. Each Party included in Annex I shall report any relevant information on its domestic and regional legislative arrangements and enforcement and administrative procedures, established pursuant to the implementation of the Kyoto Protocol, according to its national circumstances. This information shall include:

(a) A description of any domestic and regional legislative arrangements and enforcement and administrative procedures the Party has in place to meet its commitments under the Kyoto Protocol, including the legal authority for such programmes, how they are implemented, and procedures for addressing cases of non-compliance under domestic law;

(b) A description of any provisions to make information on these legislative arrangements and enforcement and administrative procedures (e.g. rules on enforcement and administrative procedures, action taken) publicly accessible;

(c) A description of any institutional arrangements and decision-making procedures that it has in place to coordinate activities related to participation in the mechanisms under Articles 6, 12 and 17, including the participation of legal entities.

26. Each Party included in Annex I shall provide a description of any national legislative arrangements and administrative procedures that seek to ensure that the implementation of activities under Article 3, paragraph 3, and any elected activities under Article 3, paragraph 4, also contributes to the conservation of biodiversity and sustainable use of natural resources.

**I. Information under Article 10**

27. Each Party included in Annex I shall report its activities, actions and programmes undertaken in fulfilment of its commitments under Article 10.

28. Each Party included in Annex I shall report on the steps it has taken to promote, facilitate and finance the transfer of technology to developing countries and to build their capacity, taking into account Article 4, paragraphs 3, 5 and 7, of the Convention in order to facilitate the implementation of Article 10 of the Kyoto Protocol.

**J. Financial resources**

29. Each Party included in Annex II shall provide information on the implementation of Article 11 of the Kyoto Protocol, in particular information on what new and additional financial resources have been provided, in what way these resources are new and additional, and how that Party has taken into account the need for adequacy and predictability in the flow of these resources.

30. Each Party included in Annex II shall provide information on its contribution to the entity or entities entrusted with the operation of the financial mechanism.

31. Any Party included in Annex I that has provided funding for the adaptation fund established in accordance with decision 10/CP.7 shall report on its financial contributions to this

fund. In doing so, the Party shall take into account the information reported in accordance with paragraph 6 of decision 10/CP.7.

### **III. LANGUAGE**

32. The information reported in accordance with these guidelines shall be submitted in one of the official languages of the United Nations. Parties included in Annex I are encouraged to submit a translation of the information under Article 7, paragraph 1, in English, in order to facilitate the annual review of the inventory information under Article 8.

### **IV. UPDATING**

33. These guidelines shall be reviewed and revised, as appropriate, by consensus, in accordance with decisions of the COP/MOP, taking into account any relevant decisions of the COP.

## Decision 23/CP.7

### Guidelines for review under Article 8 of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.3, 1/CP.4, 8/CP.4, 6/CP.5, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Noting* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Article 8,

*Recalling* its decisions 6/CP.3 and 11/CP.4 and the usefulness of past compilations and syntheses of national communications,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Article 8*) below;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA), at its seventeenth session, to elaborate the characteristics of the relevant training, the subsequent assessment after completion of the training, and/or any other means needed to ensure the necessary competence of experts for participation in expert review teams, and to forward any draft decision on this issue to the Conference of the Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;
3. *Invites* Parties to submit their views to the secretariat on the issues mentioned in paragraph 2 above, by 15 September 2002, and requests the secretariat to compile these views in a miscellaneous document for consideration by the SBSTA at its seventeenth session;
4. *Requests* the SBSTA, at its seventeenth session, to elaborate terms of service for the lead reviewers of expert review teams and to forward any draft decision on this subject to the Conference of the Parties at its eighth session, with a view to recommending it for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;
5. *Invites* Parties to submit their views to the secretariat on the issues referred to in paragraph 4 above, by 1 July 2002, and requests the secretariat to compile these views in a miscellaneous document for consideration by the SBSTA at its seventeenth session.
6. *Requests* the secretariat to prepare a document containing different options for the terms of service for lead reviewers of expert review teams, including financial implications and working arrangements, for consideration by the SBSTA at its seventeenth session;
7. *Requests* the SBSTA, at its seventeenth session, to consider options for the treatment of confidential data during the review activities under Article 8 of the Kyoto Protocol, with a view to recommending to the Conference of the Parties, at its eighth session, a decision on

this matter for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol;

8. *Requests* the secretariat to prepare a document containing an analysis of the practices of other international treaty bodies and organizations on the treatment of confidential information, for consideration by the SBSTA at its sixteenth session;

9. *Invites* Parties to submit their views on the question of confidentiality referred to in paragraph 7 above, by 1 August 2002;

10. *Decides* that there shall be an expedited procedure for the review for reinstatement of eligibility of a Party included in Annex I to use the mechanisms established under Articles 6, 12 and 17 of the Kyoto Protocol;

11. *Recognizes* the elements of the expedited procedure for the review for reinstatement of eligibility to use the mechanisms included in appendix II to the present decision;

12. *Invites* Parties to submit their views to the secretariat on the issues mentioned in paragraph 10 above, by 15 March 2002;

13. *Requests* the SBSTA, at its sixteenth session, to elaborate further part III (Review of information on assigned amounts) and part V (Review of national registries) of the guidelines for review under Article 8 of the Kyoto Protocol, as contained in appendix I to the present decision, and any additional issues decided upon by the SBSTA. It also requests the SBSTA, at its sixteenth session, to elaborate the procedures, timing and reporting for the review under Article 8 of information for the reinstatement of eligibility to use the mechanisms under Articles 6, 12 and 17, as contained in appendix II to the present decision. In so doing, the SBSTA should take into account the decision of the Conference of the Parties on modalities for the accounting of assigned amounts under Article 7, paragraph 4 (decision 19/CP.7). The SBSTA should elaborate the above-mentioned sections with a view to recommending to the Conference of the Parties, at its eighth session, a decision incorporating those sections into the guidelines for review under Article 8 of the Kyoto Protocol (decision 23/CP.7) for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session after the entry into force of the Kyoto Protocol.

Appendix I

**PART III: REVIEW OF INFORMATION ON ASSIGNED AMOUNTS PURSUANT TO ARTICLE 3, PARAGRAPHS 7 AND 8, EMISSION REDUCTION UNITS, CERTIFIED EMISSION REDUCTIONS, ASSIGNED AMOUNT UNITS AND REMOVAL UNITS**

**A. Purpose**

1. The purpose of this review is to ensure that the COP/MOP and the Compliance Committee have adequate information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs.

**B. General procedures**

2. The review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs, shall take place in conjunction with the annual inventory review.

3. The expert review team shall review the information as a centralized desk exercise.

**C. Scope of the review**

4. The review of information on assigned amounts shall cover the calculation by each Party included in Annex I of its assigned amount pursuant to Article 3, paragraphs 7 and 8, and the information reported in accordance with section I.E, "Information on emission reduction units, certified emission reductions, assigned amount units and removal units", of the guidelines for the preparation of information under Article 7 (decision 22/CP.7, appendix).

**1. Identification of problems**

5. The expert review team shall:

(a) Check whether information is complete and submitted in accordance with section I of the guidelines for the preparation of information required under Article 7, and relevant decisions of the COP and the COP/MOP;

(b) Check that the assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, is consistent with reviewed and adjusted inventory estimates, is consistent with information submitted in previous years and is issued into the national registry in conformity with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;

(c) Check that ERUs, CERs, AAUs and RMUs are issued and cancelled in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, and are consistent with reviewed and adjusted inventory estimates;

(d) Cross-check the information on transfers and acquisitions, including for the purposes of cancelling and retiring, as well as on carry-overs to the subsequent commitment period, and highlight any discrepancies;

(e) Check that the required level of the commitment period reserve, as reported, is calculated in accordance with decision 18/CP.7;

(f) Check that the required level of the commitment period reserve has not been infringed upon at any time.

#### **D. Timing**

6. During the review, the expert review team shall identify problems and notify the Party of them. The Party included in Annex I may correct the problems or provide additional information within the time frame set out in the guidelines (paragraphs 72 to 78), contained in the annex to decision -/CMP.1 (*Article 8*), attached hereto.

#### **E. Reporting**

7. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b) of the annex to decision -/CMP.1 (*Article 8*), attached hereto:

(a) Identification of problems according to the categories listed in paragraph 5 of the present appendix;

(b) For each problem, a quantitative indication of the magnitude of the part of the assigned amount affected by the problem expressed as a percentage of the assigned amount pursuant to Article 3, paragraphs 7 and 8.

### **PART V: REVIEW OF NATIONAL REGISTRIES**

#### **A. Purpose**

8. The purpose of the review of national registries is:

(a) To provide a thorough and comprehensive technical assessment of the capacity of a national registry;

(b) To assess the extent to which the registry requirements contained in the modalities for the accounting of assigned amounts under Article 7, paragraph 4, have been adhered to and to assist Parties included in Annex I in meeting their commitments;

(c) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

#### **B. General procedures**

9. The review of national registries shall take place in two parts:

(a) A thorough review of the national registry, as part of the review prior to the commitment period and its in-country visit;

(b) A desk or centralized review of any reported changes in the national registry reported since the first thorough review, conducted in conjunction with the annual inventory review.

### **C. Scope of the review**

#### **1. In-country review**

10. The expert review team shall conduct a thorough and comprehensive review of the national registry of each Party included in Annex I. The review of the national registry should cover the extent to which the registry requirements contained in the modalities for the accounting of assigned amounts under Article 7, paragraph 4, and the technical standards for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the independent transaction log, have been adhered to.

#### **2. Review of changes in the national registry**

11. Any significant changes in the national registry reported by Parties included in Annex I or identified by the expert review team during the in-country visit that may affect the performance of the registry should be reviewed annually in conjunction with the annual inventory review.

#### **3. Identification of problems**

12. The expert review team shall, *inter alia*:

(a) Check whether information on national registries is complete and submitted in accordance with section I of the guidelines for the preparation of information required under Article 7, and with relevant decisions of the COP and the COP/MOP;

(b) Check whether the registry conforms to the technical standards for the purpose of ensuring accurate, transparent and efficient exchange of data between national registries, the clean development registry and the independent transaction log;

(c) Check whether the issuance and cancellation of units is in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;

(d) Check whether the transaction procedures, including those relating to the transaction log, are in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;

(e) Check the procedures to prevent discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs;

(f) Check the security measures to deter unauthorized manipulations and minimize operator error;

(g) Check whether information is publicly available in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4;



#### **D. Timing**

13. During the process of the in-country visit, the expert review team shall list all the problems identified and shall notify the Party included in Annex I no later than six weeks after the visit of the problems identified. The Party included in Annex I shall comment on these problems within six weeks of the notification. The expert review team shall prepare a draft of a review report on the national registry, within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to that Party shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national registry within four weeks of the receipt of the comments on the draft report. The review of the national registry shall be concluded within one year of the date of submission of the information.

14. The review of changes in the national registry shall follow the timetable for the review of annual inventories defined in part II of these guidelines. If either the annual inventory review or the review of changes in the national registry recommends an in-depth review of the national registry, the inventory review of national registries should be conducted together with the subsequent in-country review of either the annual inventory or the periodic national communication, whichever is earlier.

#### **E. Reporting**

15. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b) of the annex to decision -/CMP.1 (*Article 8*) attached hereto:

- (h) Identification of problems according to the categories listed in paragraph 12 above;
- (i) An evaluation of the overall functioning of the national registry.

## Appendix II

### **Review for reinstatement of eligibility to use mechanisms<sup>1</sup>**

1. The purpose of the review for reinstatement of eligibility of a Party included in Annex I to the Convention to use the mechanism established under Articles 6, 12 and 17 is:
  - (a) To provide for an expedited procedure for the reinstatement of a Party included in Annex I to the Convention which is able to demonstrate that it is no longer failing to meet eligibility requirements under Articles 6, 12 and 17;
  - (a) To provide an objective, transparent, thorough and comprehensive assessment of information provided by a Party on Articles 5 and 7 matters which led to the suspension of its eligibility to use the mechanisms;
  - (b) To ensure that the enforcement branch has reliable information to consider the eligibility of Parties to use the mechanisms.
2. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit information on the matter which led to the suspension of eligibility. This information shall be reviewed expeditiously in accordance with the relevant provisions of parts II, III, IV and/or V of these guidelines.
3. For the purposes of this review for reinstatement, the following time frames shall apply:
  - (a) The expert review team shall prepare an expedited draft review report within [x] weeks of the receipt of information from the Party in question;
  - (c) The Party shall be provided with [y] weeks to comment upon the expedited draft review report;
  - (d) The expert review team shall prepare an expedited final review report within [z] weeks of the receipt of comments upon the draft report;
  - (e) The review shall be completed as soon as practicable, with the aim of completion no more than 10 weeks after the expert review team has been formed and starts the consideration of the information from the Party.

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<sup>1</sup> It was proposed that the present text would be included in section D of part I of the draft guidelines for review under Article 8 of the Kyoto Protocol contained in the annex to the attached -/CMP.1 decision.

**Draft decision -/CMP.1 (Article 8)**

**Guidelines for review under Article 8 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Having considered* decision 23/CP.7, adopted by the Conference of the Parties at its seventh session,

*Recognizing* the importance of the review process under Article 8 for the implementation of other provisions of the Kyoto Protocol,

1. *Adopts* the guidelines for review under Article 8 of the Kyoto Protocol as contained in the annex to the present decision;
2. *Decides* that for each Party included in Annex I the review prior to the first commitment period shall be initiated upon receipt of the report as mentioned in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) attached to decision 19/CP.7. The review prior to the commitment period for each Party, including the procedures for adjustments under Article 5, paragraph 2, between the expert review team and the Party, shall be completed within 12 months of the initiation of the review and a report shall be forwarded expeditiously to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the Compliance Committee. Further expertise and resources shall be provided to ensure the quality of the review in the case where review has to take place for several Parties at the same time;
3. *Decides* to start the periodic review for each Party included in Annex I when it submits its first national communication under the Kyoto Protocol;
4. *Decides* to start the annual review for each Party included in Annex I in the year that the Party commences reporting under Article 7, paragraph 1;
5. *Decides* to start the annual review in the year following the submission of the report referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) attached to decision 19/CP.7 for those Parties included in Annex I that started reporting information under Article 7, paragraph 1, on a voluntary basis earlier than required under Article 7, paragraph 3;
6. *Invites* Parties that opt to submit information for review before January 2007 to notify the secretariat at their earliest convenience in order to facilitate the timely establishment of the expert review teams.

## ANNEX

### **Guidelines for review under Article 8 of the Kyoto Protocol<sup>1</sup>**

#### **PART I: GENERAL APPROACH TO REVIEW**

##### **A. Applicability**

1. Each Party included in Annex I which is also a Party to the Protocol will be subject to review of information submitted under Article 7 in accordance with the provisions of these guidelines. For these Parties, the review process established under these guidelines shall encompass any existing review under the Convention.

##### **B. Objectives**

2. The objectives for review under Article 8 of the Kyoto Protocol are:

(a) To establish a process for a thorough, objective and comprehensive technical assessment of all aspects of the implementation of the Kyoto Protocol by Parties included in Annex I;

(b) To promote consistency and transparency in the review of information submitted by Parties included in Annex I under Article 7 of the Kyoto Protocol;

(c) To assist Parties included in Annex I in improving their reporting of information under Article 7 and the implementation of their commitments under the Protocol;

(d) To provide the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP), and the Compliance Committee, with a technical assessment of the implementation of the Kyoto Protocol by Parties included in Annex I.

##### **C. General approach**

3. The provisions of these guidelines shall apply to the review of information submitted by Parties included in Annex I under Article 7, relevant decisions of the COP/MOP and relevant decisions of the Conference of the Parties (COP) specific to Parties included in Annex I.

4. The expert review team shall provide a thorough and comprehensive technical assessment of all aspects of the implementation by a Party of the Kyoto Protocol and identify any potential problems in, and factors influencing, the fulfilment of commitments. The expert review team shall conduct technical reviews to provide information expeditiously to the COP/MOP and the Compliance Committee in accordance with the procedures in these guidelines.

5. At any stage in the review process, expert review teams may put questions to, or request additional or clarifying information from, the Parties included in Annex I regarding a potential problem identified by the team. The expert review team should offer advice to Parties included in Annex I on how to correct problems that they identify, taking into account the national

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<sup>1</sup> "Article" in these guidelines refers to an article of the Kyoto Protocol, unless otherwise specified.

circumstances of the Party. The expert review team shall also provide technical advice to the COP/MOP or the Compliance Committee, upon its request.

6. Parties included in Annex I should provide the expert review team with access to information necessary to substantiate and clarify the implementation of their commitments under the Kyoto Protocol, in accordance with relevant guidelines adopted by the COP and/or the COP/MOP and, during the in-country visits, should also provide appropriate working facilities. Parties included in Annex I should make every reasonable effort to respond to all questions and requests from the expert review team for additional clarifying information relating to identified problems and correct such problems within the time limits set out in these guidelines.

#### 1. Questions of implementation

7. If the expert review team identifies potential problems during the review, it shall put questions to the Party included in Annex I regarding these potential problems and offer advice to the Party on how to correct them. The Party may correct the problems or provide additional information within the time frame set out in these guidelines. Subsequently, a draft of each review report shall be forwarded to the Party subject to review for comment.

8. Only if an unresolved problem pertaining to language of a mandatory nature in these guidelines influencing the fulfilment of commitments still exists after the Party included in Annex I has been provided with opportunities to correct the problem within the time frames established under the relevant review procedures, shall that problem be listed as a question of implementation in the final review reports. An unresolved problem pertaining to language of a non-mandatory nature in these guidelines shall be noted in the final review report, but shall not be listed as a question of implementation.

#### 2. Confidentiality

9. Pursuant to a request from the expert review team for additional data or information or access to data used in the preparation of the inventory, a Party included in Annex I may indicate whether such information and data are confidential. In such a case, the Party should provide the basis for protecting such information, including any domestic law, and upon receipt of assurance that the data will be maintained as confidential by the expert review team, shall submit the confidential data in accordance with domestic law and in a manner that allows the expert review team access to sufficient information and data for the assessment of conformity with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP. Any confidential information and data submitted by a Party in accordance with this paragraph shall be maintained as confidential by the expert review team, in accordance with any decisions on this matter adopted by the COP/MOP.

10. An expert review team member's obligation not to disclose confidential information shall continue after termination of his or her service on the expert review team.

## **D. Timing and procedures**

### **1. Initial review**

11. Each Party included in Annex I shall be subject to review prior to the first commitment period or within one year after the entry into force of the Kyoto Protocol for that Party, whichever is later.

12. The expert review team shall review the following information contained or referenced in the report referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) for each Party included in Annex I:

(a) Complete inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for all years from 1990, or other approved base year or period under Article 3, paragraph 5, to the most recent year available with an emphasis on the base year or period, including the selected base year for hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride in accordance with Article 3, paragraph 8, and the most recent year, for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines;

(b) The calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, and the commitment period reserve, for conformity with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, in accordance with the procedures contained in part III of these guidelines;

(c) The national system pursuant to Article 5, paragraph 1, in accordance with the procedures contained in part IV of these guidelines;

(d) The national registry pursuant to Article 7, paragraph 4, in accordance with the procedures contained in part V of these guidelines.

13. The first national communication due under the Convention after the Protocol has entered into force for that Party will be reviewed prior to the first commitment period in accordance with the provisions of paragraph 19 below.<sup>2</sup>

14. For each Party included in Annex I, the elements specified in paragraphs 12 (a) to 12 (d) above shall be reviewed in conjunction. An in-country visit shall be conducted as part of this review.

### **2. Annual review**

15. Each Party included in Annex I shall be subject to an annual review of:

(a) The annual inventory, including the national inventory report and the common reporting format (CRF), for conformity with Article 5, paragraph 2, in accordance with the procedures contained in part II of these guidelines;

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<sup>2</sup> This will be the case if this national communication is submitted prior to the first commitment period.

(b) The following supplementary information, in accordance with the guidelines for the preparation of the information required under Article 7, section I:

- (i) Information provided during the commitment period for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, for conformity with the requirements of relevant decisions of the COP/MOP, in accordance with the procedures contained in part II of these guidelines;
- (ii) Information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units, in accordance with the procedures contained in part III of these guidelines;
- (iii) Changes in national systems in accordance with the procedures contained in part IV of these guidelines;
- (iv) Changes in national registries in accordance with the procedures contained in part V of these guidelines;
- (v) Information provided on matters related to Article 3, paragraph 14, and supplementary information in accordance with the procedures contained in part VI of these guidelines.

16. The annual review, including adjustment procedures as part of the review of the annual or base year inventory, shall be concluded within one year of the due date for submission of the information to be reported under Article 7, paragraph 1.

17. The elements specified in paragraph 15 (b) (iii) and (iv) above shall be subject to review as part of the annual review only if problems or significant changes have been identified by an expert review team or if the Party included in Annex I reports significant changes in its inventory report as defined in paragraphs 89 and ..<sup>3</sup> of these guidelines.

18. The elements described in paragraph 15 above shall be reviewed together for each Party included in Annex I by a single expert review team.

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<sup>3</sup> This paragraph notation refers to paragraph 4 of section V in appendix I to decision 23/CP.7. The number of this paragraph will change once the corresponding part of the appendix is incorporated in the present guidelines.

### 3. Periodic review

19. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country review in accordance with part VII of these guidelines.<sup>4</sup>

#### **E. Expert review teams and institutional arrangements**

##### 1. Expert review teams

20. Each submission under Article 7 shall be assigned to a single expert review team that shall be responsible for performing the review in accordance with the procedures and time frames established in these guidelines. A submission by a Party included in Annex I shall not be reviewed in two successive review years by expert review teams with identical composition.

21. Each expert review team shall provide a thorough and comprehensive technical assessment of information submitted under Article 7 and shall, under its collective responsibility, prepare a review report, assessing the implementation of the commitments of the Party included in Annex I and identifying any potential problems in, and factors influencing, the fulfilment of commitments. The expert review teams shall refrain from making any political judgement. If needed, the expert review teams shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned.

22. Expert review teams shall be coordinated by the secretariat and shall be composed of experts selected on an ad hoc basis from the UNFCCC roster of experts and will include lead reviewers. Expert review teams formed for the tasks carried out under the provisions of these guidelines may vary in size and composition, taking into account the national circumstances of the Party under review and the different expertise needs of each review task.

23. Participating experts shall serve in their personal capacity.

24. Participating experts shall have recognized competence in the areas to be reviewed according to these guidelines. The training to be provided to experts, and the subsequent

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<sup>4</sup> It is likely that the fourth national communication will be the first national communication under the Kyoto Protocol and that such review will occur prior to the first commitment period: Article 7, paragraph 3, states that each Party included in Annex I shall submit the information required under Article 7, paragraph 2, as part of the first national communication due under the Convention after the Protocol has entered into force for it and after adoption of guidelines for the preparation of information under Article 7. This Article also states that the COP/MOP shall determine the frequency of submission of national communications, taking into account any timetable for submission of national communications decided upon by the COP. Decision 11/CP.4 requests Parties included in Annex I to submit a third national communication by 30 November 2001 and subsequent national communications on a regular basis, at intervals of three to five years, to be decided at a future session, and requires that each of those national communications should be subject to an in-depth review coordinated by the secretariat.



assessment after the completion of the training<sup>5</sup> and/or any other means needed to ensure the necessary competence of experts for participation in expert review teams shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

25. Experts selected for a specific review activity shall neither be nationals of the Party under review, nor be nominated or funded by that Party.

26. Experts shall be nominated by Parties to the Convention to the roster of experts and, as appropriate, by intergovernmental organizations, in accordance with guidance provided for this purpose by the COP.

27. Participating experts from Parties not included in Annex I and Parties included in Annex I with economies in transition shall be funded according to the existing procedures for participation in UNFCCC activities. Experts from other Parties included in Annex I shall be funded by their governments.

28. In the conduct of the review, expert review teams shall adhere to these guidelines and work on the basis of established and published procedures agreed upon by the SBSTA, including quality assurance and control and confidentiality provisions.

## 2. Competences

29. Competences required to be members of the expert review teams for the review of annual information submitted under Article 7, paragraph 1 are:

(a) Greenhouse gas inventories in general and/or specific sectors (energy, industrial processes, solvents and other products use, agriculture, land use, land-use change and forestry, and waste);

(b) National systems, national registries, information on assigned amounts and information related to Article 3, paragraph 14.

30. Competences required to be members of the expert review teams for the review of national communications and the supplementary information under Article 7, paragraph 2, are on those areas referred to in paragraph 112 (b) and (c) of these guidelines.

## 3. Composition of the expert review teams

31. The secretariat shall select the members of the review teams to review the annual information submitted under Article 7, paragraph 1, and to review national communications and the supplementary information under Article 7, paragraph 2, in a way that the collective skills of the team address the areas mentioned in paragraphs 29 and 30 above, respectively.

32. The secretariat shall select the members of the expert review teams with a view to achieving a balance between experts from Annex I and non-Annex I Parties in the overall composition of the expert review teams, without compromising the selection criteria referred to

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<sup>5</sup> Those experts that opt not to participate in the training have to undergo a similar assessment successfully in order to enable them to qualify for participation in expert review teams.

in paragraph 31 above. The secretariat shall make every effort to ensure geographical balance among those experts selected from non-Annex I Parties and among those experts selected from Annex I Parties.

33. The secretariat shall ensure that in any expert review team one co-lead reviewer shall be from a Party included in Annex I and one from a Party not included in Annex I.

34. Without compromising the selection criteria stated in paragraphs 31, 32 and 33 above, the formation of expert review teams should ensure, to the extent possible, that at least one member is fluent in the language of the Party under review.

35. The secretariat shall prepare an annual report to the SBSTA on the composition, including the selection of experts for the review teams and the lead reviewers, and the actions taken to ensure the application of the selection criteria stated in paragraphs 31 and 32 above.

#### 4. Lead reviewers

36. Lead reviewers shall act as co-lead reviewers for the expert review teams under these guidelines.

37. Lead reviewers should ensure that the reviews in which they participate are performed according to the review guidelines and are performed consistently across Parties by each expert review team. They also should ensure the quality and the objectivity of the thorough and comprehensive technical assessments in the reviews and to provide for continuity, comparability and timeliness of the review.

38. Lead reviewers may be offered additional training to that referred to in paragraph 24 above to enhance their skills.

39. With the administrative support of the secretariat, lead reviewers shall, for each review activity:

- (a) Prepare a brief work plan for the review activity;
- (b) Verify that the reviewers have all the necessary information provided by the secretariat prior to the review activity;
- (c) Monitor the progress of the review activity;
- (d) Coordinate queries of the expert review team to the Party and coordinate the inclusion of the answers in the review reports;
- (e) Provide technical advice to the ad hoc experts, if needed;
- (f) Ensure that the review is performed and the review report is prepared in accordance with the relevant guidelines; and
- (g) For inventory reviews, verify that the review team gives priority to individual source categories for review in accordance with the guidelines.

40. Lead reviewers collectively shall also:

(a) Prepare an annual report to the SBSTA with suggestions on how to improve the review process in the light of paragraph 2 of the present guidelines; and

(b) Advise on the standardized data comparisons of inventory information referred to in paragraph 67 below.

41. Lead reviewers shall comprise experts from Parties to the Convention nominated to the UNFCCC roster by Parties, and their collective skills shall address the areas mentioned in paragraph 29 above. During the period where national communications and the supplementary information under Article 7, paragraph 2, are reviewed, additional experts from Parties to the Convention nominated to the UNFCCC roster by Parties will act as lead reviewers whose collective skills relate to the areas referred to in paragraph 30 above.

42. Lead reviewers shall be assigned for a minimum period of two years and a maximum period of three years to ensure the continuity and consistency of the review process. Half of the lead reviewers shall be assigned initially for a term of two years and the other half for a term of three years. The terms of service of lead reviewers for a given period of service shall be designed and operationalized in accordance with relevant decisions of the COP and the COP/MOP.

#### 5. Ad hoc review experts

43. Ad hoc review experts shall be selected from those nominated by Parties or, exceptionally and only when the required expertise for the task is not available among them, from the relevant intergovernmental organizations belonging to the UNFCCC roster of experts for specific annual or periodic reviews by the secretariat. They shall perform individual review tasks in accordance with the duties set out in their nomination.

44. Ad hoc review experts shall, as necessary, perform desk review tasks in their home countries and participate in in-country visits, centralized reviews and in review meetings.

#### 6. Guidance by the SBSTA

45. The SBSTA shall provide general guidance to the secretariat on the selection of experts and coordination of the expert review teams and to the expert review teams on the expert review process. The reports mentioned in paragraphs 35 and 40 (a) above are intended to provide the SBSTA with inputs for elaborating such guidance.

### **F. Reporting and publication**

46. The expert review team shall, under its collective responsibility, produce the following review reports for each Party included in Annex I:

(a) For the initial review, a report on the review of the elements described in paragraph 12 (a) to 12 (d) above in accordance with parts II, III, IV and V of these guidelines;

(b) For the annual review, a status report after the initial check of the annual inventory and a final report on the annual review of the elements in paragraph 15 above in accordance with parts II, III, IV, V and VI of these guidelines;

(c) For the periodic review, a report on the review of the national communication in accordance with part VII of these guidelines.

47. Review reports for each Party included in Annex I shall follow a format and outline comparable to that set out in paragraph 48 below and shall include the specific elements described in parts II to VII of these guidelines.

48. All final review reports prepared by the expert review team, except for status reports, shall include the following elements:

(a) An introduction and summary;

(b) A description of the technical assessment of each of the elements reviewed according to the relevant sections on the scope of the review in parts II to VII of these guidelines, including:

(i) A description of any potential problems in, and factors influencing the fulfilment of, commitments identified during the review;

(ii) Any recommendations provided by the expert review team to solve the potential problems;

(iii) An assessment of any efforts by the Party included in Annex I to address any potential problems identified by the expert review team during the current review or during previous reviews that have not been corrected;

(iv) Any questions of implementation of the commitments under the Kyoto Protocol;

(c) Possible recommendations by the expert review team on the conduct of the review in subsequent years, including which parts may need to be considered in more depth;

(d) Information on any other issue of concern deemed relevant by the expert review team;

(e) The sources of information used in the formulation of the final report.

49. Following their completion, all final review reports, including status reports on initial checks on annual inventories, shall be published and forwarded by the secretariat, together with any written comments on the final review report by the Party which is subject of the report, to the COP/MOP, the Compliance Committee and the Party concerned.

## PART II: REVIEW OF ANNUAL INVENTORIES

### A. Purpose

50. The purpose of the review of annual inventories of Parties included in Annex I is:

(a) To provide an objective, consistent, transparent, thorough and comprehensive technical assessment of annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol for conformity with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*<sup>6</sup> as elaborated by the Intergovernmental Panel on Climate Change (IPCC) report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*<sup>7</sup> and any good practice guidance adopted by the COP/MOP, and with section I of the guidelines for the preparation of the information required under Article 7;

(b) To assess if adjustments under Article 5, paragraph 2, may be needed and, if so, to calculate adjustments in accordance with relevant decisions of the COP/MOP relating to Article 5, paragraph 2, of the Kyoto Protocol;

(c) To ensure that the COP/MOP and the Compliance Committee have reliable information on the annual inventories of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol of each Party included in Annex I.

### B. General procedures

51. The review should cover:

(a) The annual inventory, including the national inventory report and the common reporting format (CRF);

(b) Supplementary information under Article 7, paragraph 1, incorporated in the Party's national inventory according to section I.D, greenhouse gas inventory information, of the guidelines for the preparation of the information required under Article 7.

52. The annual inventory review shall consist of two elements:

(a) Initial check by the expert review team, with the assistance of the secretariat;

(b) Individual inventory review by the expert review team.

53. The individual inventory review shall occur in conjunction with the review of assigned amount, changes in national systems and changes in national registries as set out in part I of these guidelines.

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<sup>6</sup> In these guidelines, the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* are referred to as the IPCC Guidelines.

<sup>7</sup> In these guidelines, the IPCC report entitled *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* is referred to as the IPCC good practice guidance.

54. The base year inventory shall be reviewed only once prior to the commitment period and adjusted if appropriate.

55. The annual inventory review should be conducted as a desk or centralized review. In addition, each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period as part of its annual review.

56. In-country visits should be scheduled, planned and take place with the consent of the Party included in Annex I subject to review.

57. In years when an in-country visit is not scheduled, an expert review team can request an in-country visit if it believes, based on the findings of the desk or centralized review, that such a visit is necessary to allow for fuller investigation of a potential problem that the team has identified, subject to the consent of the Party included in Annex I. The expert review team shall provide a rationale for the additional country visit and shall compile a list of questions and issues to be addressed during the in-country visit to be sent to the Party included in Annex I in advance of the visit. If such an in-country visit occurs, the expert review team may recommend that a pending scheduled in-country visit is not necessary.

58. If a Party included in Annex I fails to provide to the expert review team the data and information necessary for the assessment of conformity with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP, the expert review team shall assume that the estimate was not prepared in accordance with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.

### **C. Initial checks of annual inventories**

#### **1. Scope of the review**

59. The expert review team shall conduct an initial check as a desk or centralized review to examine that each Party included in Annex I has submitted a consistent, complete and timely annual inventory, including the national inventory report and the common reporting format (CRF), and that data contained in the CRF are complete by means of computerized analysis and checks and in the correct format to enable subsequent review stages to occur.

60. The initial check shall identify whether:

(a) The submission is complete and information has been provided in the correct format in accordance with reporting guidelines on annual inventories;

(b) All sources, sinks and gases included in the IPCC Guidelines and any good practice adopted by the COP/MOP are reported;

(c) Any gaps are explained by use of notation keys, such as NE (not estimated) and NA (not applicable), in the CRF and whether there is frequent use of these notation keys;

(d) Methodologies are documented with notations in the CRF;

- (e) Estimates for carbon dioxide (CO<sub>2</sub>) emissions from fossil fuel combustion are reported using the IPCC reference approach, in addition to estimates derived using national methods;
- (f) Estimates for hydrofluorocarbon, perfluorocarbon and sulphur hexafluoride emissions are reported by individual chemical species;
- (g) A Party included in Annex I has failed to submit an annual inventory or the national inventory report or the common reporting format by the due date, or within six weeks of the due date;
- (h) A Party included in Annex I has failed to include an estimate for a source category (as defined in chapter 7 of the IPCC good practice guidance) that individually accounted for 7 per cent or more of the Party's aggregate emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, in the most recent of the Party's reviewed inventories in which the source was estimated.
- (i) A Party included in Annex I has failed to provide the supplementary information in accordance with paragraphs 5 to 9 of the annex to decision –/CMP.1 (*Article 7*).

## 2. Timing<sup>8</sup>

61. The initial check for each Party included in Annex I shall be performed and a draft status report shall be completed within four weeks after the submission date of the annual inventory and sent to the Party for comment. A delay in the preparation of the draft status report shall not shorten the time available for the Party concerned to comment on the draft status report. The secretariat shall immediately notify the Party concerned of any omissions or technical format problems identified in the initial check.
62. Any information, corrections, additional information or comments on the draft status report received from the Party included in Annex I within six weeks of the submission due date shall be subject to an initial check and shall be covered in the final status report. A delay in the submission of the annual inventory shortens the time available for the Party concerned to comment on the draft status report.
63. The status report on the initial check for each Party included in Annex I shall be finalized within ten weeks from the submission due date to be used in the individual inventory review.

## 3. Reporting

64. The status report shall include:
- (a) The date of receipt of the inventory submission by the secretariat;
- (b) An indication whether the annual inventory, including the national inventory report and the CRF, has been submitted;

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<sup>8</sup> For the initial review, the time frames for the initial check may serve as an indication.

(c) An indication whether any source category or gas of a source category is missing and, if so, an indication of the magnitude of the likely emissions of that source category or gas, if possible relative to the last inventory for which the review has been completed;

(d) Identification of any inventory problems according to the categories listed in paragraphs 60 (g) to (i) above.

#### **D. Individual inventory reviews**

##### **1. Scope of the review**

65. The expert review team shall, *inter alia*:

(a) Examine application of the requirements of the IPCC Guidelines as elaborated by any IPCC good practice guidance adopted by the COP/MOP and the reporting guidelines on annual inventories and relevant decisions of the COP/MOP, and identify any departure from these requirements;

(b) Examine application of the reporting requirements of the section I.D of the guidelines for the preparation of information required under Article 7;

(c) Examine whether the IPCC good practice guidance and any other good practice guidance adopted by the COP/MOP was applied and documented, in particular noting the identification of key source categories, selection and use of methodologies and assumptions, development and selection of emission factors, collection and selection of activity data, reporting of consistent time-series, reporting of uncertainties related to inventory estimates and methodologies used for estimating those uncertainties and identify any inconsistencies;

(d) Compare emission or removal estimates, activity data, implied emission factors and any recalculations with data from previous submissions of the Party included in Annex I to identify any irregularities or inconsistencies;

(e) Compare the activity data of the Party included in Annex I with relevant external authoritative sources, if feasible, and identify sources where there are significant differences;

(f) Assess the consistency of information in the common reporting format with that in the national inventory report;

(g) Assess the extent to which issues and questions raised by expert review teams in previous reports have been addressed and resolved;

(h) Recommend possible ways for improving the estimation and the reporting of inventory information.

66. The expert review team may use relevant technical information in the review process, such as information from international organizations.

67. The secretariat shall, under the direction of the expert review team, conduct a standardized set of data comparisons to be performed on the electronic common reporting format submissions to be used in the review process.



## 2. Identification of problems

68. The individual inventory review shall identify any problems for which adjustments under Article 5, paragraph 2, would be appropriate and initiate procedures for calculation of adjustments.

69. Problems should be identified as a failure to follow agreed guidelines under Article 5, paragraph 2, in preparing greenhouse gas inventories, as a failure to follow section I of the guidelines for the preparation of the information required under Article 7, and as a failure to follow agreed methodologies for estimating and reporting activities under Article 3, paragraphs 3 and 4, as adopted by the COP/MOP. These may be further subdivided as problems of:

(a) Transparency, as defined in the UNFCCC reporting guidelines on annual inventories,<sup>9</sup> including:

- (i) Inadequate documentation and description of methodologies, assumptions and recalculations;
- (ii) Failure to disaggregate national activity data, emission factors and other factors used in national methods at the required level unless an issue of confidentiality exists;
- (iii) Failure to provide justifications for recalculations, references and information sources for key factors and data;

(b) Consistency, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide consistent time-series in accordance with the IPCC good practice guidance;

(c) Comparability, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to use agreed reporting formats;

(d) Completeness, as defined in the UNFCCC reporting guidelines on annual inventories, including:

- (i) Gaps in the inventory estimates for source categories or gases;
- (ii) Inventory data that do not provide full geographic coverage of sources and sinks of a Party included in Annex I;
- (iii) Failure to provide full coverage of sources in a source category;

(e) Accuracy, as defined in the UNFCCC reporting guidelines on annual inventories, including failure to provide estimates of uncertainty and address uncertainty through the application of the good practice guidance.

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<sup>9</sup> Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories (document FCCC/CP/1999/7) or any subsequent revision of these guidelines by the COP.

70. The expert review team shall calculate:

(a) The percentage by which the aggregate adjusted greenhouse gas emissions for a Party included in Annex I exceed the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol, for any single year;

(b) The sum of the numerical values of the percentages calculated in subparagraph (a) above for all years of the commitment period for which the review has been conducted.

71. The expert review team shall identify whether the same key source category as defined in chapter 7 of the IPCC good practice guidance was adjusted in previous reviews and, if so, the team shall indicate the number of reviews that identified and adjusted the problem previously and the percentage that the key source category contributes to the aggregate submitted emissions, defined as aggregate submitted emissions of the gases and from the sources listed in Annex A to the Kyoto Protocol.

### 3. Timing

72. The individual inventory review, including adjustment procedures, shall be concluded within one year of the due date of submission of the information to be reported under Article 7, paragraph 1.

73. The expert review team shall list all problems identified, indicating which would need an adjustment, and send this list to the Party included in Annex I no later than twenty-five weeks from the submission due date of the annual inventory, if the inventory was submitted at least six weeks after the submission due date.

74. The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revised estimates.

75. The expert review team shall prepare a draft individual inventory review report, which includes, where appropriate, adjusted estimates calculated according to guidance under Article 5, paragraph 2, within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned.

76. The Party included in Annex I shall be provided with four weeks to comment on the draft individual inventory review report and, where appropriate, on whether it accepts or rejects the adjustment.

77. The expert review team shall prepare a final individual inventory review report within four weeks of the receipt of the comments on the draft report.

78. If a Party included in Annex I, during the above steps, is able to comment earlier than in the time-frames given above, the Party concerned may use the time saved to comment on the revised final report. A total of four additional weeks to comment may be granted to Parties included in Annex I whose national language is not one of the United Nations official languages.

4. Procedures for adjustments under Article 5, paragraph 2

79. Adjustments referred to in Article 5, paragraph 2, of the Kyoto Protocol shall be applied only when inventory data submitted by Parties included in Annex I are found to be incomplete and/or are prepared in a way that is not consistent with the IPCC Guidelines as elaborated by the IPCC good practice guidance and any good practice guidance adopted by the COP/MOP.

80. The procedure for the calculation of adjustments shall be as follows:

(a) During the individual inventory review, the expert review team shall identify problems to which the criteria in the guidance for adjustments under Article 5, paragraph 2, apply. The expert review team shall officially notify the Party included in Annex I of the reason why an adjustment is considered necessary and provide advice on how the problem could be corrected;

(b) The adjustment procedure should only commence after the Party included in Annex I has had opportunities to correct a problem and if the expert review team finds that the Party included in Annex I has not adequately corrected the problem through the provision of an acceptable revised estimate, in accordance with the time frames set out in paragraphs 73 to 78 above;

(c) The expert review team shall calculate adjustments in accordance with any guidance under Article 5, paragraph 2, adopted by the COP/MOP, in consultation with the Party concerned and within the time frame set out in these guidelines;<sup>10</sup>

(d) The expert review team shall officially notify the Party concerned of the calculated adjustment(s) within the time frame set out in these guidelines. This notification shall describe the assumptions, data and methodologies used to calculate the adjustment(s), as well as the value of the adjustment(s);

(e) Within the time frame set out in these guidelines, the Party concerned shall notify the secretariat of its intention to accept or reject the adjustment(s), with its rationale. Failure to respond by this date shall be considered as acceptance of the adjustment(s), as follows:

- (i) If the Party concerned accepts the adjustment(s), the adjustment(s) shall be applied for the purpose of compilation and accounting of emissions inventories and assigned amounts;
- (ii) If the Party concerned disagrees with the proposed adjustment(s), it should send a notification to the expert review team, including its rationale, and the expert review team should send the notification along with its recommendation in its final report to the COP/MOP and the Compliance Committee, which will resolve the disagreement in accordance with the procedures and mechanisms on compliance.

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<sup>10</sup> Special arrangements in the composition of the expert review teams may be needed for the case where an adjustment needs to be calculated.

81. A Party included in Annex I may submit a revised estimate for a part of its inventory for a year of the commitment period to which an adjustment was previously applied, provided that the revised estimate is submitted, at the latest, in conjunction with the inventory for the year 2012.

82. Subject to a review under Article 8 and the acceptance of the revised estimate by the expert review team, the revised estimate shall replace the adjusted estimate. In the event of a disagreement between the Party included in Annex I and the expert review team regarding the revised estimate, the procedure set out in paragraph 80 (e) (ii) above shall be followed. The option for a Party included in Annex I to submit a revised estimate for a part of its inventory to which an adjustment was previously applied should not prevent Parties included in Annex I from making best efforts to correct the problem at the time it was initially identified and in accordance with the time frame set forth in the guidelines for review under Article 8.

## 5. Reporting

83. The following specific elements shall be included in the reports referred to in paragraphs 46 (a) and (b) above:

(a) A summary of the results of the inventory review, including a description of emission trends, key sources and methodologies and a general assessment of the inventory;

(b) Identification of any inventory problems according to the categories listed in paragraph 69 above and a description of factors influencing the fulfilment of the inventory-related obligations of the Party included in Annex I ;

(c) Information on adjustments, if applicable, including, *inter alia*,

- (i) The original estimate, if applicable;
- (ii) The underlying problem;
- (iii) The adjusted estimate;
- (iv) The rationale for the adjustment;
- (v) The assumptions, data and methodology used to calculate the adjustment;
- (vi) A description of how the adjustment is conservative;
- (vii) The expert review team's identification of possible ways for the Party included in Annex I to address the underlying problem;
- (viii) The magnitude of the numerical values related to an adjusted problem as identified under paragraph 70 above;
- (ix) Recurrence of adjustments as identified under paragraph 71 above;
- (x) An indication whether the adjustment was agreed upon by the Party included in Annex I and the expert review team.

**PART III: REVIEW OF INFORMATION ON ASSIGNED AMOUNTS PURSUANT TO ARTICLE 3, PARAGRAPHS 7 AND 8, EMISSION REDUCTION UNITS, CERTIFIED EMISSION REDUCTIONS, ASSIGNED AMOUNT UNITS AND REMOVAL UNITS**

*[Text to be incorporated in accordance with paragraph 13 of decision 23/CP.7]*

**PART IV: REVIEW OF NATIONAL SYSTEMS**

**A. Purpose**

84. The purpose of the review of national systems is:

(a) To provide a thorough and comprehensive technical assessment of the capacity of a national system and the adequacy of its institutional, legal and procedural arrangements to produce an inventory of anthropogenic emissions by sources and removals by sinks in conformity with Article 5, paragraph 2;

(b) To assess the extent to which the guidelines for national systems under Article 5, paragraph 1, have been adhered to, and to assist Parties included in Annex I in meeting their commitments under Article 5, paragraph 1;

(c) To provide the COP/MOP and the Compliance Committee with reliable information on national systems established under Article 5, paragraph 1.

**B. General procedures**

85. The review of national systems shall take place in two parts:

(a) A thorough review of the national system, as part of the review prior to the commitment period and its in-country visit;

(b) A desk or centralized review of any reported changes in the national system reported since the first thorough review, conducted in conjunction with the annual inventory review.

86. The review of national systems shall be conducted, as appropriate, through interviews with personnel involved in inventory planning, preparation and management, and through examination of relevant records and documentation, including use of the inventory CRF and preparation of the national inventory report.

87. Based on any findings during the individual inventory review and on findings related to reported changes in national systems considered by the expert review team to be potentially significant in relation to an identified problem in the inventory of the Party included in Annex , the expert review team may request an additional country visit to review the relevant components of the national system in conjunction with an in-country inventory review.

### **C. Scope of the review**

#### **1. In-country review**

88. The expert review team shall conduct a thorough and comprehensive review of the national system of each Party included in Annex I. The review of national systems should cover:

(a) Activities undertaken by the Party included in Annex I to implement, and performance of, the general functions described in paragraph 10 of the guidelines for national systems,<sup>11</sup> and the specific functions related to inventory planning, preparation and management in accordance with paragraphs 12 to 17 of those guidelines;

(b) Reported and archived information on national systems in accordance with guidelines under Article 5, paragraph 1, and Article 7, including plans and internal documentation related to the functions mentioned in subparagraph (a) above.

#### **2. Review of changes in national systems**

89. Any significant changes in the functions of the national systems reported by Parties included in Annex I or identified by the expert review team during the in-country visit that may affect the preparation of greenhouse gas inventories in conformity with Article 5, paragraph 2, and the guidelines for national systems should be reviewed annually in conjunction with the annual inventory review. The scope of such a review shall follow the scope set out for the in-country review according to paragraph 88 above.

#### **3. Identification of problems**

90. The expert review team shall assess whether the Party included in Annex I has established and maintained the specific inventory planning components covered in paragraph 12 of the guidelines for national systems, on the basis of a review of the information provided on the national system under Article 7 and any additional information gathered.

91. The expert review team shall assess whether the Party included in Annex I has completed the inventory preparation components covered in paragraph 14 (a) and (d) of the guidelines for national systems, on the basis of the review of the information provided on the national system under Article 7 and any additional information gathered.

92. The expert review team shall assess whether the inventory preparation components covered in paragraph 14 (c), (e) and (g) of the guidelines for national systems are functioning adequately, on the basis of an assessment of the most recent annual inventory, its consistency with good practice, and any additional information gathered.

93. The expert review team shall assess whether the Party included in Annex I has archived inventory information according to the provisions of paragraphs 16 and 17 of the guidelines for

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<sup>11</sup> The guidelines for national systems for the estimation of anthropogenic greenhouse gas emissions by sources and removals by sinks under Article 5, paragraph 1, of the Kyoto Protocol are referred to as “guidelines for national systems” in the present annex. The full text of the guidelines can be found attached to decision 20/CP.7.

national systems as part of its inventory management. The expert review team shall assess whether the archiving is functioning adequately on the basis of an assessment of:

(a) The completeness of archived information for a sample of source categories as chosen by the expert review teams, including key source categories, as defined in accordance with IPCC good practice guidelines;

(b) The ability of the Party included in Annex I to respond in a timely manner to requests for clarifying inventory information resulting from the different stages of the review process of the most recent inventory.

94. Based on the assessment carried out in accordance with paragraphs 90 to 93 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments related to the functions of national systems according to paragraphs 10, 12, 14 and 16 of the guidelines for national systems. In addition, the expert review teams shall recommend how deficiencies of functions described in paragraphs 13, 15 and 17 of the guidelines for national systems could be improved. These provisions shall apply to both in-country reviews and reviews of changes in national systems.

#### **D. Timing**

95. During the process of in-country visit, the expert review team shall list all problems identified, and notify the Party included in Annex I no later than six weeks after the country visit on the problems identified. The Party included in Annex I shall comment on these problems not later than within six weeks. The expert review team shall prepare a draft of a review report on the national system, within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to the Party included in Annex I shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national system within four weeks of the receipt of the comments on the draft report. The review of national systems shall be concluded within one year of the date of submission of the information.

96. The process of review of changes in national systems shall follow the timetable for the review of annual inventories defined in part II of these guidelines. If either the annual inventory review or the review of changes in national systems recommend an in-depth review of national systems, the process of inventory review of national systems should be conducted together with the following in-country review either of the annual inventory or of the periodic national communication whichever is earlier.

#### **E. Reporting**

97. The following specific elements shall be included in the reports referred to in paragraph 46 (a) and (b) above:

(a) An evaluation of the overall organization of the national system, including a discussion of the effectiveness and reliability of the institutional, procedural and legal arrangements for estimating greenhouse gas emissions;

(b) A technical assessment of the performance of each of the national system functions defined in paragraphs 10 to 17 of the guidelines for national systems, including an assessment of the system's strengths and weaknesses;

(c) Any recommendations by the review team for further improvement of the national system of the Party included in Annex I.

## **PART V: REVIEW OF NATIONAL REGISTRIES**

*[Text to be incorporated in accordance with paragraph 13, decision 23/CP.7]*

## **PART VI: REVIEW OF INFORMATION ON THE MINIMIZATION OF ADVERSE IMPACTS IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 14**

### **A. Purpose**

98. The purpose of the review of information of each Party included in Annex I in relation to Article 3, paragraph 14, is:

(a) To provide a thorough objective and comprehensive technical assessment of the information submitted relating to how the Party included in Annex I is striving to implement its commitments under Article 3, paragraph 14;

(b) To assess trends and the extent to which the Party included in Annex I is striving to implement action to minimize adverse impacts on developing countries in accordance to Article 3, paragraph 14, and taking into account any relevant decisions by the COP and with the COP/MOP;

(c) To assist Parties included in Annex I to improve their reporting of information under Article 3, paragraph 14;

(d) To ensure that the COP/MOP and the Compliance Committee have reliable information on the review of minimization of adverse impacts in accordance with Article 3, paragraph 14.

### **B. General procedures**

99. The review of the information on the minimization of adverse impacts in accordance with Article 13, paragraph 14, shall take place in two parts:

(a) An annual desk or centralized review of additional information submitted by Parties included in Annex I, conducted in conjunction with the annual inventory review;

(b) A thorough and comprehensive review through in-country visits, conducted in conjunction with the review of national communications.

### **C. Scope of the review**

#### **1. Annual review**

100. The expert review team shall, inter alia:



(a) Check whether the Party included in Annex I submitted the supplementary information in accordance with paragraphs 12 and 14 of the annex to decision -/CMP.1 (*Article 7*) on action relating to the minimization of adverse effects under Article 3, paragraph 14;

(b) For the first year that the Party included in Annex I provides the information mentioned in subparagraph (a) above, conduct a desk or centralized review to assess whether each Party included in Annex I has submitted consistent, complete and timely information. For subsequent years, conduct a desk or centralized review to assess whether Parties included in Annex I have submitted information on any changes that have occurred, compared with the information reported in its last submission;

(c) Notify the Party concerned of any questions the team has regarding information on actions relating to minimization of adverse effects under Article 3, paragraph 14, and relevant decisions of the COP and the COP/MOP;

(d) Assess the extent to which issues and questions raised by previous reports have been addressed and resolved;

(e) Recommend possible ways to improve the reporting of information, including possible recommendations to the workshop on reporting methodologies mentioned in decision 9/CP.7.

## 2. In-country visit

101. Each Party included in Annex I shall be subject to at least one in-country visit by an expert review team during the commitment period in conjunction with the review of the national communication.

102. The in-country review shall provide a detailed examination of supplementary information incorporated in the annual inventory, in accordance with paragraphs 12 and 14 of the annex to decision -/CMP.1 (*Article 7*) compiled by the secretariat and reviewed in paragraph 101 above for all years since the initial review.

103. Based on the assessment carried out in accordance with paragraphs 100 and 101 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments under Article 3, paragraph 14, and relevant decisions of the COP and the COP/MOP.

## 3. Identification of problems

104. The problems identified during the assessment related to the supplementary information reported in accordance with paragraphs 12 and 14 of the annex to decision -/CMP.1 (*Article 7*) shall be identified as relating to:

- (a) Transparency;
- (b) Completeness;

- (c) Timeliness.

105. Failure to submit supplementary information reported in accordance with paragraphs 12 and 14 of the annex to decision -/CMP.1 (*Article 7*) shall be considered as a potential problem.

#### **D. Timing**

106. The process of the in-country review shall follow the timetable for the review of the national communication of the Party included in Annex I defined in part VII of these guidelines. The annual review process shall follow the timetable for the review of annual inventories defined in part II of these guidelines. The preparation of the reports should also follow these respective timetables.

#### **E. Reporting**

107. The following specific elements shall be included in the report referred to in paragraph 46 (a) and (b) above:

- (a) A technical assessment of the elements specified in paragraphs 100 and 102 above;
- (b) An identification of problems in accordance with paragraphs 104 and 105 above;
- (c) Any recommendations by the review team for further improvement of reporting by a Party included in Annex I.

### **PART VII: REVIEW OF NATIONAL COMMUNICATIONS AND INFORMATION ON OTHER COMMITMENTS UNDER THE KYOTO PROTOCOL**

#### **A. Purpose**

108. The purpose of the guidelines on the review of national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2, is:

- (a) To provide a thorough and comprehensive technical assessment of national communications and information reported under Article 7, paragraph 2, of the Kyoto Protocol;
- (b) To examine in an objective and transparent manner whether quantitative and qualitative information was submitted by Parties included in Annex I in accordance with section II of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol;
- (c) To promote consistency in the review of the information contained in the national communications of Parties included in Annex I, including information reported under Article 7, paragraph 2;
- (d) To assist Parties included in Annex I to improve reporting of information under Article 7, paragraph 2, and the implementation of their commitments under the Protocol;

(e) To ensure that the COP/MOP and the Compliance Committee have reliable information on the implementation of commitments under the Kyoto Protocol by each Party included in Annex I.

### **B. General procedures**

109. Supplementary information under Article 7, paragraph 2, shall be incorporated into the national communications and shall be reviewed as part of the review of the communications. Each national communication submitted under the Kyoto Protocol by a Party included in Annex I shall be subject to a scheduled in-country periodic review.

110. Prior to the in-country visit, the expert review team shall conduct a desk or centralized review of the national communication of the Party included in Annex I. The review team shall notify the Party concerned of any questions the team has regarding the national communication and of any focal areas for the in-country visit.

### **C. Scope of the review**

111. The review of the national communication shall also cover supplementary information reported under Article 7, paragraph 2.

112. The individual review shall:

(a) Provide an assessment of the completeness of the national communication, including supplementary information reported under Article 7, paragraph 2, in accordance with the reporting requirements under Article 7, paragraph 2, and an indication of whether it was submitted on time;

(b) Provide a detailed examination of each part of the national communication, as well as procedures and methodologies used in the preparation of the information, such as:

- (i) National circumstances relevant to greenhouse gas emissions and removals;
- (ii) Policies and measures;
- (iii) Projections and the total effect of policies and measures;
- (iv) Vulnerability assessment, climate change impacts and adaptation measures;
- (v) Financial resources;
- (vi) Transfer of technology;
- (vii) Research and systematic observation;<sup>12</sup>

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<sup>12</sup> Information provided under this heading includes a summary of the information provided on global climate observation systems.

(viii) Education, training and public awareness;

(c) Provide a detailed examination of supplementary information provided under Article 7, paragraph 2:

(i) Supplemmentarity relating to the mechanisms pursuant to Articles 6, 12 and 17;

(ii) Policies and measures in accordance with Article 2;

(iii) Domestic and regional programmes and/or legislative arrangements and enforcement and administrative procedures;

(iv) Information under Article 10;

(v) Financial resources;

(d) Identify any potential problems in and factors influencing, the fulfilment of commitments related to each part of the national communication and to the reporting of supplementary information under Article 7, paragraph 2.

113. All common elements in paragraph 112 (b) and (c) above are to be reviewed in conjunction.

#### Identification of problems

114. The problems identified during the assessment related to individual sections of the national communication, including supplementary information reported under Article 7, paragraph 2, shall be identified as relating to:

(a) Transparency;

(b) Completeness;

(c) Timeliness.

115. Failure to submit any section of the national communication shall be considered as a potential problem.

#### **D. Timing**

116. If a Party included in Annex I expects difficulties with the timeliness of its national communication submission, it should inform the secretariat before the due date of the submission. If the national communication is not submitted within six weeks after the due date, the delay shall be brought to the attention of the COP/MOP and the Compliance Committee and made public.

117. The expert review teams shall make every effort to complete the individual review of national communications within two years of the national communication submission for each Party included in Annex I.

118. If additional information is requested during the in-country visit, it should be provided by the Party included in Annex I within six weeks after the visit.

119. The expert review team for each Party included in Annex I shall, under its collective responsibility, produce a draft of the national communication review report following the format below to be finalized within eight weeks after the in-country visit.

120. The draft of each national communication review report will be sent to the Party included in Annex I subject to review for comment. The Party concerned shall be provided with four weeks of receipt of the draft report to provide comments on it.

121. The expert review team shall produce the finalized national communication review report taking into account the comments of the Party included in Annex I within four weeks of receipt of the comments.

### **E. Reporting**

122. The following specific elements shall be included in the report referred to in paragraph 46 (c) above:

- (a) A technical assessment of the elements specified in paragraph 112 (b) and (c) above;
- (b) An identification of problems in accordance with paragraphs 114 and 115 above.

123. The secretariat shall produce a report on the compilation and synthesis of national communications for all Parties included in Annex I in accordance with the decisions of the COP/MOP.

## Decision 24/CP.7

### **Procedures and mechanisms relating to compliance under the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 8/CP.4, 15/CP.5, and 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

*Recalling* Article 18 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Noting* with appreciation the work done by the Joint Working Group on Compliance on the development of procedures and mechanisms relating to compliance under the Kyoto Protocol,

*Recognizing* the need to prepare for the early entry into force of the Kyoto Protocol,

*Also recognizing* the need to prepare for the timely operation of the procedures and mechanisms relating to compliance under the Kyoto Protocol,

*Recognizing* that the present decision respects the agreement reached at the Conference of the Parties, at the second part of its sixth session, as reflected in section VIII of decision 5/CP.6,

*Noting* that it is the prerogative of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to decide on the legal form of the procedures and mechanisms relating to compliance,

1. *Decides* to adopt the text containing the procedures and mechanisms relating to compliance under the Kyoto Protocol annexed hereto;
2. *Recommends* that the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol, at its first session, adopt the procedures and mechanisms relating to compliance annexed hereto in terms of Article 18 of the Kyoto Protocol.

*8<sup>th</sup> plenary meeting*  
*10 November 2001*

## ANNEX

### **Procedures and mechanisms relating to compliance under the Kyoto Protocol**

*In pursuit* of the ultimate objective of the United Nations Framework Convention on Climate Change, hereinafter referred to as “the Convention”, as stated in its Article 2,

*Recalling* the provisions of the United Nations Framework Convention on Climate Change, and the Kyoto Protocol to the Convention, herein after referred to as “the Protocol”,

*Being guided* by Article 3 of the Convention,

*Pursuant* to the mandate adopted in decision 8/CP.4 by the Conference of the Parties at its fourth session,

The following procedures and mechanisms *have been adopted*:

#### **I. OBJECTIVE**

The objective of these procedures and mechanisms is to facilitate, promote and enforce compliance with the commitments under the Protocol.

#### **II. COMPLIANCE COMMITTEE**

1. A compliance committee, hereinafter referred to as “the Committee”, is hereby established.
2. The Committee shall function through a plenary, a bureau and two branches, namely, the facilitative branch and the enforcement branch.
3. The Committee shall consist of twenty members elected by the Conference of the Parties serving as the meeting of the Parties to the Protocol, ten of whom are to be elected to serve in the facilitative branch and ten to be elected to serve in the enforcement branch.
4. Each branch shall elect, from among its members and for a term of two years, a chairperson and a vice-chairperson, one of whom shall be from a Party included in Annex I and one from a Party not included in Annex I. These persons shall constitute the bureau of the Committee. The chairing of each branch shall rotate between Parties included in Annex I and Parties not included in Annex I in such a manner that at any time one chairperson shall be from among the Parties included in Annex I and the other chairperson shall be from among the Parties not included in Annex I.
5. For each member of the Committee, the Conference of the Parties serving as the meeting of the Parties to the Protocol shall elect an alternate member.
6. Members of the Committee and their alternates shall serve in their individual capacities. They shall have recognized competence relating to climate change and in relevant fields such as the scientific, technical, socio-economic or legal fields.

7. The facilitative branch and the enforcement branch shall interact and cooperate in their functioning and, as necessary, on a case-by-case basis, the bureau of the Committee may designate one or more members of one branch to contribute to the work of the other branch on a non-voting basis.

8. The adoption of decisions by the Committee shall require a quorum of at least three fourths of the members to be present.

9. The Committee shall make every effort to reach agreement on any decisions by consensus. If all efforts at reaching consensus have been exhausted, the decisions shall as a last resort be adopted by a majority of at least three fourths of the members present and voting. In addition, the adoption of decisions by the enforcement branch shall require a majority of members from Parties included in Annex I present and voting, as well as a majority of members from Parties not included in Annex I present and voting. "Members present and voting" means members present and casting an affirmative or a negative vote.

10. The Committee shall, unless it decides otherwise, meet at least twice each year, taking into account the desirability of holding such meetings in conjunction with the meetings of the subsidiary bodies under the Convention.

11. The Committee shall take into account any degree of flexibility allowed by the Conference of the Parties serving as the meeting of the Parties to the Protocol, pursuant to Article 3, paragraph 6, of the Protocol and taking into account Article 4, paragraph 6, of the Convention, to the Parties included in Annex I undergoing the process of transition to a market economy.

### **III. PLENARY OF THE COMMITTEE**

1. The plenary shall consist of the members of the facilitative branch and the enforcement branch. The chairpersons of the two branches shall be the co-chairpersons of the plenary.

2. The functions of the plenary shall be:

(a) To report on the activities of the Committee, including a list of decisions taken by the branches, to each ordinary session of the Conference of the Parties serving as the meeting of the Parties to the Protocol;

(b) To apply the general policy guidance referred to in section XII (c) below, received from the Conference of the Parties serving as the meeting of the Parties to the Protocol;

(c) To submit proposals on administrative and budgetary matters to the Conference of the Parties serving as the meeting of the Parties to the Protocol for the effective functioning of the Committee;

(d) To develop any further rules of procedure that may be needed, including rules on confidentiality, conflict of interest, submission of information by intergovernmental and non-governmental organizations, and translation, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Protocol by consensus; and



(e) To perform such other functions as may be requested by the Conference of the Parties serving as the meeting of the Parties to the Protocol for the effective functioning of the Committee.

#### IV. FACILITATIVE BRANCH

1. The facilitative branch shall be composed of:

(a) One member from each of the five regional groups of the United Nations and one member from the small island developing States, taking into account the interest groups as reflected by the current practice in the Bureau of the Conference of the Parties;

(b) Two members from Parties included in Annex I; and

(c) Two members from Parties not included in Annex I.

2. The Conference of the Parties serving as the meeting of the Parties to the Protocol shall elect five members for a term of two years and five members for a term of four years. Each time thereafter, the Conference of the Parties serving as the meeting of the Parties to the Protocol shall elect five new members for a term of four years. Members shall not serve for more than two consecutive terms.

3. In electing the members of the facilitative branch, the Conference of the Parties serving as the meeting of the Parties to the Protocol shall seek to reflect competences in a balanced manner in the fields referred to in section II, paragraph 6, above.

4. The facilitative branch shall be responsible for providing advice and facilitation to Parties in implementing the Protocol, and for promoting compliance by Parties with their commitments under the Protocol, taking into account the principle of common but differentiated responsibilities and respective capabilities as contained in Article 3, paragraph 1, of the Convention. It shall also take into account the circumstances pertaining to the questions before it.

5. Within its overall mandate, as specified in paragraph 4 above, and falling outside the mandate of the enforcement branch, as specified in section V, paragraph 4, below, the facilitative branch shall be responsible for addressing questions of implementation:

(a) Relating to Article 3, paragraph 14, of the Protocol, including questions of implementation arising from the consideration of information on how a Party included in Annex I is striving to implement Article 3, paragraph 14, of the Protocol; and

(b) With respect to the provision of information on the use by a Party included in Annex I of Articles 6, 12 and 17 of the Protocol as supplemental to its domestic action, taking into account any reporting under Article 3, paragraph 2, of the Protocol.

6. With the aim of promoting compliance and providing for early warning of potential non-compliance, the facilitative branch shall be further responsible for providing advice and facilitation for compliance with:

(a) Commitments under Article 3, paragraph 1, of the Protocol, prior to the beginning of the relevant commitment period and during that commitment period;

(b) Commitments under Article 5, paragraphs 1 and 2, of the Protocol, prior to the beginning of the first commitment period; and

(c) Commitments under Article 7, paragraphs 1 and 4, of the Protocol prior to the beginning of the first commitment period.

7. The facilitative branch shall be responsible for applying the consequences set out in section XIV below.

## **V. ENFORCEMENT BRANCH**

1. The enforcement branch shall be composed of:

(a) One member from each of the five regional groups of the United Nations and one member from the small island developing States, taking into account the interest groups as reflected by the current practice in the Bureau of the Conference of the Parties;

(b) Two members from Parties included in Annex I; and

(c) Two members from Parties not included in Annex I.

2. The Conference of the Parties serving as the meeting of the Parties to the Protocol shall elect five members for a term of two years and five members for a term of four years. Each time thereafter, the Conference of the Parties serving as the meeting of the Parties to the Protocol shall elect five new members for a term of four years. Members shall not serve for more than two consecutive terms.

3. In electing the members of the enforcement branch, the Conference of the Parties serving as the meeting of the Parties to the Protocol shall be satisfied that the members have legal experience.

4. The enforcement branch shall be responsible for determining whether a Party included in Annex I is not in compliance with:

(a) Its quantified emission limitation or reduction commitment under Article 3, paragraph 1, of the Protocol;

(b) The methodological and reporting requirements under Article 5, paragraphs 1 and 2, and Article 7, paragraphs 1 and 4, of the Protocol; and

(c) The eligibility requirements under Articles 6, 12 and 17 of the Protocol.

5. The enforcement branch shall also determine whether to apply:

(a) Adjustments to inventories under Article 5, paragraph 2, of the Protocol, in the event of a disagreement between an expert review team under Article 8 of the Protocol and the Party involved; and

(b) A correction to the compilation and accounting database for the accounting of assigned amounts under Article 7, paragraph 4, of the Protocol, in the event of a disagreement between an expert review team under Article 8 of the Protocol and the Party involved concerning the validity of a transaction or such Party's failure to take corrective action.

6. The enforcement branch shall be responsible for applying the consequences set out in section XV below for the cases of non-compliance mentioned in paragraph 4 above. The consequences of non-compliance with Article 3, paragraph 1, of the Protocol to be applied by the enforcement branch shall be aimed at the restoration of compliance to ensure environmental integrity, and shall provide for an incentive to comply.

## VI. SUBMISSIONS

1. The Committee shall receive, through the secretariat, questions of implementation indicated in reports of expert review teams under Article 8 of the Protocol, together with any written comments by the Party which is subject to the report, or questions of implementation submitted by:

- (a) Any Party with respect to itself; or
- (b) Any Party with respect to another Party, supported by corroborating information.

2. The secretariat shall forthwith make available to the Party in respect of which the question of implementation is raised, hereinafter referred to as "the Party concerned", any question of implementation submitted under paragraph 1 above.

3. In addition to the reports referred to in paragraph 1 above, the Committee shall also receive, through the secretariat, other final reports of expert review teams.

## VII. ALLOCATION AND PRELIMINARY EXAMINATION

1. The bureau of the Committee shall allocate questions of implementation to the appropriate branch in accordance with the mandates of each branch set out in section IV, paragraphs 4-7, and Section V, paragraphs 4-6.

2. The relevant branch shall undertake a preliminary examination of questions of implementation to ensure that, except in the case of a question raised by a Party with respect to itself, the question before it:

- (a) Is supported by sufficient information;
- (b) Is not *de minimis* or ill-founded; and
- (c) Is based on the requirements of the Protocol.

3. The preliminary examination of questions of implementation shall be completed within three weeks from the date of receipt of these questions by the relevant branch.

4. After the preliminary examination of questions of implementation, the Party concerned shall, through the secretariat, be notified in writing of the decision and, in the event of a decision

to proceed, be provided with a statement identifying the question of implementation, the information on which the question is based and the branch that will consider the question.

5. In the event of the review of eligibility requirements for a Party included in Annex I under Articles 6, 12 and 17 of the Protocol, the enforcement branch shall also, through the secretariat, notify forthwith the Party concerned, in writing, of the decision not to proceed with questions of implementation relating to eligibility requirements under those articles.

6. Any decision not to proceed shall be made available by the secretariat to other Parties and to the public.

7. The Party concerned shall be given an opportunity to comment in writing on all information relevant to the question of implementation and the decision to proceed.

### **VIII. GENERAL PROCEDURES**

1. Following the preliminary examination of questions of implementation, the procedures set out in this section shall apply to the Committee, except where otherwise provided in these procedures and mechanisms.

2. The Party concerned shall be entitled to designate one or more persons to represent it during the consideration of the question of implementation by the relevant branch. This Party shall not be present during the elaboration and adoption of a decision of the branch.

3. Each branch shall base its deliberations on any relevant information provided by:

- (a) Reports of the expert review teams under Article 8 of the Protocol;
- (b) The Party concerned;
- (c) The Party that has submitted a question of implementation with respect to another Party;
- (d) Reports of the Conference of the Parties, the Conference of the Parties serving as the meeting of the Parties to the Protocol, and the subsidiary bodies under the Convention and the Protocol; and
- (e) The other branch.

4. Competent intergovernmental and non-governmental organizations may submit relevant factual and technical information to the relevant branch.

5. Each branch may seek expert advice.

6. Any information considered by the relevant branch shall be made available to the Party concerned. The branch shall indicate to the Party concerned which parts of this information it has considered. The Party concerned shall be given an opportunity to comment in writing on such information. Subject to any rules relating to confidentiality, the information considered by the branch shall also be made available to the public, unless the branch decides, of its own accord

or at the request of the Party concerned, that information provided by the Party concerned shall not be made available to the public until its decision has become final.

7. Decisions shall include conclusions and reasons. The relevant branch shall forthwith, through the secretariat, notify the Party concerned in writing of its decision, including conclusions and reasons therefor. The secretariat shall make final decisions available to other Parties and to the public.
8. The Party concerned shall be given an opportunity to comment in writing on any decision of the relevant branch.
9. If the Party concerned so requests, any question of implementation submitted under section VI, paragraph 1; any notification under section VII, paragraph 4; any information under paragraph 3 above; and any decision of the relevant branch, including conclusions and reasons therefor, shall be translated into one of the six official languages of the United Nations.

#### **IX. PROCEDURES FOR THE ENFORCEMENT BRANCH**

1. Within ten weeks from the date of receipt of the notification under section VII, paragraph 4, the Party concerned may make a written submission to the enforcement branch, including rebuttal of information submitted to the branch.
2. If so requested in writing by the Party concerned within ten weeks from the date of receipt of the notification under section VII, paragraph 4, the enforcement branch shall hold a hearing at which the Party concerned shall have the opportunity to present its views. The hearing shall take place within four weeks from the date of receipt of the request or of the written submission under paragraph 1 above, whichever is the later. The Party concerned may present expert testimony or opinion at the hearing. Such a hearing shall be held in public, unless the enforcement branch decides, of its own accord or at the request of the Party concerned, that part or all of the hearing shall take place in private.
3. The enforcement branch may put questions to and seek clarification from the Party concerned, either in the course of such a hearing or at any time in writing, and the Party concerned shall provide a response within six weeks thereafter.
4. Within four weeks from the date of receipt of the written submission of the Party concerned under paragraph 1 above, or within four weeks from the date of any hearing pursuant to paragraph 2 above, or within fourteen weeks from the notification under section VII, paragraph 4, if the Party has not provided a written submission, whichever is the latest, the enforcement branch shall:
  - (a) Adopt a preliminary finding that the Party concerned is not in compliance with commitments under one or more of the articles of the Protocol referred to in section V, paragraph 4; or
  - (b) Otherwise determine not to proceed further with the question.
5. The preliminary finding, or the decision not to proceed, shall include conclusions and reasons therefor.

6. The enforcement branch shall forthwith, through the secretariat, notify the Party concerned in writing of its preliminary finding or decision not to proceed. The secretariat shall make the decision not to proceed available to the other Parties and to the public.
7. Within ten weeks from the date of receipt of the notification of the preliminary finding, the Party concerned may provide a further written submission to the enforcement branch. If the Party concerned does not do so within that period of time, the enforcement branch shall forthwith adopt a final decision confirming its preliminary finding.
8. If the Party concerned provides a further written submission, the enforcement branch shall, within four weeks from the date it received the further submission, consider it and adopt a final decision, indicating whether the preliminary finding, as a whole or any part of it to be specified, is confirmed.
9. The final decision shall include conclusions and reasons therefor.
10. The enforcement branch shall forthwith, through the secretariat, notify the Party concerned in writing of its final decision. The secretariat shall make the final decision available to the other Parties and to the public.
11. The enforcement branch, when the circumstances of an individual case so warrant, may extend any time frames provided for in this section.
12. Where appropriate, the enforcement branch may, at any time, refer a question of implementation to the facilitative branch for consideration.

#### **X. EXPEDITED PROCEDURES FOR THE ENFORCEMENT BRANCH**

1. Where a question of implementation relates to eligibility requirements under Articles 6, 12 and 17 of the Protocol, sections VII to IX shall apply, except that:
  - (a) The preliminary examination referred to in section VII, paragraph 2, shall be completed within two weeks from the date of receipt of the question of implementation by the enforcement branch;
  - (b) The Party concerned may make a written submission within four weeks from the date of receipt of the notification under section VII, paragraph 4;
  - (c) If so requested in writing by the Party concerned within two weeks from the date of receipt of the notification under section VII, paragraph 4, the enforcement branch shall hold a hearing as referred to in section IX, paragraph 2, that shall take place within two weeks from the date of receipt of the request or of the written submission under subparagraph (b) above, whichever is the later;
  - (d) The enforcement branch shall adopt its preliminary finding or a decision not to proceed within six weeks of the notification under section VII, paragraph 4, or within two weeks of a hearing under section IX, paragraph 2, whichever is the shorter;

(e) The Party concerned may make a further written submission within four weeks from the date of receipt of the notification referred to in section IX, paragraph 6;

(f) The enforcement branch shall adopt its final decision within two weeks from the date of receipt of any further written submission referred to in section IX, paragraph 7; and

(g) The periods of time stipulated in section IX shall apply only if, in the opinion of the enforcement branch, they do not interfere with the adoption of decisions in accordance with subparagraphs (d) and (f) above.

2. Where the eligibility of a Party included in Annex I under Articles 6, 12 and 17 of the Protocol has been suspended under section XV, paragraph 4, the Party concerned may submit a request to reinstate its eligibility, either through an expert review team or directly to the enforcement branch. If the enforcement branch receives a report from the expert review team indicating that there is no longer a question of implementation with respect to the eligibility of the Party concerned, it shall reinstate that Party's eligibility, unless the enforcement branch considers that there continues to be such a question of implementation, in which case the procedure referred to in paragraph 1 above shall apply. In response to a request submitted to it directly by the Party concerned, the enforcement branch shall decide as soon as possible, either that there no longer continues to be a question of implementation with respect to that Party's eligibility in which case it shall reinstate that Party's eligibility, or that the procedure referred to in paragraph 1 above shall apply.

3. Where the eligibility of a Party to make transfers under Article 17 of the Protocol has been suspended under section XV, paragraph 5 (c), the Party may request the enforcement branch to reinstate that eligibility. On the basis of the compliance action plan submitted by the Party in accordance with section XV, paragraph 6, and any progress reports submitted by the Party including information on its emissions trends, the enforcement branch shall reinstate that eligibility, unless it determines that the Party has not demonstrated that it will meet its quantified emission limitation or reduction commitment in the commitment period subsequent to the one for which the Party was determined to be in non-compliance, hereinafter referred to as "the subsequent commitment period". The enforcement branch shall apply the procedure referred to in paragraph 1 above, adapted insofar as necessary for the purposes of the procedure in the present paragraph.

4. Where the eligibility of a Party to make transfers under Article 17 of the Protocol has been suspended under section XV, paragraph 5 (c), the enforcement branch shall reinstate that eligibility forthwith if the Party demonstrates that it has met its quantified emission limitation or reduction commitment in the subsequent commitment period, either through the report of the expert review team under Article 8 of the Protocol for the final year of the subsequent commitment period or through a decision of the enforcement branch.

5. In the event of a disagreement whether to apply adjustments to inventories under Article 5, paragraph 2, of the Protocol, or whether to apply a correction to the compilation and accounting database for the accounting of assigned amounts under Article 7, paragraph 4, of the Protocol, the enforcement branch shall decide on the matter within twelve weeks of being

informed in writing of such disagreement. In doing so, the enforcement branch may seek expert advice.

## **XI. APPEALS**

1. The Party in respect of which a final decision has been taken may appeal to the Conference of the Parties serving as the meeting of the Parties to the Protocol against a decision of the enforcement branch relating to Article 3, paragraph 1, of the Protocol if that Party believes it has been denied due process.
2. The appeal shall be lodged with the secretariat within 45 days after the Party has been informed of the decision of the enforcement branch. The Conference of the Parties serving as the meeting of the Parties to the Protocol shall consider the appeal at its first session after the lodging of the appeal.
3. The Conference of the Parties serving as the meeting of the Parties to the Protocol may agree by a three-fourths majority vote of the Parties present and voting at the meeting to override the decision of the enforcement branch, in which event the Conference of the Parties serving as the meeting of the Parties to the Protocol shall refer the matter of the appeal back to the enforcement branch.
4. The decision of the enforcement branch shall stand pending the decision on appeal. It shall become definitive if, after 45 days, no appeal has been made against it.

## **XII. RELATIONSHIP WITH THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE PROTOCOL**

The Conference of the Parties serving as the meeting of the Parties to the Protocol shall:

- (a) In considering the reports of the expert review teams in accordance with Article 8, paragraphs 5 and 6 of the Protocol, identify any general problems that should be addressed in the general policy guidance referred to in subparagraph (c) below;
- (b) Consider the reports of the plenary on the progress of its work;
- (c) Provide general policy guidance, including on any issues regarding implementation that may have implications for the work of the subsidiary bodies under the Protocol;
- (d) Adopt decisions on proposals on administrative and budgetary matters; and
- (e) Consider and decide appeals in accordance with section XI.

## **XIII. ADDITIONAL PERIOD FOR FULFILLING COMMITMENTS**

For the purpose of fulfilling commitments under Article 3, paragraph 1, of the Protocol, a Party may, until the hundredth day after the date set by the Conference of the Parties serving as the meeting of the Parties to the Protocol for the completion of the expert review process under Article 8 of the Protocol for the last year of the commitment period, continue to acquire, and other Parties may transfer to such Party, emission reduction units, certified emission reductions,



assigned amount units and removal units under Articles 6, 12 and 17 of the Protocol, from the preceding commitment period, provided the eligibility of any such Party has not been suspended in accordance with section XV, paragraph 4.

#### **XIV. CONSEQUENCES APPLIED BY THE FACILITATIVE BRANCH**

The facilitative branch, taking into account the principle of common but differentiated responsibilities and respective capabilities, shall decide on the application of one or more of the following consequences:

- (a) Provision of advice and facilitation of assistance to individual Parties regarding the implementation of the Protocol;
- (b) Facilitation of financial and technical assistance to any Party concerned, including technology transfer and capacity building from sources other than those established under the Convention and the Protocol for the developing countries;
- (c) Facilitation of financial and technical assistance, including technology transfer and capacity building, taking into account Article 4, paragraphs 3, 4 and 5, of the Convention; and
- (d) Formulation of recommendations to the Party concerned, taking into account Article 4, paragraph 7, of the Convention.

#### **XV. CONSEQUENCES APPLIED BY THE ENFORCEMENT BRANCH**

1. Where the enforcement branch has determined that a Party is not in compliance with Article 5, paragraph 1 or paragraph 2, or Article 7, paragraph 1 or paragraph 4, of the Protocol, it shall apply the following consequences, taking into account the cause, type, degree and frequency of the non-compliance of that Party:
  - (a) Declaration of non-compliance; and
  - (b) Development of a plan in accordance with paragraphs 2 and 3 below.
2. The Party not in compliance under paragraph 1 above, shall, within three months after the determination of non-compliance, or such longer period that the enforcement branch considers appropriate, submit to the enforcement branch for review and assessment a plan that includes:
  - (a) An analysis of the causes of non-compliance of the Party;
  - (b) Measures that the Party intends to implement in order to remedy the non-compliance; and
  - (c) A timetable for implementing such measures within a time frame not exceeding twelve months which enables the assessment of progress in the implementation.
3. The Party not in compliance under paragraph 1 above shall submit to the enforcement branch progress reports on the implementation of the plan on a regular basis.

4. Where the enforcement branch has determined that a Party included in Annex I does not meet one or more of the eligibility requirements under Articles 6, 12 and 17 of the Protocol, it shall suspend the eligibility of that Party in accordance with relevant provisions under those articles. At the request of the Party concerned, eligibility may be reinstated in accordance with the procedure in section X, paragraph 2.

5. Where the enforcement branch has determined that the emissions of a Party have exceeded its assigned amount, calculated pursuant to its quantified emission limitation or reduction commitment inscribed in Annex B to the Protocol and in accordance with the provisions of Article 3 of the Protocol as well as the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Protocol, taking into account emission reduction units, certified emission reductions, assigned amount units and removal units the Party has acquired in accordance with section XIII, it shall declare that that Party is not in compliance with its commitments under Article 3, paragraph 1, of the Protocol, and shall apply the following consequences:

(a) Deduction from the Party's assigned amount for the second commitment period of a number of tonnes equal to 1.3 times the amount in tonnes of excess emissions;

(b) Development of a compliance action plan in accordance with paragraphs 6 and 7 below; and

(c) Suspension of the eligibility to make transfers under Article 17 of the Protocol until the Party is reinstated in accordance with section X, paragraph 3 or paragraph 4.

6. The Party not in compliance under paragraph 5 above shall, within three months after the determination of non-compliance or, where the circumstances of an individual case so warrant, such longer period that the enforcement branch considers appropriate, submit to the enforcement branch for review and assessment a compliance action plan that includes:

(a) An analysis of the causes of the non-compliance of the Party;

(b) Action that the Party intends to implement in order to meet its quantified emission limitation or reduction commitment in the subsequent commitment period, giving priority to domestic policies and measures; and

(c) A timetable for implementing such action, which enables the assessment of annual progress in the implementation, within a time frame that does not exceed three years or up to the end of the subsequent commitment period, whichever occurs sooner. At the request of the Party, the enforcement branch may, where the circumstances of an individual case so warrant, extend the time for implementing such action for a period which shall not exceed the maximum period of three years mentioned above.

7. The Party not in compliance under paragraph 5 above shall submit to the enforcement branch a progress report on the implementation of the compliance action plan on an annual basis.

8. For subsequent commitment periods, the rate referred to in paragraph 5 (a) above shall be determined by an amendment.

## **XVI. RELATIONSHIP WITH ARTICLES 16 AND 19 OF THE PROTOCOL**

The procedures and mechanisms relating to compliance shall operate without prejudice to Articles 16 and 19 of the Protocol.

## **XVII. SECRETARIAT**

The secretariat referred to in Article 14 of the Protocol shall serve as the secretariat of the Committee.

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NATIONS**



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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES ON  
ITS SEVENTH SESSION, HELD AT MARRAKESH  
FROM 29 OCTOBER TO 10 NOVEMBER 2001**

**Addendum**

**PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

**Volume IV**

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### III. OTHER DECISIONS ADOPTED BY THE CONFERENCE AT ITS SEVENTH SESSION

#### Decision 25/CP.7

#### **Third Assessment Report of the Intergovernmental Panel on Climate Change**

*The Conference of the Parties,*

*Having considered* the recommendations of the Subsidiary Body for Scientific and Technological Advice at its fifteenth session,

1. *Expresses* its appreciation and gratitude to the Intergovernmental Panel on Climate Change, particularly its Chairman and all its authors and scientists, for their excellent work in preparing the Third Assessment Report, and encourages the Intergovernmental Panel on Climate Change to continue its work, including, *inter alia*, preparation of the Fourth Assessment Report;
2. *Encourages* Parties to make full use of the information contained in the Third Assessment Report by the Intergovernmental Panel on Climate Change (IPCC);
3. *Urges* Parties to nominate and support further scientists to contribute to the work of the IPCC;
4. *Urges* Parties, in particular Parties included in Annex I to the Convention, to continue to provide the financial support necessary to the IPCC for it to carry out its tasks;
5. *Urges* Parties to contribute to the IPCC trust fund so that more experts from developing countries can participate in the activities of the IPCC.

*8<sup>th</sup> plenary meeting  
9 November 2001*

**Decision 26/CP.7**

**Amendment to the list in Annex II to the Convention**

*The Conference of the Parties,*

*Welcoming* the intention expressed by Turkey to accede to the Convention,

*Recalling* Article 4, paragraph 2(f), of the Convention,

*Recalling further* its decision 15/CP.4,

*Recalling* also the conclusions of the Conference of the Parties as agreed at its fifth session and the first part of its sixth session, in the light of the new request by Turkey,<sup>1</sup>

*Recalling* also the amendments proposed by Azerbaijan and Pakistan concerning the deletion of the name of Turkey from the lists in Annexes I and II to the Convention,

*Taking note* of the information contained in documents FCCC/CP/1997/MISC.3 and FCCC/CP/2001/11,

*Underlining* that Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities,

*Having considered* the request put forward by Turkey, in particular the new proposal presented at the first part of the sixth session of the Conference of the Parties, that its name should be deleted from Annex II to the Convention,

1. *Decides* to amend the list in Annex II to the Convention by deleting the name of Turkey;
2. *Notes* that the entry into force of this amendment to the list in Annex II to the Convention shall be subject to the same procedure as that for the entry into force of annexes to the Convention in accordance with Article 16, paragraph 3, of the Convention;
3. *Invites* the Parties to recognize the special circumstances of Turkey, which place Turkey, after becoming a Party, in a situation different from that of other Parties included in Annex I to the Convention.

*8<sup>th</sup> plenary meeting  
9 November 2001*

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<sup>1</sup> See FCCC/CP/1999/6, paras. 59 to 63 and FCCC/CP/2000/5/Add.1, paras. 83 to 85.



**Decision 27/CP.7**

**Guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the least developed countries fund**

*The Conference of the Parties,*

*Recognizing* the specific needs and special situations of the least developed countries referred to in Article 4, paragraph 9, of the Convention,

*Recalling* its decision 5/CP.6 containing the Bonn Agreements on the implementation of the Buenos Aires Plan of Action,

1. *Decides* to adopt the following initial guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Least Developed Countries Fund (LDC Fund), established under decisions 5/CP.7 and 7/CP.7, to support the work programme for the least developed countries, including, *inter alia*, the preparation and implementation of national adaptation programmes of action (NAPAs) referred to in paragraph 11 of decision 5/CP.7. The operating entity is requested:

(a) As a first step, to provide funding from the LDC Fund to meet the agreed full cost of preparing the NAPAs, given that the preparation of NAPAs will help to build capacity for the preparation of national communications under Article 12, paragraph 1, of the Convention;

(b) To ensure complementarity of funding between the LDC Fund and other funds with which the operating entity is entrusted;

(c) To ensure separation of the LDC Fund from other funds with which the operating entity is entrusted;

(d) To adopt simplified procedures and arrange for expedited access to the Fund by the least developed countries, while ensuring sound financial management;

(e) To ensure transparency in all steps relating to the operation of the Fund;

(f) To encourage the use of national and, where appropriate, regional experts;

(g) To adopt streamlined procedures for the operation of the Fund;

2. *Requests* the entity referred to in paragraph 1 above to include in its report to the Conference of the Parties the specific steps it has undertaken to implement the provisions of this decision;

3. *Decides* to consider and adopt further guidance to the entity referred to in paragraph 1 above, on the operation of the LDC Fund, at its eighth session.

*8<sup>th</sup> plenary meeting  
10 November 2001*

**Decision 28/CP.7**

**Guidelines for the preparation of national adaptation programmes of action**

*The Conference of the Parties,*

*Recognizing* the specific needs and special situations of the least developed countries referred to in Article 4, paragraph 9, of the Convention,

*Recognizing further* that many of the least developed country Parties do not have the capacity to prepare and submit national communications in the foreseeable future, or to convey their urgent and immediate needs in respect of their vulnerability and adaptation to the adverse effects of climate change,

*Recognizing also* that information contained in national adaptation programmes of action may constitute the first step in the preparation of initial national communications, and would help to build capacity for addressing urgent and immediate adaptation needs, as well as for the preparation of national communications;

1. *Decides* to adopt the guidelines for the preparation of national adaptation programmes of action included in the annex to the present decision;
2. *Invites* Parties to make submissions with a view to improving the guidelines, by 15 July 2002, for consideration by the Subsidiary Body for Implementation at its seventeenth session;
3. *Decides* to review, and if necessary revise, the guidelines at its eighth session, taking into account the views submitted by Parties and the least developed countries expert group established under decision 29/CP.7;
4. *Invites* least developed country Parties to use the above-mentioned guidelines, in accordance with their national circumstances, in preparing their national adaptation programmes of action.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## ANNEX

### **Guidelines for the preparation of national adaptation programmes of action**

#### **A. Introduction**

1. National adaptation programmes of action (NAPAs) will communicate priority activities<sup>1</sup> addressing the urgent and immediate needs and concerns of the least developed countries (LDCs), relating to adaptation to the adverse effects of climate change.
2. The rationale for developing NAPAs rests on the low adaptive capacity of LDCs, which renders them in need of immediate and urgent support to start adapting to current and projected adverse effects of climate change. Activities proposed through NAPAs would be those whose further delay could increase vulnerability, or lead to increased costs at a later stage.
3. The NAPA will be presented in the form of a document specifying a list of priority activities, with a concise justification based on a tight set of criteria.
4. The NAPA document will not be an end in itself, but rather a means for the dissemination, by an LDC Party, of its proposed programme of action to address its urgent needs for adaptation. The priority activities identified through the NAPA process will be made available to the entity that will operate the LDC fund referred to in decision 7/CP.7, paragraph 6, and other sources of funding, for the provision of financial resources to implement these activities.

#### **B. Objective of NAPAs**

5. National adaptation programmes of action will serve as simplified and direct channels of communication for information relating to the urgent and immediate adaptation needs of the LDCs.

#### **C. Characteristics of NAPAs**

6. National adaptation programmes of action should:
  - (a) Be easy to understand;
  - (b) Be action-oriented and country-driven;
  - (c) Set clear priorities for urgent and immediate adaptation activities as identified by the countries.

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<sup>1</sup> For the purposes of this annex, activities should include, *inter alia*, projects, integration into other activities, capacity building and policy reform.

#### **D. Guiding elements**

7. The preparation of NAPAs will be guided by the following:
- (a) A participatory process involving stakeholders, particularly local communities;
  - (b) A multidisciplinary approach;
  - (c) A complementary approach, building upon existing plans and programmes, including national action plans under the United Nations Convention to Combat Desertification, national biodiversity strategies and action plans under the Convention on Biological Diversity, and national sectoral policies;
  - (d) Sustainable development;
  - (e) Gender equality;
  - (f) A country-driven approach;
  - (g) Sound environmental management;
  - (h) Cost-effectiveness;
  - (i) Simplicity;
  - (j) Flexibility of procedures based on individual country circumstances.

#### **E. Process**

8. The preparation of the NAPA may proceed as follows:
- (a) The setting up of a national NAPA team: the national climate change focal point will set up a NAPA team composed of a lead agency and representatives of stakeholders including government agencies and civil society. This group would be constituted using an open and flexible process that will be inclusive and transparent. The NAPA team will be responsible for preparing the NAPA and coordinating the implementation of NAPA activities;
  - (b) The NAPA team will assemble a multidisciplinary team:
    - (i) To synthesize available information on adverse effects of climate change and coping strategies, which would be collated and reviewed, including the national strategies for sustainable development, the Programme of Action for the Least Developed Countries, the United Nations development assistance frameworks, and poverty reduction strategy papers, if available in the countries;
    - (ii) To conduct a participatory assessment of vulnerability to current climate variability and extreme weather events, and to assess where climate change is causing increases in associated risks;

- (iii) To identify key climate-change adaptation measures, based, to the extent possible, on vulnerability and adaptation assessment; such measures would also be responsive to needs identified under other relevant processes, such as the preparation of national action plans under the United Nations Convention to Combat Desertification and national biodiversity strategies and action plans under the Convention on Biological Diversity;
- (iv) To identify and prioritize country-driven criteria for selecting priority activities to address needs arising from the adverse effects of climate change, drawing on the criteria referred to in section F.4 below.

(c) Development of proposals for priority activities to address needs arising from the adverse effects of climate change: the national team will:

- (i) Organize a national and/or subnational consultative process to solicit inputs and proposal ideas in order to help develop a short list of potential NAPA activities. The national team would facilitate this consultative process, and would help in translating ideas into activities. This process will allow adequate dialogue between the national team and the public, with time allowed for public comment and revisions;
- (ii) Identify potential activities, which may include capacity building and policy reform, and which may be integrated into sectoral and other policies;
- (iii) Select and identify priority activities, based on the agreed criteria;
- (iv) Propose profiles of priority activities using the following format:
  - Title
  - Rationale/justification in relation to climate change, including sectors concerned
  - Description
    - Objectives and activities
    - Inputs
    - Short-term outputs
    - Potential long-term outcomes
  - Implementation
    - Institutional arrangement
    - Risks and barriers
    - Evaluation and monitoring
    - Financial resources

(d) The development of the NAPA document: the document will be prepared following the structure set out in section F below;

(e) Public review and revision: the NAPA document will undergo public review and be revised accordingly;

(f) The final review process: the NAPA document, including the profiles, will be reviewed by a team of government and civil society representatives, including the private sector, who may take into consideration any advice solicited from the Least Developed Countries Expert Group;

(g) National government endorsement of the NAPA: after the NAPA has been prepared, it will be submitted to the national government for endorsement.

(h) Public dissemination: the endorsed NAPA document will be made available to the public and to the UNFCCC secretariat.

## **F. Structure of NAPA document**

### **1. Introduction and setting**

9. This introductory section will include background information about the country that is relevant to the NAPA process. It will cover current characteristics, key environmental stresses, and how climate change and climate variability adversely affect biophysical processes and key sectors.

### **2. Framework for adaptation programme**

10. This section will also provide an overview of climate variability and observed and projected climate change and associated actual and potential adverse effects of climate change. This overview will be based on existing and ongoing studies and research, and/or empirical and historical information as well as traditional knowledge.

11. This section will describe the NAPA framework and its relationship to the country's development goals, as described in subparagraph 8(b)(i) above, to make the framework consistent with socio-economic and development needs. In addition, it would also describe the goals, objectives and strategies of the NAPA, taking into account other plans and multilateral environmental agreements.

12. Where possible, a description of the potential barriers to implementation should also be included.

### 3. Identification of key adaptation needs

13. Based on this overview and framework, past and current practices for adaptation to climate change and climate variability will be identified as related to existing information regarding the country's vulnerability to the adverse effects of climate change, climate variability and extreme weather events, as well as long-term climate change. This section will explain how and to what extent activities may address specific vulnerabilities.

14. Given the actual and potential adverse effects of climate change described in section F.2 above, this section will identify relevant adaptation options including capacity building, policy reform, integration into sectoral policies and project-level activities.

### 4. Criteria for selecting priority activities

15. A set of locally-driven criteria will be used to select priority adaptation activities. These criteria should include, *inter alia*:

- (a) Level or degree of adverse effects of climate change;
- (b) Poverty reduction to enhance adaptive capacity;
- (c) Synergy with other multilateral environmental agreements;
- (d) Cost-effectiveness.

16. These criteria for prioritization will be applied to, *inter alia*:

- (a) Loss of life and livelihood;
- (b) Human health;
- (c) Food security and agriculture;
- (d) Water availability, quality and accessibility;
- (e) Essential infrastructure;
- (f) Cultural heritage;
- (g) Biological diversity;
- (h) Land-use management and forestry;
- (i) Other environmental amenities;
- (j) Coastal zones, and associated loss of land.

5. List of priority activities

17. This section will list priority climate-change adaptation activities that have been selected based on the criteria listed in section F.4 above.

18. For each of the selected priority activities a set of profiles will be developed for inclusion in the NAPA document. This could follow the format set out in subparagraph 8(c)(iv) above.

6. NAPA preparation process

19. This section will describe the NAPA development process, including the process of consultation, the methods for evaluation and monitoring, the institutional arrangements, and the mechanism of endorsement by the national government.



## Decision 29/CP.7

### Establishment of a least developed countries expert group

*The Conference of the Parties,*

*Recalling* its decision 5/CP.7,

*Recognizing* the specific needs and special situations of the least developed countries referred to in Article 4, paragraph 9, of the Convention,

*Recalling* the provisions of paragraph 16 of its decision 5/CP.7, in which, *inter alia*, it decided that, at its current session, consideration should be given to the establishment of a least developed countries expert group, including its terms of reference, taking into account geographical balance,

1. *Decides* to establish a least developed countries expert group, pursuant to the terms of reference included in the annex to the present decision;
2. *Decides also* that, taking into account the unique circumstances of the least developed countries, the establishment of the group referred to in paragraph 1 above does not set a precedent for the establishment of similar groups for other categories of countries;
3. *Requests* the secretariat to facilitate the work of the least developed countries expert group in accordance with the terms of reference included in the annex to the present decision;
4. *Decides* to review, at its ninth session, the progress, need for continuation and terms of reference of the group, including the duration of the term of office of its members, and to adopt a decision thereon, taking into account the implementation needs identified in completed national adaptation programmes of action, as well as the experience of least developed country Parties which have started implementing their national adaptation programmes of action.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## ANNEX

**Terms of reference of the least developed countries expert group**

1. The objective of the least developed countries expert group is to advise on the preparation and implementation strategy for national adaptation programmes of action (NAPAs), which would meet the urgent and immediate adaptation needs of the least developed countries (LDCs). This includes the provision of technical advice relating to the identification of relevant data and information to be synthesized as part of an integrated assessment. The expert group will also provide advice on capacity-building needs for LDCs in support of the preparation and implementation of NAPAs. The expert group will coordinate and collaborate with other relevant efforts relating to adaptation activities for LDCs, including within the greater development context. The expert group will not be directly involved in the execution of identified activities and projects.
2. The group shall consist of 12 experts having recognized competence and appropriate expertise to assist in the development of NAPAs. The group shall consist of five experts from African LDC Parties, two experts from Asian LDC Parties, two experts from small island developing States which are LDC Parties, and three experts from Annex II Parties. At least one selected LDC expert and at least one selected expert from Annex II Parties shall also be a member of the Consultative Group of Experts on National Communications from Parties not included in Annex I. The experts will be selected by the Parties from their respective regions or groups, and shall have expertise in vulnerability and adaptation assessment. The group may draw upon additional expertise as deemed necessary.
3. The expert group shall conduct its work until the ninth session of the Conference of the Parties, subject to a decision by the Conference of the Parties pursuant to paragraph 4 of decision 29/CP.7 above.
4. Members of the group shall serve in their personal capacity and shall have no pecuniary or financial interest in the issues under consideration by the group.
5. The group shall elect annually a chairperson, a vice-chairperson and two rapporteurs from amongst its LDC members.
6. The chairperson, or a representative of the expert group, shall attend meetings of the subsidiary bodies and the Conferences of the Parties.
7. The group shall convene twice each year, as appropriate and, if possible, the secretariat will organize one meeting in 2002 of the expert group back-to-back with the Consultative Group of Experts on National Communications from Parties not included in Annex I, in order to establish a link on issues relating to adaptation.
8. The group shall report on its work and shall propose a programme of work for the remainder of its term, for consideration at the sixteenth session of the Subsidiary Body for Implementation, and shall report on its work to the Subsidiary Body for Implementation at its eighteenth and nineteenth sessions.

9. The group shall be mandated as follows:

(a) To provide technical guidance and advice on the preparation and on the implementation strategy of NAPAs, including the identification of possible sources of data and its subsequent application and interpretation, upon request by LDC Parties;

(b) To serve in an advisory capacity to the LDCs, for the preparation and strategy for implementation of NAPAs through, *inter alia*, workshops, upon request by LDC Parties;

(c) To advise on capacity-building needs for the preparation and implementation of NAPAs and to provide recommendations, as appropriate, taking into account the Capacity Development Initiative of the Global Environment Facility and other relevant capacity-building initiatives;

(d) To facilitate the exchange of information and to promote regional synergies, and synergies with other multilateral environmental conventions, in the preparation and in the implementation strategy of NAPAs;

(e) To advise on the mainstreaming of NAPAs into regular development planning in the context of national strategies for sustainable development.

10. The group shall also be mandated to provide input into the review, and if necessary revision, of NAPA guidelines at the eighth session of the Conference of the Parties.

11. The secretariat shall support the implementation of the above-mentioned activities and facilitate the preparation of the group's relevant reports, which will be made available to the Parties for consideration at subsequent sessions of the subsidiary bodies.

## Decision 30/CP.7

### **Third compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, its Article 4, paragraph 1, Article 10, paragraph 2(a), and Article 12, paragraphs 1, 4, 5, 6 and 7,

*Recalling also* its decisions on initial communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular, decisions 10/CP.2, 11/CP.2, 12/CP.4, 7/CP.5 and 3/CP.6,

*Noting* that, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with the provisions of Article 3 and Article 4, paragraphs 1, 3, 4, 5, 7, 8, 9 and 10 of the Convention, be taken into account by the Conference of the Parties in considering matters related to their initial communications,

*Noting also* that, from its first session onwards, in accordance with Article 12, paragraph 7, of the Convention, the Conference of the Parties has arranged for the provision of both technical and financial support to developing country Parties, on request, in compiling and communicating information under that Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4 of the Convention,

*Having considered* the third compilation and synthesis of initial national communications from non-Annex I Parties,<sup>1</sup> prepared by the secretariat pursuant to decision 3/CP.6, and the relevant recommendations of the Subsidiary Body for Implementation,

1. *Requests*, in accordance with Article 12, paragraph 5, of the Convention, each Party not included in Annex I to the Convention which has not made its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4, paragraph 3, of the Convention, to do so as soon as possible, it being understood that Parties that are least developed countries may make their initial communications at their discretion;

2. *Requests* the Convention secretariat to prepare the fourth compilation and synthesis of initial national communications from non-Annex I Parties, based on submissions received from such Parties between 1 June 2001 and 1 June 2002, and to make that report

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<sup>1</sup> FCCC/SBI/2001/14 and Add.1.

available to the subsidiary bodies for consideration by the Conference of the Parties at its eighth session. In preparing that compilation and synthesis, the Convention secretariat shall:

(a) Report on issues, constraints and problems encountered in using the UNFCCC guidelines for the preparation of initial national communications by non-Annex I Parties,<sup>2</sup> and on other issues raised by these Parties;

(b) Prepare an executive summary covering the information contained in all the initial national communications from non-Annex I Parties;

3. *Concludes*, with respect to the reporting of information by non-Annex I Parties that have submitted their initial national communications, that:

(a) Non-Annex I Parties are fulfilling their commitments under Article 4, paragraph 1(a), of the Convention to make available to the Conference of the Parties national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and have called for assistance to prepare and update inventories on a systematic basis by national teams;

(b) Non-Annex I Parties are generally following the UNFCCC and other recommended guidelines with varying levels of detail across the different elements of information in the communications;

4. *Concludes also* that, in view of the constraints and problems encountered in the preparation of initial national communications, namely difficulties relating to the quality and availability of data, emission factors and methodologies for the integrated assessment of the effects of climate change and impacts of response measures, there is a need for maintaining and enhancing national capacities in non-Annex I Parties for preparing national communications;

5. *Concludes also* that, although significant limitations have been encountered in the use of the current guidelines, Parties have found ways of overcoming these problems and have provided additional information, particularly in relation to greenhouse gas inventories; and that further analysis of the problems encountered in the use of the guidelines will be required when additional national communications are submitted;

6. *Concludes further*, with respect to the implementation of the Convention by non-Annex I Parties, that, as described in the third compilation and synthesis of initial communications from non-Annex I Parties, the reporting Parties are taking measures to address climate change and its adverse impacts.

*8<sup>th</sup> plenary meeting  
10 November 2001*

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<sup>2</sup> Decision 10/CP.2, annex.

**Decision 31/CP.7**

**Consultative Group of Experts on National Communications  
from non-Annex I Parties**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Article 4, paragraphs 3 and 7, Article 10, paragraph 2(a) and Article 12, paragraphs 1 and 5,

*Recalling also* its decisions on communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, 2/CP.4, 12/CP.4, 8/CP.5,

*Recognizing* that the preparation of national communications is a continuing process,

*Acknowledging* that the sharing of national, subregional and regional experiences is important in the process of improving the preparation of national communications by non-Annex I Parties,

*Noting* the importance of providing a forum for non-Annex I Parties, including the least developed countries, to share national, subregional and regional experiences in the preparation of national communications,

1. *Decides* that the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (non-Annex I Parties) shall have the objective of improving the preparation of national communications by non-Annex I Parties;
2. *Decides also* that, in accordance with paragraph 2 of the annex to decision 29/CP.7 on the establishment of a least developed country (LDC) expert group, at least one member of the Consultative Group Experts from least developed countries and at least one member of the Consultative Group Experts from Annex II Parties shall also be members of the LDC expert group, in order to establish a link on issues related to adaptation;
3. *Decides further* that in addition to the mandate contained in the annex to decision 8/CP.5, it shall carry out the following:
  - (a) Identify and assess technical problems and constraints that have affected the preparation of initial national communications by non-Annex I Parties that have yet to complete them, and make recommendations for consideration by the subsidiary bodies;
  - (b) Provide input to the draft improved guidelines for the preparation of national communications of non-Annex I Parties referred to in paragraph 1(b) of decision 32/CP.7;
4. *Decides* that the Consultative Group of Experts shall conduct two workshops in the year 2002, assuming the availability of funds, with the objective of sharing experiences to

ensure adequate coverage of the issues described in paragraph 3 above; experts and/or resource persons for these workshops will be drawn from the roster of experts of the UNFCCC secretariat, taking into account geographical balance and limited to 40 persons from non-Annex I Parties;

5. *Decides also* that in the year 2002, and to the extent possible, the secretariat will organize a meeting of the Consultative Group Experts, back-to-back with a meeting of the LDC expert group, in order to ensure an exchange of views;

6. *Decides also* that the mandate and terms of reference of the Consultative Group of Experts shall be reviewed at the eighth session of the Conference of the Parties.

*8<sup>th</sup> plenary meeting  
9 November 2001*

**Decision 32/CP.7**

**Other matters relating to communications from Parties not included in  
Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, and in particular Article 4, paragraphs 1, 3 and 7, Article 10, paragraph 2(a) and Article 12, paragraphs 1 and 5,

*Recalling* its decisions on communications from Parties not included in Annex I to the Convention (non-Annex I Parties), and in particular decisions 10/CP.2, 2/CP.4, 12/CP.4 and 8/CP.5,

*Recalling* that, at its fifth session, it had initiated a process of reviewing the guidelines for the preparation of national communications with the aim of improving them by the seventh session of the Conference of the Parties, taking into account information on the use of the guidelines contained in the compilation and synthesis report prepared by the secretariat comprising a representative and meaningful number of national communications from non-Annex I Parties,

*Recalling also* that Parties have submitted to the UNFCCC secretariat their views<sup>1</sup> on the current progress of the process aimed at the improvement of guidelines for subsequent national communications from Parties not included in Annex I to the Convention,

*Recalling further* paragraph 1(d) of decision 11/CP.2 on guidance to the Global Environment Facility (GEF), which states that the preparation of national communications is a continuing process,

*Reiterating* the importance of providing financial and technical support for the preparation of national communications by an entity operating the financial mechanism of the Convention,

*Having considered* the views of Parties on the report of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, and on the current progress of the process aimed at improving guidelines for subsequent national communications of non-Annex I Parties,

1. *Decides:*

(a) To continue the process of reviewing the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention (non-Annex I Parties) in

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<sup>1</sup> FCCC/SBI/2001/INF.11, section IV.



accordance with decision 8/CP.5 with a view to improving these guidelines at the eighth session of the Conference of the Parties;

(b) That the improvement of the guidelines shall take into account, *inter alia*, information on the use of the guidelines contained in the third compilation and synthesis report, as well as information contained in national communications submitted as at 31 December 2001 and the recommendations of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention;

(c) That the UNFCCC secretariat shall prepare: (i) draft guidelines for the preparation of national communications from non-Annex I Parties in accordance with paragraph 1(b) above, and (ii) background information on national communications from non-Annex I Parties submitted as at 31 December 2001, which shall be considered at an intersessional workshop with the participation of representatives from Parties to be held prior to the sixteenth session of the subsidiary bodies;

2. Invites Parties to submit proposals to the secretariat on the proposed improved guidelines by 5 August 2002;

3. *Requests* the secretariat to prepare an information document containing the views of Parties on the proposed improved guidelines for consideration by the subsidiary bodies at their seventeenth sessions;

4. *Decides also* that non-Annex I Parties wishing to start the preparation of their subsequent national communications may do so using the initial guidelines as set out in decisions 10/CP.2 and 2/CP.4, pending the adoption by the Conference of the Parties of improved guidelines for the preparation of national communications.

*8<sup>th</sup> plenary meeting  
9 November 2001*

**Decision 33/CP.7**

**National communications from Parties included  
in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Article 4, Article 6, Article 7, paragraph 2, Article 9, paragraph 2(b), Article 10, paragraph 2, and Article 12,

*Recalling* its decisions 9/CP.2, 11/CP.4 and 4/CP.5 on national communications from Parties included in Annex I to the Convention (Annex I Parties),

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation,

1. *Requests* the secretariat to apply the procedures for the review of national communications, including in-depth reviews, as defined in decisions 2/CP.1 and 6/CP.3, to the national communications submitted by Annex I Parties in accordance with decision 11/CP.4; the in-depth reviews should be completed before the ninth session of the Conference of the Parties;
2. *Requests* the secretariat to prepare the compilation and synthesis of national communications submitted in accordance with decision 11/CP.4, for consideration by the Conference of the Parties at its eighth session.

*8<sup>th</sup> plenary meeting  
9 November 2001*

**Decision 34/CP.7**

**Revision of the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories, and the guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention**

*The Conference of the Parties,*

*Having considered* the recommendations of the Subsidiary Body for Scientific and Technological Advice at its fifteenth session,

*Recalling* its decisions 3/CP.5 and 6/CP.5,

1. *Decides* to defer the revision of the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories for consideration by the Subsidiary Body for Scientific and Technological Advice at its sixteenth session with a view to submitting a decision for adoption by the Conference of the Parties at its eighth session and to extend the trial period for assessing those guidelines and the guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention until the eighth session of the Conference of the Parties;

2. *Requests* the secretariat to continue to organize technical reviews of greenhouse gas inventories submitted by Parties included in Annex I to the Convention in 2002.

*8<sup>th</sup> plenary meeting  
9 November 2001*

**Decision 35/CP.7**

**Request from a group of countries of Central Asia and the Caucasus, Albania and Moldova regarding their status under the Convention**

*The Conference of the Parties,*

*Having considered* the request from a group of countries of Central Asia and the Caucasus, Albania and Moldova countries,<sup>1</sup>

*Noting* the comments expressed by Parties concerning the need to give consideration to the implications of the request, in particular to the legal aspects,

*Invites* the Subsidiary Body for Implementation, at its sixteenth session, to give further consideration to the aforementioned request and make recommendations thereon to the Conference of the Parties.

*2<sup>nd</sup> plenary meeting  
2 November 2001*

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<sup>1</sup> Initially presented on behalf of a group of these countries in a letter of 27 July 2001. See FCCC/CP/2001/12.

**Decision 36/CP.7**

**Improving the participation of women in the representation of Parties in bodies established under the United Nations Framework Convention on Climate Change or the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* the Beijing Declaration of the 1995 Fourth World Conference on Women which recognizes that women's empowerment and their full participation on the basis of equality in all spheres of society, including participation in decision-making processes and access to power, are fundamental for the achievement of equality, development and peace,

*Recalling further* that the Beijing Declaration called on governments, the United Nations system and regional and international institutions to contribute to the implementation of the Beijing Platform of Action,

*Noting* that improvement in the gender balance of officers elected to the bodies established under the United Nations Framework Convention on Climate Change and the Kyoto Protocol would be one such contribution to the implementation of the Beijing Platform of Action,

*Having considered* the need for Parties to take into account the need for more equitable representation of female and male officers elected to the bodies established under the Convention or the Kyoto Protocol,

*Urging* Parties to take the measures necessary to enable women to participate fully in all levels of decision making relevant to climate change,

1. *Invites* Parties to give active consideration to the nomination of women for elective posts in any body established under the Convention or the Kyoto Protocol;
2. *Requests* the secretariat to bring this decision to the attention of Parties whenever a vacancy arises for any elective post in any body established under the Convention or the Kyoto Protocol;
3. *Further requests* the secretariat to maintain information on the gender composition of each body with elective posts established under the Convention or the Kyoto Protocol, and to bring this information to the attention of the Parties whenever such a vacancy occurs.

**Decision 37/CP.7**

**Date and venue of the eighth session of the Conference of the Parties**

*Recalling* Article 7, paragraph 4, of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985 on the pattern of conferences,

1. *Decides* that the eighth session of the Conference of the Parties shall be held from 23 October to 1 November 2002;
2. *Notes* with appreciation the expression of interest by the Government of India in hosting the eighth session of the Conference of the Parties and to cover the related costs;
3. *Requests* the Executive Secretary to continue consultations with the Government of India and to report to the President not later than 24 November 2001 on whether the eighth session of the Conference of the Parties could be held in India, in conformity with General Assembly resolution 40/243;
4. *Requests* the Bureau to decide on the venue of the eighth session of the Conference of the Parties at its next meeting.

*8<sup>th</sup> plenary meeting*  
*9 November 2001*

## Decision 38/CP.7

### Programme budget for the biennium 2002-2003

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change,<sup>1</sup>

*Having considered* the proposed budget for the biennium 2002-2003 submitted by the Executive Secretary,<sup>2</sup>

1. *Approves* the programme budget for the biennium 2002-2003, amounting to US\$ 32,837,100 for the purposes specified in table 1 below;
2. *Notes with appreciation* the annual contribution of the host Government of DM 1.5 million, which offsets planned expenditures;
3. *Approves* a drawing of US\$ 5 million from the unspent balances or contributions (carry-over) from previous financial periods to cover part of the 2002-2003 budget;
4. *Adopts* the indicative scale of contributions for 2002 and 2003 contained in the annex to this decision;
5. *Approves* the staffing table for the programme budget, as contained in table 2 below;
6. *Approves* a contingency budget for conference servicing, amounting to US\$ 5,661,800, to be added to the programme budget for the coming biennium in the event that the General Assembly of the United Nations decides not to provide resources for these activities in the United Nations regular budget for the biennium 2002-2003 (see tables 3 and 4 below);
7. *Invites* the United Nations General Assembly to decide at its fifty-sixth session on the issue of meeting the conference-servicing expenses of the Convention from its regular budget;
8. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation on the implementation of paragraph 6 above, as necessary;
9. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of the total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

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<sup>1</sup> Decision 15/CP.1, annex I (FCCC/CP/1995/7/Add.1).

<sup>2</sup> FCCC/SBI/2001/17.

10. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

11. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8(b) of the financial procedures, and to pay promptly and in full, for each of the years 2002 and 2003, the contributions required to finance expenditures approved under paragraph 1 above, as offset by the contributions noted in paragraph 2 and a drawing approved in paragraph 3 above, and any contributions required to finance the expenditures arising from the decisions referred to in paragraph 6 above;

12. *Takes note* of the funding estimates for the Trust Fund for Participation in the UNFCCC Process specified by the Executive Secretary (US\$ 3,356,200 for the biennium 2002-2003), and invites Parties to make contributions to this fund (see table 5 below);

13. *Invites Parties* to make contributions to the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change in the order of US\$ 7.3 million for the biennium 2002-2003;

14. *Invites Parties* to make contributions in the order of US\$ 6.8 million to support activities relating to the “prompt start” of the clean development mechanism (CDM) for the biennium 2002-2003;

15. *Requests* the Executive Secretary to report to the Conference of the Parties at its eighth session on income and budget performance and to propose any adjustments that might be needed in the Convention budget for the biennium 2002-2003.

*8<sup>th</sup> plenary meeting  
9 November 2001*



**Table 1. Programme budget for the biennium 2002-2003<sup>a</sup>**  
(thousands of United States dollars)

	2002	2003	Biennium total
<b>Expenditures</b>			
<b>I. <u>Executive Direction</u></b>			
Executive Direction and Management	1 665.8	1 683.1	3 349.0
Intergovernmental and Conference Affairs <sup>b</sup>	693.5	693.5	1 386.9
<b>II. <u>Technical Programmes</u></b>			
Methods, Inventories and Science	2 746.9	2 964.9	5 711.8
Sustainable Development	1 205.4	1 259.3	2 464.7
Cooperative Mechanisms	858.2	1 067.4	1 925.6
Implementation	2 521.3	2 564.7	5 086.0
<b>III. <u>Support Services</u></b>			
Conference Affairs Services	1 066.4	1 105.2	2 171.6
Information Services	1 744.2	1 954.6	3 698.8
Administrative Services and support costs	1 541.6	1 488.4	3 030.0
<b>Subtotal (I+II+III) programme activities</b>	<b>14 043.3</b>	<b>14 781.1</b>	<b>28 824.4</b>
IV. <u>Programme support charge (overhead) <sup>c</sup></u>	1 825.6	1 921.6	3 747.2
V. <u>Working capital reserve <sup>d</sup></u>	196.3	69.2	265.5
<b>TOTAL BUDGET (lines I+II+III+IV+V)</b>	<b>16 065.2</b>	<b>16 771.9</b>	<b>32 837.1</b>
<b>Income</b>			
Contribution from the host Government <sup>e</sup>	657.9	657.9	1 315.8
Unspent balances or contributions from previous financial periods (carry-over)	2 000.0	3 000.0	5 000.0
Indicative contributions	13 407.3	13 114.0	26 521.3
<b>TOTAL INCOME</b>	<b>16 065.2</b>	<b>16 771.9</b>	<b>32 837.1</b>

<sup>a</sup> Incorporating the CDM "prompt start" contingency.

<sup>b</sup> This programme was entitled S/COP in the previous presentation.

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> In accordance with the financial procedures (decision 15/CP.1, annex I, para. 14). This will bring the working capital reserve to US\$ 1,330,400 in 2002 and US\$ 1,372,200 in 2003.

<sup>e</sup> Equivalent to DM 1.5 million, based on the prevailing United Nations rate of exchange in June 2001 (US\$ 1= DM 2.28)

**Table 2. Programme budget staffing table 2002-2003**

	2002	2003
<b>A. <u>Professional category and above</u></b>		
Executive Secretary (ASG)	1	1
D-2	3	4
D-1	6	6
P-5	8	8
P-4	17	18
P-3	25	25
P-2	9	9
<b>Subtotal (A)</b>	<b>69</b>	<b>71</b>
<b>B. <u>General Service category</u></b>	<b>38.5</b>	<b>39.5</b>
<b>TOTAL (A+B)</b>	<b>107.5</b>	<b>110.5</b>

**Table 3. Resource requirements for the conference services contingency**  
(thousands of United States dollars)

Item of expenditure	2002	2003	Biennium total
A. Servicing of meetings <sup>a</sup>	987.1	1 015.1	2 002.2
B. Documentation <sup>b</sup>	1 326.8	1 340.1	2 666.9
<b>Subtotal</b>	<b>2 313.9</b>	<b>2 355.2</b>	<b>4 669.1</b>
C. Overhead charge <sup>c</sup>	300.8	306.2	607
D. Contingencies <sup>d</sup>	78.4	79.8	158.2
E. Working capital reserve <sup>e</sup>	223.5	4	227.5
<b>TOTAL</b>	<b>2 916.6</b>	<b>2 745.2</b>	<b>5 661.8</b>

<sup>a</sup> Includes interpretation and conference assistance.

<sup>b</sup> Includes revision, translation, typing, reproduction and distribution of pre-, in- and post-session documentation (regular and temporary staff, travel, and contractual services).

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> Including exchange rate fluctuations, calculated at 3 per cent.

<sup>e</sup> In accordance with paragraph 14 of the financial procedures. The 2002 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2003 amount has been calculated as the amount required to bring the carried-over 2002 reserve to 8.3 per cent of the subtotal and overhead charge for 2003.

**Table 4. Staffing requirements for the conference services contingency**

		2002	2003
<b>A.</b>	<b>Professional category and above</b>		
	P-4	1	1
	<b>Total Professional category and above</b>	<b>1</b>	<b>1</b>
<b>B.</b>	<b>Total General Service category</b>	<b>5</b>	<b>5</b>
<b>TOTAL (A+B)</b>		<b>6</b>	<b>6</b>

**Table 5. Trust Fund for Participation in the UNFCCC Process:  
Estimated resource requirements  
(thousands of United States dollars)**

Item of expenditure		2002	2003	Biennium total
A.	Support for eligible Parties to participate in one two-week session of the subsidiary bodies	630.0	630.0	1 260.0
B.	Support for eligible Parties to participate in one two-week session of the Conference of the Parties and its subsidiary bodies <sup>a</sup>	855.0	855.0	1 710.0
	<b>Subtotal</b>	<b>1 485.0</b>	<b>1 485.0</b>	<b>2 970.0</b>
	Overhead charge <sup>b</sup>	193.1	193.1	386.2
	<b>TOTAL</b>	<b>1 678.1</b>	<b>1 678.1</b>	<b>3 356.2</b>

<sup>a</sup> Includes funding for a second delegate from least developed countries and small island developing States, in accordance with the practice followed at all meetings of the Conference of the Parties to date.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

**Annex**

<b>Indicative scales of contribution 2002-2003</b>				
<b>Party</b>	<b>2002</b>		<b>2003</b>	
	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>
Albania	0.003	0.003	0.00300	0.003
Algeria	0.071	0.069	0.07000	0.068
Angola	0.002	0.002	0.00200	0.002
Antigua and Barbuda	0.002	0.002	0.00200	0.002
Argentina	1.159	1.122	1.14900	1.113
Armenia	0.002	0.002	0.00200	0.002
Australia	1.640	1.588	1.62700	1.576
Austria	0.954	0.924	0.94700	0.917
Azerbaijan	0.004	0.004	0.00400	0.004
Bahamas	0.012	0.012	0.01200	0.012
Bahrain	0.018	0.017	0.01800	0.017
Bangladesh	0.010	0.010	0.01000	0.010
Barbados	0.009	0.009	0.00900	0.009
Belarus	0.019	0.018	0.01900	0.018
Belgium	1.138	1.102	1.12900	1.094
Belize	0.001	0.001	0.00100	0.001
Benin	0.002	0.002	0.00200	0.002
Bhutan	0.001	0.001	0.00100	0.001
Bolivia	0.008	0.008	0.00800	0.008
Bosnia and Herzegovina	0.004	0.004	0.00400	0.004
Botswana	0.010	0.010	0.01000	0.010
Brazil	2.093	2.027	2.39000	2.315
Brunei Darussalam	0.000	0.000	0.00000	0.000
Bulgaria	0.013	0.013	0.01300	0.013
Burkina Faso	0.002	0.002	0.00200	0.002
Burundi	0.001	0.001	0.00100	0.001
Cambodia	0.002	0.002	0.00200	0.002
Cameroon	0.009	0.009	0.00900	0.009
Canada	2.579	2.497	2.55800	2.478
Cape Verde	0.001	0.001	0.00100	0.001
Central African Republic	0.001	0.001	0.00100	0.001
Chad	0.001	0.001	0.00100	0.001
Chile	0.187	0.181	0.21200	0.205
China	1.545	1.496	1.53200	1.484
Colombia	0.171	0.166	0.20100	0.195
Comoros	0.001	0.001	0.00100	0.001

<b>Indicative scales of contribution 2002-2003</b>				
<b>Party</b>	<b>2002</b>		<b>2003</b>	
	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>
Congo	0.001	0.001	0.00100	0.001
Cook Islands	0.001	0.001	0.00100	0.001
Costa Rica	0.020	0.019	0.02000	0.019
Côte d'Ivoire	0.009	0.009	0.00900	0.009
Croatia	0.039	0.038	0.03900	0.038
Cuba	0.030	0.029	0.03000	0.029
Cyprus	0.038	0.037	0.03800	0.037
Czech Republic	0.172	0.167	0.20300	0.197
Democratic People's Republic of Korea	0.009	0.009	0.00900	0.009
Democratic Republic of the Congo	0.004	0.004	0.00400	0.004
Denmark	0.755	0.731	0.74900	0.726
Djibouti	0.001	0.001	0.00100	0.001
Dominica	0.001	0.001	0.00100	0.001
Dominican Republic	0.023	0.022	0.02300	0.022
Ecuador	0.025	0.024	0.02500	0.024
Egypt	0.081	0.078	0.08100	0.078
El Salvador	0.018	0.017	0.01800	0.017
Equatorial Guinea	0.001	0.001	0.00100	0.001
Eritrea	0.001	0.001	0.00100	0.001
Estonia	0.010	0.010	0.01000	0.010
Ethiopia	0.004	0.004	0.00400	0.004
European Community	2.500	2.500	2.50000	2.500
Fiji	0.004	0.004	0.00400	0.004
Finland	0.526	0.509	0.52200	0.506
France	6.516	6.310	6.46600	6.263
Gabon	0.014	0.014	0.01400	0.014
Gambia	0.001	0.001	0.00100	0.001
Georgia	0.005	0.005	0.00500	0.005
Germany	9.845	9.534	9.76900	9.463
Ghana	0.005	0.005	0.00500	0.005
Greece	0.543	0.526	0.53900	0.522
Grenada	0.001	0.001	0.00100	0.001
Guatemala	0.027	0.026	0.02700	0.026
Guinea	0.003	0.003	0.00300	0.003
Guinea-Bissau	0.001	0.001	0.00100	0.001
Guyana	0.001	0.001	0.00100	0.001
Haiti	0.002	0.002	0.00200	0.002
Honduras	0.004	0.004	0.00500	0.005
Hungary	0.121	0.117	0.12000	0.116
Iceland	0.033	0.032	0.03300	0.032

<b>Indicative scales of contribution 2002-2003</b>				
<b>Party</b>	<b>2002</b>		<b>2003</b>	
	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>
India	0.344	0.333	0.34100	0.330
Indonesia	0.201	0.195	0.20000	0.194
Iran (Islamic Republic of)	0.236	0.229	0.27200	0.263
Ireland	0.297	0.288	0.29400	0.285
Israel	0.418	0.405	0.41500	0.402
Italy	5.104	4.943	5.06475	4.906
Jamaica	0.004	0.004	0.00400	0.004
Japan	19.669	19.047	19.51575	18.904
Jordan	0.008	0.008	0.00800	0.008
Kazakhstan	0.029	0.028	0.02800	0.027
Kenya	0.008	0.008	0.00800	0.008
Kiribati	0.001	0.001	0.00100	0.001
Kuwait	0.148	0.143	0.14700	0.142
Kyrgyzstan	0.001	0.001	0.00100	0.001
Lao People's Democratic Republic	0.001	0.001	0.00100	0.001
Latvia	0.010	0.010	0.01000	0.010
Lebanon	0.012	0.012	0.01200	0.012
Lesotho	0.001	0.001	0.00100	0.001
Libyan Arab Jamahiriya	0.067	0.065	0.06700	0.065
Liechtenstein	0.006	0.006	0.00600	0.006
Lithuania	0.017	0.016	0.01700	0.016
Luxembourg	0.080	0.077	0.08000	0.077
Madagascar	0.003	0.003	0.00300	0.003
Malawi	0.002	0.002	0.00200	0.002
Malaysia	0.237	0.230	0.23500	0.228
Maldives	0.001	0.001	0.00100	0.001
Mali	0.002	0.002	0.00200	0.002
Malta	0.015	0.015	0.01500	0.015
Marshall Islands	0.001	0.001	0.00100	0.001
Mauritania	0.001	0.001	0.00100	0.001
Mauritius	0.011	0.011	0.01100	0.011
Mexico	1.095	1.060	1.08600	1.052
Micronesia (Federated States of)	0.001	0.001	0.00100	0.001
Monaco	0.004	0.004	0.00400	0.004
Mongolia	0.001	0.001	0.00100	0.001
Morocco	0.045	0.044	0.04400	0.043
Mozambique	0.001	0.001	0.00100	0.001
Myanmar	0.010	0.010	0.01000	0.010
Namibia	0.007	0.007	0.00700	0.007
Nauru	0.001	0.001	0.00100	0.001

<b>Indicative scales of contribution 2002-2003</b>				
<b>Party</b>	<b>2002</b>		<b>2003</b>	
	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>
Nepal	0.004	0.004	0.00400	0.004
Netherlands	1.751	1.696	1.73800	1.684
New Zealand	0.243	0.235	0.24100	0.233
Nicaragua	0.001	0.001	0.00100	0.001
Niger	0.001	0.001	0.00100	0.001
Nigeria	0.056	0.054	0.06800	0.066
Niue	0.001	0.001	0.00100	0.001
Norway	0.652	0.631	0.64600	0.626
Oman	0.062	0.060	0.06100	0.059
Pakistan	0.061	0.059	0.06100	0.059
Palau	0.001	0.001	0.00100	0.001
Panama	0.018	0.017	0.01800	0.017
Papua New Guinea	0.006	0.006	0.00600	0.006
Paraguay	0.016	0.015	0.01600	0.015
Peru	0.119	0.115	0.11800	0.114
Philippines	0.101	0.098	0.10000	0.097
Poland	0.319	0.309	0.37800	0.366
Portugal	0.466	0.451	0.46200	0.448
Qatar	0.034	0.033	0.03400	0.033
Republic of Korea	1.866	1.807	1.85100	1.793
Republic of Moldova	0.002	0.002	0.00200	0.002
Romania	0.059	0.057	0.05800	0.056
Russian Federation	1.200	1.162	1.20000	1.162
Rwanda	0.001	0.001	0.00100	0.001
Saint Kitts and Nevis	0.001	0.001	0.00100	0.001
Saint Lucia	0.002	0.002	0.00200	0.002
Saint Vincent and the Grenadines	0.001	0.001	0.00100	0.001
Samoa	0.001	0.001	0.00100	0.001
San Marino	0.002	0.002	0.00200	0.002
Sao Tome & Principe	0.001	0.001	0.00100	0.001
Saudi Arabia	0.559	0.541	0.55400	0.537
Senegal	0.005	0.005	0.00500	0.005
Seychelles	0.002	0.002	0.00200	0.002
Sierra Leone	0.001	0.001	0.00100	0.001
Singapore	0.396	0.383	0.39300	0.381
Slovakia	0.043	0.042	0.04300	0.042
Slovenia	0.081	0.078	0.08100	0.078
Solomon Islands	0.001	0.001	0.00100	0.001
South Africa	0.411	0.398	0.40800	0.395
Spain	2.539	2.459	2.51875	2.440

<b>Indicative scales of contribution 2002-2003</b>				
<b>Party</b>	<b>2002</b>		<b>2003</b>	
	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>	<b>United Nations Scale</b>	<b>Revised UNFCCC Scale</b>
Sri Lanka	0.016	0.015	0.01600	0.015
Sudan	0.006	0.006	0.00600	0.006
Suriname	0.002	0.002	0.00200	0.002
Swaziland	0.002	0.002	0.00200	0.002
Sweden	1.035	1.002	1.02675	0.995
Switzerland	1.274	1.234	1.27400	1.234
Syrian Arab Republic	0.081	0.078	0.08000	0.077
Tajikistan	0.001	0.001	0.00100	0.001
Thailand	0.254	0.246	0.29400	0.285
The former Yugoslav Republic of Macedonia	0.006	0.006	0.00600	0.006
Togo	0.001	0.001	0.00100	0.001
Tonga	0.001	0.001	0.00100	0.001
Trinidad and Tobago	0.016	0.015	0.01600	0.015
Tunisia	0.031	0.030	0.03000	0.029
Turkmenistan	0.003	0.003	0.00300	0.003
Tuvalu	0.001	0.001	0.00100	0.001
Uganda	0.005	0.005	0.00500	0.005
Ukraine	0.053	0.051	0.05300	0.051
United Arab Emirates	0.204	0.198	0.20200	0.196
United Kingdom of Great Britain and Northern Ireland	5.579	5.402	5.53600	5.363
United Republic of Tanzania	0.004	0.004	0.00400	0.004
United States of America	22.000	21.304	22.00000	21.311
Uruguay	0.081	0.078	0.08000	0.077
Uzbekistan	0.011	0.011	0.01100	0.011
Vanuatu	0.001	0.001	0.00100	0.001
Venezuela	0.210	0.203	0.20800	0.201
Viet Nam	0.013	0.013	0.01600	0.015
Yemen	0.007	0.007	0.00600	0.006
Yugoslavia	0.020	0.019	0.02000	0.019
Zambia	0.002	0.002	0.00200	0.002
Zimbabwe	0.008	0.008	0.00800	0.008
<b>TOTAL</b>	<b>103.184</b>	<b>100.000</b>	<b>103.152</b>	<b>100.000</b>



**Decision 39/CP.7**

**Income and budget performance in the biennium 2000-2001 and  
arrangements for administrative support to the Convention**

*The Conference of the Parties,*

*Having considered* the report of the Subsidiary Body for Implementation on its work on administrative and financial matters at its fourteenth and fifteenth sessions,

*Having taken note* of the reports by the Executive Secretary on related subjects,<sup>1</sup>

1. *Approves* the revised scale of contributions for 2001 based on the United Nations revised scale of assessments adopted at the fifty-fifth session of the General Assembly;
2. *Takes note* of the interim financial statements as at 31 December 2000;
3. *Takes note also* of income and budget performance in the biennium 2000-2001, as at 30 June 2001;
4. *Expresses* its appreciation to the Parties that made their contributions to the core budget in a timely manner, as well as to those that made additional voluntary contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities of the UNFCCC;
5. *Expresses also* its appreciation to the Government of Germany for its special contribution to cover costs of events held in Germany (the Bonn Fund);
6. *Expresses* concern at the continuing trend towards late payment of contributions, some still outstanding from 1996 and 1997, and encourages all Parties that have not yet paid their contributions to do so without further delay;
7. *Takes note* of the action taken by the Executive Secretary to improve the administrative arrangements for the Convention secretariat and requests him to continue with these efforts.

*8<sup>th</sup> plenary meeting  
9 November 2001*

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<sup>1</sup> FCCC/SBI/2001/16, FCCC/SBI/2001/INF.2, FCCC/SBI/2001/INF.3/Rev.1, FCCC/SBI/2001/INF.5 and FCCC/SBI/2001/INF.10.

#### **IV. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES**

##### **Resolution 1/CP.7**

##### **1. Expression of gratitude to the Government of the Kingdom of Morocco and to the City and people of Marrakesh**

*The Conference of the Parties,*

*Having met* in Marrakesh from 29 October to 10 November 2001 at the invitation of the Government of the Kingdom of Morocco,

1. *Expresses its profound gratitude* to the Government of the Kingdom of Morocco for having made it possible for the seventh session of the Conference of the Parties to be held in Marrakesh;

2. *Requests* the Government of the Kingdom of Morocco to convey to the City and the people of Marrakesh the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## **Resolution 2/CP.7**

### **2. Expression of gratitude to the Executive Secretary**

*The Conference of the Parties,*

*Mindful* of his untiring efforts in the service of the climate change process since the first meeting of the Intergovernmental Negotiating Committee in February 1991,

*Noting* his achievement in building and leading an efficient and respected secretariat team,

*Recognizing* his fairness and objectivity in ensuring that the views and interests of all Parties are respected,

*Acknowledging* his commitment, professionalism and acumen which contributed to the successes of the climate change negotiating process, including the entry into force of the Convention, the adoption of the Kyoto Protocol, and the adoption of the Bonn Agreements and the Marrakesh Accords for the implementation of the Buenos Aires Plan of Action,

1. *Expresses* its great appreciation to Michael Zammit Cutajar for his excellent services as Executive Secretary of the Convention secretariat;
2. *Wishes* him well in his future pursuits.

*8<sup>th</sup> plenary meeting  
10 November 2001*

## **V. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES**

### **A. Calendar of meetings of Convention bodies, 2002-2007**

At its 8<sup>th</sup> plenary meeting on 9 November 2001, the Conference of the Parties, on the recommendation of the Subsidiary Body for Implementation, adopted the calendar of meetings of Convention bodies for the years 2005-2007.

Accordingly, the calendar of meetings of Convention bodies for the period 2002-2007 is as follows;

- First sessional period in 2002: from 3 to 14 June 2002;
- Second sessional period in 2002: from 23 October to 1 November 2002<sup>1</sup>;
- First sessional period in 2003: from 2 to 13 June 2003;
- Second sessional period in 2003: from 1 to 12 December 2003;
- First sessional period in 2004: from 14 to 25 June 2004;
- Second sessional period in 2004: from 29 November to 10 December 2004.
- First sessional period in 2005: from 16 May to 27 May;
- Second sessional period in 2005: from 7 to 18 November;
- First sessional period in 2006: from 15 May to 26 May;
- Second sessional period in 2006: from 6 to 17 November;
- First sessional period in 2007: from 7 May to 18 May; and
- Second sessional period in 2007: from 5 November to 16 November.

### **B. Report of the Global Environment Facility to the Conference of the Parties**

1. At its 8<sup>th</sup> plenary meeting on 9 November 2001, the Conference of the Parties, endorsing the conclusions of the Subsidiary Body for Implementation, took note of the report of the Global Environment Facility (GEF) to the Conference of the Parties (FCCC/CP/2001/8). The report included information on how the GEF had applied the guidance and decisions of the Conference of the Parties in accordance with the memorandum of understanding between the Conference of the Parties and the GEF Council. The Conference welcomed the efforts made by the GEF to support capacity building through its Capacity Development Initiative.

2. The Conference noted the important role that the GEF, as an operating entity of the financial mechanism of the Convention, played in supporting efforts made by Parties to address

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<sup>1</sup> Dates revised pursuant to decision 37/CP.7.

the problems of climate change, and urged the GEF to streamline its procedures in order to reduce the time between project approval and disbursement of funds and, in addition, to encourage its implementing agencies to be more responsive to the requests of developing countries for financial and technical support.

3. The Conference recalled the relevant provisions of decisions 2/CP.4 and 8/CP.5, and urged the GEF to facilitate the provision of financial support to non-Annex I Parties requesting funds for the preparation of their second national communications. The Conference further noted the concerns expressed by some Parties regarding the adequacy of GEF assistance to programmes supporting the preparation of national communications in non-Annex I Parties.

4. The Conference also took note of the conclusions of the SBSTA relating to the Third Assessment Report of the Intergovernmental Panel on Climate Change, which urge the GEF to make financial resources available to ensure that the Third Assessment Report is widely disseminated. The Conference also noted of the conclusions of the Subsidiary Body for Scientific and Technological Advice relating to the financial requirements for the implementation of Article 6 of the Convention, urging the GEF to make financial resources available for this purpose.

**C. Amendment proposed by Kazakhstan to add its name to the list in Annex I to the Convention<sup>2</sup>**

1. At its 8<sup>th</sup> plenary meeting, on 9 November 2001, the Conference of the Parties, acting upon the recommendation of the Subsidiary Body for Implementation, took note that Kazakhstan, in accordance with Article 4, paragraph 2(g), had notified the Depositary on 23 March 2000 that it intended to be bound by Article 4, paragraphs 2(a) and (b) of the Convention. The Conference further noted that the Depositary had informed the other signatories and Parties of that notification, and that, upon ratification of the Kyoto Protocol by Kazakhstan and its entry into force, Kazakhstan becomes a Party included in Annex I for the purposes of this Protocol in accordance with Article 1, paragraph 7 of the Protocol.

2. The Conference of the Parties noted the interest expressed by Kazakhstan in engaging in negotiations with a view to defining a quantified emission limitation or reduction commitment for Kazakhstan under Annex B of the Protocol.

3. The Conference of the Parties recognized that Kazakhstan will continue to be a Party not included in Annex I for purposes of the Convention.

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<sup>2</sup> The heading of this item reflects the original request of Kazakhstan of 24 April 1999. The heading has been retained although this conclusion by the Conference of the Parties does not imply any amendment of the lists in the Annexes to the Convention.

**D. Conclusions on assessing the status of implementation of  
Article 4, paragraph 9, of the Convention**

1. At its 8<sup>th</sup> plenary meeting on 10 November 2001, the Conference of the Parties, acting upon the recommendation of the Subsidiary Body for Implementation, noted that work had advanced significantly in this context, both under the agenda item on matters relating to the least developed countries (LDCs), particularly regarding the establishment of the LDC fund and development of guidance thereon, the development of guidelines on national adaptation programmes of action (NAPAs), and the establishment of an LDC Expert Group, as well as under other related agenda items.
2. The Conference further noted that, in order to operationalize this action in a way that would meet the urgent and immediate needs of least developed countries, relating to their vulnerability and adaptation to the adverse effects of climate change, prompt steps needed to be taken to expedite the process of provision of funding in support of NAPA preparation.
3. The Conference concluded that there was a need to assess the status of implementation of Article 4, paragraph 9, of the Convention at its ninth session, with a view to considering further action thereon.

### **E. Election of the Executive Board of the Clean Development Mechanism**

At its 8<sup>th</sup> plenary meeting on 10 November 2001, the Conference of the Parties elected the members of the Executive Board of the Clean Development Mechanism, as follows:

	Member	Alternate
Africa (1)	Mr. John Shaibu Kilani South Africa (3-year term)	Mr. Ndiaye Cheikh Sylla Senegal (3-year term)
Asia (1)	Mr. Mohammad Reza Salamat Islamic Republic of Iran (3-year term)	Mr. Chow Kok Kee Malaysia (3-year term)
Eastern Europe (1)	Mr. Oleg Pluzhnikov Russian Federation (2-year term)	Ms. Marina Shvangiradze Georgia (2-year term)
GRULAC (1)	Mr. Luiz Gylvan Meira Filho Brazil (3-year term)	Mr. Eduardo Sanhueza Chile (3-year term)
WEOG (1)	Mr. Jean-Jacques Becker France (3-year term)	Mr. Martin Enderlin Switzerland (3-year term)
AOSIS (1)	Mr. John W. Ashe Antigua and Barbuda (2-year term)	Mr. Tuiloma Neroni Slade Samoa (2-year term)
NAIP <sup>1</sup> (2)	Mr. Franz Tattenbach Capra Costa Rica (2-year term)	Mr. Abdulmuhsen Al-Sunaid Saudi Arabia (2-year term)
	Mr. Abdelhay Zerouali Morocco (2-year term)	Mr. Xuedu Lu China (2-year term)
AIP <sup>2</sup> (2)	Mr. Sozaburo Okamatsu Japan (3-year term)	Ms. Sushma Gera Canada (3-year term)
	Mr. Hans-Juergen Stehr Denmark (2-year term)	Mr. Georg Børsting Norway (2-year term)

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<sup>1</sup> NAIP refers to a Party not included in Annex 1.

<sup>2</sup> AIP refers to a Party included in Annex 1.



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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS EIGHTH SESSION, HELD AT NEW DELHI  
FROM 23 OCTOBER TO 1 NOVEMBER 2002

Addendum

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

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**Decision 1/CP.8****Delhi Ministerial Declaration on Climate Change  
and Sustainable Development**

**The Ministers and other heads of delegation present at the eighth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change,**

*Recalling* the ultimate objective and principles of, and the commitments under, the Convention,

*Reaffirming* that economic and social development and poverty eradication are the first and overriding priorities of developing country Parties,

*Recognizing* with concern the findings of the IPCC Third Assessment Report, which confirms that significant cuts in global greenhouse gas emissions will be necessary to meet the ultimate objective of the Convention, and recognizing the on-going consideration in the Subsidiary Body for Scientific and Technological Advice of the implications of this report,

*Noting* that mitigation actions are now taking place both in Annex I and non-Annex I countries and emphasizing that mitigation of greenhouse gas emissions to combat climate change continues to have high priority under the provisions of the Convention and that, at the same time, urgent action is required to advance adaptation measures,

*Recognizing* that climate change could endanger future well-being, ecosystems and economic progress in all regions,

*Deeply concerned* that all countries, particularly developing countries, including the least developed countries and small island developing States, face an increased risk of the negative impacts of climate change,

*Recognizing* that, as Africa is the region suffering the most from the combined impacts of climate change and poverty, development initiatives such as the New Partnership for Africa's Development should be supported in the context of sustainable development,

*Resolve* that, in order to respond to the challenges faced now and in the future, climate change and its adverse effects should be addressed while meeting the requirements of sustainable development, and therefore call for the following:

- (a) Parties that have ratified the Kyoto Protocol strongly urge Parties that have not already done so to ratify the Kyoto Protocol in a timely manner;
- (b) Parties have a right to, and should, promote sustainable development. Policies and measures to protect the climate system against human-induced change should be appropriate for the specific conditions of each Party and should be integrated with national development programmes, taking into account that economic development is essential for adopting measures to address climate change;
- (c) National sustainable development strategies should integrate more fully climate change objectives in key areas such as water, energy, health, agriculture and biodiversity, and build on the outcomes of the World Summit on Sustainable Development;

(d) All Parties, taking into account their common but differentiated responsibilities and respective capabilities, and their specific national and regional development priorities, objectives and circumstances, should continue to advance the implementation of their commitments under the Convention to address climate change and its adverse effects in order to achieve sustainable development;

(e) Adaptation to the adverse effects of climate change is of high priority for all countries. Developing countries are particularly vulnerable, especially the least developed countries and small island developing States. Adaptation requires urgent attention and action on the part of all countries. Effective and result-based measures should be supported for the development of approaches at all levels on vulnerability and adaptation, as well as capacity-building for the integration of adaptation concerns into sustainable development strategies. The measures should include full implementation of existing commitments under the Convention and the Marrakesh Accords;

(f) Parties should promote informal exchange of information on actions relating to mitigation and adaptation to assist Parties to continue to develop effective and appropriate responses to climate change;

(g) The specific needs and concerns of developing country Parties arising from the adverse effects of climate change and the impact of the implementation of response measures should be given full consideration;

(h) International cooperation should be promoted in developing and disseminating innovative technologies in respect of key sectors of development, particularly energy, and of investment in this regard, including through private sector involvement and market-oriented approaches, as well as supportive public policies;

(i) Technology transfer should be strengthened, including through concrete projects and capacity-building in all relevant sectors such as energy, transport, industry, health, agriculture, biodiversity, forestry and waste management. Technological advances should be promoted through research and development, economic diversification and strengthening of relevant regional, national and local institutions for sustainable development;

(j) Access should be improved to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources, taking into account national specificities and circumstances, through various means;

(k) Actions are required to diversify energy supply by developing advanced, cleaner, more efficient, affordable and cost-effective energy technologies, including fossil fuel technologies and renewable energy technologies, hydro included, and their transfer to developing countries on concessional terms as mutually agreed;

(l) Actions are required at all levels, with a sense of urgency, to substantially increase the global share of renewable energy sources with the objective of increasing their contribution to total energy supply, recognizing the role of national and voluntary regional targets as well as initiatives, where they exist, and ensuring that energy policies are supportive to developing countries' efforts to eradicate poverty;

(m) Annex I Parties should further implement their commitments under the Convention, including, for Annex II Parties, those relating to the provision of financial resources, technology transfer and capacity-building, and demonstrate that they are taking the lead in modifying longer-term trends in anthropogenic greenhouse gas emissions, consistent with the ultimate objective of the Convention,

through the adoption of national policies and corresponding measures for the mitigation of climate change;

All Parties welcome the good cooperation achieved at the Conference of the Parties at its eighth session in Delhi, in particular the progress of technical work and the constructive discussions that have taken place, and express their gratitude to His Excellency Mr. T. R. Baalu, President of the Conference at its eighth session, and to the Government and people of India for their gracious hospitality.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 2/CP.8

### **Fourth compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling*, in particular, Article 4, paragraph 1, Article 10, paragraph 2 (a), and Article 12, paragraphs 1, 4, 5, 6 and 7, of the Convention,

*Recalling also* its decisions 10/CP.2, 11/CP.2, 12/CP.4, 7/CP.5, 3/CP.6 and 30/CP.7,

*Noting* that, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of Parties not included in Annex I to the Convention (non-Annex I Parties) should, in accordance with the provisions of Article 3 and Article 4, paragraphs 1, 3, 4, 5, 7, 8, 9 and 10, of the Convention, be taken into account by the Conference of the Parties in considering matters relating to their initial national communications,

*Noting also* that, from its first session onwards, in accordance with Article 12, paragraph 7, of the Convention, the Conference of the Parties has arranged for the provision of both financial and technical support to developing country Parties, on request, in compiling and communicating information under that article, and in identifying the financial and technical needs associated with proposed projects and response measures under Article 4 of the Convention,

*Having considered* the information contained in the fourth compilation and synthesis report on 31 initial national communications from non-Annex I Parties, and the executive summary of 83 initial national communications from such Parties, presented by the secretariat pursuant to decision 30/CP.7,<sup>2</sup> and the relevant recommendations of the Subsidiary Body for Implementation,

1. Takes note that:

(a) The preparation of national communications has provided an initial opportunity for capacity-building, particularly in the area of national greenhouse gas inventories, vulnerability and adaptation, and mitigation assessments;

(b) Most Parties not included in Annex I to the Convention (non-Annex I Parties) have used the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*;

(c) National inventories from some non-Annex I Parties have been generally comparable to those of Annex I Parties;

(d) There is some scope for encouraging the preparation of inventories on a continuous basis;

(e) Capacity-building also assists in the establishment and maintenance of the institutional arrangements at national level;

(f) Non-Annex I Parties are continuing to fulfil their commitments under Article 4, paragraph 1, and Article 12, paragraph 1, of the Convention;

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<sup>2</sup> FCCC/SBI/2002/8 and FCCC/SBI/2002/16.

(g) As at 1 June 2002, 20 of 46 least developed country Parties had already submitted their initial national communications whereas 64 of 100 non-Annex I Parties that are not least developed country Parties had yet to submit their initial national communications;

2. *Concludes* that, in view of the technical constraints and problems encountered in the preparation of national communications, namely difficulties relating to, inter alia, the quality and availability of data, emission factors and methodologies for an assessment of the effects of climate change and impacts of response measures, there is a need for financial and technical resources to maintain and enhance national capacities in non-Annex I Parties for preparing national communications;

3. *Requests*, in accordance with Article 12, paragraph 5, of the Convention, each non-Annex I Party which has not submitted its initial national communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4, paragraph 3, of the Convention, to do so as soon as possible, on the understanding that Parties that are least developed countries may make their initial national communications at their discretion;

4. *Requests* the secretariat to prepare for consideration by the Subsidiary Body for Implementation at its nineteenth session:

(a) The fifth compilation and synthesis report on issues, constraints and problems encountered in using the relevant UNFCCC guidelines in the preparation of initial national communications submitted by non-Annex I Parties between 1 June 2002 and 1 April 2003;

(b) An information document describing the steps taken by non-Annex I Parties to implement the Convention, based on a representative set of initial national communications and other relevant documents, in order to further facilitate the implementation of projects listed or proposed by non-Annex I Parties in accordance with Article 12, paragraph 4, of the Convention;

5. *Further requests* the secretariat to prepare documents on information contained in national communications submitted to the secretariat by non-Annex I Parties, with a view to compiling information on the efforts made by non-Annex I Parties to facilitate the implementation of the Convention in accordance with Article 4, paragraph 1, and Article 12, paragraph 1, of the Convention, and make these documents available to the Subsidiary Body for Implementation at intervals not exceeding two years.

### Decision 3/CP.8

#### **Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Article 4, paragraphs 1, 3 and 7, and Article 12, paragraphs 1, 5 and 7,

*Recalling* its decisions on communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, 2/CP.4, 12/CP.4, 8/CP.5 and 31/CP.7,

*Recognizing* that the preparation of national communications is a continuing process,

*Recognizing* also that the sharing of national, subregional and regional experiences is important in the process of improving the preparation of national communications by non-Annex I Parties,

*Reiterating* the importance of providing a forum for non-Annex I Parties to share national, subregional and regional experiences in the preparation of national communications,

*Acknowledging* with great satisfaction the excellent role that the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention played in improving the process of the preparation of national communications from non-Annex I Parties,

*Acknowledging further* the financial support provided by the Governments of Australia, Finland, Germany (through the Bonn Fund), Switzerland, the Netherlands and the United States of America for funding the workshops of the Consultative Group of Experts,

*Reiterating* the importance of providing relevant technical advice and support for the preparation of national communications,

1. *Decides* to continue the mandate of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, with the objective of improving the process of preparation of the second and subsequent national communications by providing technical advice and support to Parties not included in Annex I to the Convention, and where relevant of initial national communications from Parties which have not yet submitted them;
2. *Decides* that the Consultative Group of Experts shall have a new mandate in accordance with its revised terms of reference annexed to this decision;
3. *Decides also* that the mandate and revised terms of reference of the Consultative Group of Experts shall be reviewed at its thirteenth session;
4. *Decides* that arrangements for funding of the meetings of the Consultative Group of Experts should be provided in the budget of the secretariat as of 2004;
5. *Requests* the secretariat to facilitate the work of the Consultative Group of Experts, in accordance with Article 8, paragraph 2 (c), of the Convention and decision 17/CP.8, by:

(a) Coordinating meetings and workshops of the Consultative Group of Experts and compiling reports on its meetings and workshops for consideration by the Subsidiary Body for Implementation;

(b) Providing technical support to the Consultative Group of Experts as required, particularly in the areas of national greenhouse gas inventories, vulnerability and adaptation assessments, mitigation assessments, research and systematic observation, education, training and public awareness, technology transfer and capacity-building, as they relate to the preparation of national communications;

(c) Enhancing communication among the members of the Consultative Group of Experts through the maintenance of an electronic bulletin board;

6. *Invites* Annex II Parties to contribute financial resources to support the organization of workshops to be conducted by the Consultative Group of Experts.

*8<sup>th</sup> plenary meeting  
1 November 2002*



ANNEX

**Terms of reference of the Consultative Group of Experts  
on National Communications from Parties not included  
in Annex I to the Convention**

1. The Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (non-Annex I Parties) shall continue to have the objective of improving the process of preparation of second and subsequent national communications from non-Annex I Parties and, as appropriate, and where relevant, initial national communications from Parties which have not yet submitted them, by providing technical advice and support to non-Annex I Parties.
2. The Consultative Group of Experts shall be composed of experts drawn from the roster of experts with expertise in greenhouse gas inventories, vulnerability assessment and adaptation, mitigation and other matters relating to the preparation of national communications.
3. The Consultative Group of Experts shall comprise 24 experts as follows:
  - (a) Five members from each of the regions of non-Annex I Parties, namely, Africa, Asia and the Pacific, and Latin America and the Caribbean;
  - (b) Six members from Parties included in Annex I to the Convention (Annex I Parties), including one from countries with economies in transition;
  - (c) One member from each of three international organizations with relevant experience in providing technical assistance to non-Annex I Parties in the preparation of national communications.
4. The experts referred to in paragraph 3 (a) and (b) above shall be appointed by the Parties from that region in order to ensure geographical balance. The experts from Annex I Parties shall be appointed by the Annex I Parties. In addition, one expert from each of three organizations with relevant experience in providing technical assistance to non-Annex I Parties shall be selected by the secretariat. The Chair of the Subsidiary Body for Implementation (SBI) shall be notified of these appointments. Additional experts shall be selected from the roster of experts on an ad hoc basis, when required, on the basis of their specific areas of expertise and in consultation with the Chair of the SBI, who will decide on their terms and lengths of service.
5. The members of the Consultative Group of Experts shall be nominated for a period of two years and shall serve a maximum of two consecutive terms. For reasons of continuity and institutional memory, two members of each regional group of the Consultative Group of Experts shall continue to serve for a period of one year. Thereafter, new members shall be nominated to replace those who have served their terms.
6. Representatives from the three regional groups of non-Annex I Parties shall serve as Chair and Rapporteur on a rotational basis. The Chair shall serve for a period of one year. The Rapporteur shall succeed in serving as Chair, at which time a new Rapporteur shall be nominated.
7. If a member of the Consultative Group of Experts resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the Consultative Group of Experts may decide, bearing in mind the proximity of the next session of the Conference of the Parties, to request the group that had nominated the member to nominate another member to replace the said member for the remainder of that member's mandate. In such a case, the Consultative Group of Experts shall take into

account any views expressed by the group that had nominated the member and shall notify the Chair of the SBI of any replacement.

8. The Consultative Group of Experts shall meet not more than twice a year, each time in conjunction with meetings of the subsidiary bodies, or with scheduled workshops. Ad hoc meetings may be convened, subject to the availability of funds and in consultation with the Chair of the SBI, when deemed necessary to fulfil its mandate, depending on the number of national communications to be considered.

9. The Consultative Group of Experts shall be mandated:

(a) To identify and assess technical problems and constraints that have affected the preparation of initial national communications by non-Annex I Parties that have yet to complete them;

(b) To identify and assess, as appropriate, the difficulties encountered by non-Annex I Parties in the use of the guidelines and methodologies for the preparation of national communications and make recommendations for their improvement;

(c) To examine national communications submitted to the secretariat, in particular, the description of analytical and methodological issues, including technical problems and constraints in the preparation and reporting of greenhouse gas inventories, mitigation activities, vulnerability and adaptation assessments and other information, with a view to improving the consistency of the information provided, data collection, the use of local and regional emission factors and activity data and the development of methodologies;

(d) To provide technical advice and support, by organizing and conducting workshops, including hands-on training workshops at the regional or subregional level, on national greenhouse gas inventories, vulnerability and adaptation, and mitigation, as well as training on the use of the guidelines for the preparation of second and subsequent national communications by non-Annex I Parties;

(e) To review existing activities and programmes, including those of multilateral and bilateral funding sources, to facilitate and support the preparation of second and subsequent national communications by non-Annex I Parties;

(f) To provide, as appropriate, technical advice to the SBI on matters relating to the implementation of the Convention by non-Annex I Parties under the UNFCCC;

(g) To develop the agenda for workshops and meetings with the assistance by the secretariat, to ensure adequate coverage of issues identified in the mandate. Experts and resource persons at these workshops will be drawn from the roster of experts. If deemed necessary, other experts of international standing can be invited.

10. The Consultative Group of Experts shall encourage interaction on relevant technical issues among expert groups established under the Convention.

11. Recommendations of the Consultative Group of Experts on matters indicated in paragraph 9 above shall be forwarded for consideration by the SBI.

12. The secretariat shall support the activities of the Consultative Group of Experts, and facilitate the organization of meetings and preparation of background materials, documents and workshop reports, as appropriate, which will be made available to the Parties. The secretariat shall include on its web site information on activities and programmes that facilitate the preparation of national communications.

## Decision 4/CP.8

### National communications from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 5 and 6, Article 7, paragraph 2, Article 9, paragraph 2 (b), Article 10, paragraph 2, Article 11 and Article 12,

*Recalling* its decisions 9/CP.2, 6/CP.3, 11/CP.4 and 33/CP.7 on national communications from Parties included in Annex I to the Convention, decision 4/CP.3, which amended the list in Annex I to the Convention, and decision 4/CP.5 on the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, part II: UNFCCC reporting guidelines on national communications,

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation,

1. *Urges* those Parties included in Annex I to the Convention which have not submitted their first, second or third national communication, including those Parties that were included in Annex I by decision 4/CP.3, to do so as soon as possible;
2. *Urges those* Parties included in Annex I to the Convention which have not submitted their annual greenhouse gas inventories pursuant to decisions 11/CP.4 and 3/CP.5 to do so as soon as possible;
3. *Requests* Parties included in Annex I to the Convention to submit to the secretariat, in accordance with Article 12, paragraphs 1 and 2, a fourth national communication by 1 January 2006;
4. *Concludes* that the review of the national communications and consideration of the outcome of this review has proven its utility and it should continue in accordance with decisions 2/CP.1, 6/CP.3 and 11/CP.4.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 5/CP.8

### Review of the financial mechanism

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 3, and Article 11, paragraph 4, of the Convention,

*Recalling also* its decisions 9/CP.1, 11/CP.2, 12/CP.2, 13/CP.2, 11/CP.3, 12/CP.3 and 3/CP.4,

*Noting* the review process on the effectiveness of the financial mechanism, undertaken by the Subsidiary Body for Implementation at its seventeenth session, in accordance with the criteria contained in the annex to decision 3/CP.4,

*Noting also* the synthesis report prepared by the secretariat on the review of the financial mechanism,<sup>1</sup> the report of the Global Environment Facility to the Conference of the Parties at its eighth session,<sup>2</sup> and the Second Overall Performance Study of the Global Environment Facility,

*Noting further* that the Global Environment Facility has effectively performed its role as an entity operating the financial mechanism of the Convention,

*Welcoming* the successful and substantial third replenishment of the Global Environment Facility Trust Fund,

*Welcoming also* the Beijing Declaration of the Second Assembly of the Global Environment Facility,

1. *Requests* the Global Environment Facility to report to the Conference of the Parties at its ninth session on progress in the implementation of its plan of action developed in response to the recommendations of the Second Overall Performance Study of the Global Environment Facility, and also on how it has taken into consideration the recommendations of the second review of the effectiveness of the financial mechanism by the Conference of the Parties;

2. *Requests* the Global Environment Facility secretariat, in consultation with the Convention secretariat, to initiate a dialogue in order to implement more effectively the guidance provided by the Conference of the Parties to the Global Environment Facility as an entity operating the financial mechanism, drawing upon the experience gained and lessons learned from the projects and programmes funded by the Global Environment Facility, and to explore opportunities for streamlining guidance, and to report on the outcome of this dialogue in its report to the Conference of the Parties at its tenth session;

3. *Requests* the Convention secretariat, in consultation with the secretariat of the Global Environment Facility, to prepare for consideration by the Subsidiary Body for Implementation at its twentieth session a report on the implementation of decisions 12/CP.2 and 12/CP.3 in accordance with Article 11 on the determination of funding necessary and available for the implementation of the Convention;

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<sup>1</sup> FCCC/SBI/2002/14.

<sup>2</sup> FCCC/CP/2002/4.

4. *Invites* the Global Environment Facility:

(a) To review, in cooperation with the implementing and executing agencies as well as national focal points, its project cycle, with a view to making it simpler and more efficient, taking into account the lessons learned and the findings of the Global Environment Facility Monitoring and Evaluation Unit;

(b) To continue its efforts to increase the administrative efficiency and cost-effectiveness of its operations in line with the recommendations of the Second Overall Performance Study of the Global Environment Facility and the Beijing Declaration;

(c) To continue to make the concept of agreed incremental costs and global benefits more understandable, recognizing that the process for determining incremental costs should be transparent, flexible and pragmatic, consistent with the Beijing Declaration;

(d) To strengthen efforts to promote consistency of Global Environment Facility activities with national priorities and to integrate them into national planning frameworks, such as national sustainable development strategies and poverty reduction strategies;

5. *Requests* the Subsidiary Body for Implementation to initiate the third review of the financial mechanism at its twenty-first session in accordance with the criteria contained in the guidelines annexed to decision 3/CP.4, or as they may be subsequently amended, and to take appropriate measures and report on the outcome to the Conference of the Parties at its twelfth session.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 6/CP.8

### Additional guidance to an operating entity of the financial mechanism

*The Conference of the Parties,*

*Recalling* Article 3, Article 4, paragraphs 1, 3, 4, 5, 7, 8 and 9, Article 6, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4, of the Convention,

*Recalling also* its decisions 13/CP.1, 7/CP.2, 10/CP.2, 11/CP.2, 12/CP.2, 9/CP.3, 1/CP.4, 2/CP.4, 4/CP.4, 6/CP.4, 8/CP.5, 9/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 6/CP.7 and 7/CP.7,

*Recalling further* that in accordance with decision 11/CP.1 the Conference of the Parties is to give guidance on policies, programme priorities and eligibility criteria to an operating entity of the financial mechanism,

*Acknowledging* the usefulness of cooperation to promote, facilitate, develop and implement public awareness programmes on climate change and its effects, in accordance with Article 6 of the Convention,

*Reaffirming* that capacity-building for developing countries is essential to enable them to participate fully in, and to implement effectively their commitments under, the Convention,

1. *Decides* that the Global Environment Facility, as an operating entity of the financial mechanism, should:

(a) On matters relating to national communications:

- (i) Provide financial resources at an appropriate level to cover the requirements of the guidelines annexed to decision 17/CP.8, in an expedited manner, by an operating entity of the financial mechanism of the Convention, on an agreed full cost basis for the preparation of national communications, as well as capacity-building activities relating to the preparation of national communications pursuant to decision 2/CP.7, and in particular paragraphs 1 (c), 3, 4 and 5 of decision 6/CP.7;
- (ii) Continue to provide funding to Parties that have initiated the process of preparing second national communications and received funding under the expedited procedures or on an agreed full cost basis prior to the approval of the guidelines annexed to decision 17/CP.8;

(b) On matters relating to capacity-building: further the prompt implementation of decision 2/CP.7, taking into account paragraphs 3, 4 and 5 of decision 6/CP.7, and also take into account decisions 2/CP.7, 3/CP.7 and 6/CP.7 when developing its "Elements of strategic collaboration and a framework for Global Environment Facility action for capacity-building on the global environment" to be presented to the Council of the Global Environment Facility in May 2003;

(c) On matters relating to transfer of technologies: provide financial resources to non-Annex I Parties, in particular the least developed country Parties and the small island developing States among them, in accordance with decision 4/CP.7, through its climate change focal area and the Special Climate Change Fund established under decision 7/CP.7, for the implementation of the

framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, contained in the annex to decision 4/CP.7;

(d) On matters relating to Article 6: provide financial resources to non-Annex I Parties, in particular the least developed country Parties and the small island developing States among them, in accordance with decisions 11/CP.1 and 6/CP.7, to support the implementation of the work programme on Article 6 of the Convention contained in the annex to decision 11/CP.8;

(e) On matters relating to the report of the Global Environment Facility to the Conference of the Parties: include in its report to the Conference of the Parties detailed information in accordance with the conclusions of the Subsidiary Body for Implementation, at its seventeenth session, on the report of the Global Environment Facility;<sup>1</sup>

2. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties at its ninth session information on the specific steps undertaken to implement the provisions of this decision.

*8<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> FCCC/SBI/2002/17, paragraphs 22–24.

## Decision 7/CP.8

### **Initial guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Special Climate Change Fund**

*The Conference of the Parties,*

*Recalling* Article 4, paragraphs 1 (b), 4, 5, 7, 8, 9 and 10, of the Convention,

*Recalling* its decision 7/CP.7, which established that there is a need for funding, including funding that is new and additional to contributions which are allocated to the climate change focal area of the Global Environment Facility and to multilateral and bilateral funding, for the implementation of the Convention, and thus established, inter alia, the Special Climate Change Fund,

*Recalling further* decision 4/CP.7, which requested the Global Environment Facility, as an operating entity of the financial mechanism of the Convention, to provide financial support through its climate change focal area and the Special Climate Change Fund for the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, as contained in the annex to that decision,

*Recalling* paragraph 3 of its decision 7/CP.7, which stated that Parties included in Annex II, and Parties included in Annex I that are in the position to do so, shall be invited to contribute to the fund, which shall be operated by an entity entrusted with the operation of the financial mechanism under the guidance of the Conference of the Parties,

*Welcoming* with appreciation the joint political declaration made by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland, and inviting other Parties in a position to do so, to contribute to the fund,

*Welcoming further* the arrangements made by the Global Environment Facility for the establishment of the Special Climate Change Fund,

*Recalling* decision 7/CP.7, paragraph 1 (e) and (f), which states that Parties included in Annex II shall report on their financial contributions on an annual basis, and that the Conference of the Parties shall review those reports also on an annual basis,

1. *Decides* that, for the operation of the Special Climate Change Fund, the Global Environment Facility, as an entity entrusted with the operation of the financial mechanism of the Convention, should:

- (a) Promote complementarity of funding between the Special Climate Change Fund and other funds with which the operating entity is entrusted;
- (b) Ensure financial separation of the Special Climate Change Fund from other funds with which the operating entity is entrusted;
- (c) Ensure transparency in the operation of the Special Climate Change Fund;
- (d) Adopt streamlined procedures for the operation of the Special Climate Change Fund while ensuring sound financial management;



2. *Decides* to further define the prioritized activities, programmes and measures to be funded out of the Special Climate Change Fund in areas enumerated in paragraph 2 of decision 7/CP.7 by undertaking the activities described below:

(a) Initiating a process now with a view to providing further guidance to the Global Environment Facility, this process to consist of:

- (i) Requesting Parties to submit to the secretariat, by 15 February 2003, views on activities, programmes and measures referred to in paragraph 2 of decision 7/CP.7;
- (ii) Requesting the Expert Group on Technology Transfer and the Least Developed Countries Expert Group to submit to the secretariat, as soon as possible, views, relevant to their mandates, on activities, programmes and measures referred to in paragraph 2 of decision 7/CP.7;
- (iii) Requesting the secretariat to prepare for consideration by the Subsidiary Body for Implementation, at its eighteenth session, a report summarizing and analysing the above-mentioned submissions;

(b) Upon completion of such a process, a decision at its ninth session will provide guidance to the Global Environment Facility in order for the Global Environment Facility to operationalize the fund without delay thereafter.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 8/CP.8

### **Guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Least Developed Countries Fund**

*The Conference of the Parties,*

*Recognizing* the specific needs and special situations of the least developed countries referred to in Article 4, paragraph 9, of the Convention,

*Reaffirming* the need for the adoption and operationalization of simplified procedures and expedited access to the Least Developed Countries Fund by the least developed country Parties,

*Reaffirming also* the need to ensure complementarity of funding between the Least Developed Countries Fund and other funds with which the entity entrusted with the operation of the financial mechanism of the Convention is entrusted,

*Welcoming* the arrangements made by the Global Environment Facility as the entity entrusted with the operation of the financial mechanism of the Convention, for operationalizing the Least Developed Countries Fund,

*Recalling* its decisions 5/CP.7 and 7/CP.7 establishing the Least Developed Countries Fund to support the programme of work for least developed countries,

*Welcoming* the progress in mobilizing voluntary contributions to the Least Developed Countries Fund,

*Recognizing* the specific needs of least developed countries with regard to training in negotiating skills and language,

*Recalling* its decision 27/CP.7 containing the initial guidance for the operation of the Least Developed Countries Fund, and 29/CP.7 mandating the Least Developed Countries Expert Group to serve in an advisory capacity to the least developed countries on the preparation, and strategy for implementation, of national adaptation programmes of action, through, inter alia, workshops, upon request by least developed countries Parties,

1. *Decides* to adopt the following additional guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Least Developed Countries Fund established under decisions 5/CP.7 and 7/CP.7;
2. *Requests* the Global Environment Facility, including its implementing agencies, to ensure the speedy release and disbursement of funds and timely assistance for the preparation of national adaptation programmes of action;
3. *Requests* the entity in its capacity referred to in paragraph 1 above to support, where sufficient voluntary funding has not been provided from bilateral sources, the organization, under the guidance of the Least Developed Countries Expert Group, of four regional workshops in 2003 (one in Africa for francophone least developed countries, one in Africa for anglophone least developed countries, one in Asia, and one in a small island developing State) to advise least developed countries in order to advance the process for preparing national adaptation programmes of action in these regions;

4. *Requests* the entity referred to in paragraph 1 above to undertake the necessary arrangements for the implementation of the above-mentioned guidance, and to include in its report to the Conference of the Parties at its ninth session the specific steps it has undertaken to implement this guidance;

5. *Encourages* Annex II Parties, and Parties included in Annex I that are in a position to do so, to address the needs of least developed countries with regard to training in negotiating skills and language through bilateral and other sources of funding;

6. *Invites* all Parties, and the Least Developed Countries Expert Group, and the Global Environment Facility and its implementing and executing agencies, to submit to the secretariat, by 15 April 2003, views on strategies for implementing national adaptation programmes of action and ways and means to address the various elements of the least developed countries work programme, in order to meet the urgent and immediate adaptation needs of least developed countries, for consideration by Parties at the eighteenth session of the Subsidiary Body for Implementation;

7. *Requests* the secretariat to prepare a compilation of views received pursuant to paragraph 6 above;

8. *Decides* to consider providing further guidance to an entity entrusted with the operation of the financial mechanism of the Convention for the operation of the Least Developed Countries Fund, at its ninth session.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 9/CP.8

### Review of the guidelines for the preparation of national adaptation programmes of action

*The Conference of the Parties,*

*Recognizing* the specific needs and special situations of the least developed countries, referred to in Article 4, paragraph 9, of the Convention,

*Recalling* its decision 28/CP.7, containing guidelines for the preparation of national adaptation programmes of action,

*Having considered* the submissions from Parties,<sup>1</sup> and from the Least Developed Countries Expert Group,<sup>2</sup> on this issue,

*Having considered* the progress report of the Least Developed Countries Expert Group,<sup>3</sup>

1. *Decides* that a revision of the guidelines for the preparation of national adaptation programmes of action is not necessary at this time;
2. *Invites* the least developed country Parties to use, as appropriate, the annotations to the guidelines for the preparation of national adaptation programmes of action prepared by the Least Developed Countries Expert Group;
3. *Decides* to review, and if necessary revise, the guidelines for the preparation of national adaptation programmes of action at its ninth session, based on the experience of least developed country Parties in the preparation of national adaptation programmes of action, and on the outcome of the work of the Least Developed Countries Expert Group.

*8<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> FCCC/SBI/2002/MISC.1 and Add.1.

<sup>2</sup> FCCC/SBI/2002/INF.14.

<sup>3</sup> FCCC/SBI/2002/INF.16.

## Decision 10/CP.8

### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* chapter 34 of Agenda 21 on the transfer of environmentally sound technologies and the relevant provisions of the Plan of Implementation adopted by the World Summit on Sustainable Development held in Johannesburg in August 2002,

*Pursuant* to the relevant provisions of the Convention, in particular Article 4, paragraphs 1, 3, 5, 7 and 8, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4,

*Recalling* its decisions 11/CP.1, 13/CP.1, 7/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 9/CP.5 and 4/CP.7,

*Recognizing* the progress made by the secretariat on the development of the secretariat's technology information system (TT:CLEAR), which has been available to the Parties for testing since September 2001,

*Welcoming* the initial progress made in the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, contained in the annex to decision 4/CP.7,

*Noting* with appreciation the progress made by the Expert Group on Technology Transfer in implementing its work programme for the biennium 2002–2003,

1. *Encourages* the Expert Group on Technology Transfer to continue its good work;
2. *Requests* the Subsidiary Body for Scientific and Technological Advice:
  - (a) To request its Chair to conduct consultations and facilitate collaboration among expert groups established under the Convention, to the extent practicable, on their work programmes on cross-cutting issues, including those relating to technology transfer and capacity-building activities;
  - (b) To take into account, when examining at its nineteenth session the work programme of the Expert Group on Technology Transfer for the following year, innovative ways to address the outcomes of technology needs assessments already completed by developing country Parties and Parties with economies in transition;
3. *Requests* the secretariat to assist the Chair of the Subsidiary Body for Scientific and Technological Advice to facilitate the consultations among the expert groups, as referred to in paragraph 2 (a) above.

*7<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 11/CP.8

### New Delhi work programme on Article 6 of the Convention

*The Conference of the Parties,*

*Recalling* Articles 2, 3, 4 and 6 of the Convention,

*Recalling also* its decisions 11/CP.1, 2/CP.7, 3/CP.7, 4/CP.7, 5/CP.7 and 6/CP.7,

*Recalling further* Agenda 21 and relevant reports of the Intergovernmental Panel on Climate Change,

*Recognizing* the importance of Article 6 in engaging all stakeholders and major groups in the development and implementation of policies relating to climate change, consistent with sustainable development goals,

*Recognizing also* the need to establish a country-driven work programme that enhances cooperation, coordination and exchange of information among governments, intergovernmental organizations, non-governmental organizations and community-based organizations, as well as the private and public sectors,

*Recognizing further* the need for adequate financial and technical resources to ensure effective implementation of activities under Article 6, and for strengthening or establishing, as appropriate, national climate change secretariats or national focal points, particularly in developing country Parties,

*Having considered* the recommendations of the Subsidiary Body for Scientific and Technological Advice at its seventeenth session,<sup>1</sup>

1. *Adopts* the five-year work programme on Article 6 contained in the annex to this decision;
2. *Decides* to undertake a review of the work programme in 2007, with an intermediate review of progress in 2004, to evaluate its effectiveness;
3. *Requests* Parties to prepare reports (within their national communications, where possible) on their efforts to implement the work programme for the purpose of reviewing the programme in 2004 and 2007;
4. *Encourages* intergovernmental and non-governmental organizations to continue their activities relevant to Article 6 and invites them to develop programmatic responses to the five-year work programme;

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<sup>1</sup> FCCC/SBSTA/2002/13, paragraph 52.

5. *Encourages* Parties to make full use of the existing opportunities provided by the Global Environment Facility, as an entity operating the financial mechanism of the Convention, in particular in accordance with decision 6/CP.7, paragraph 1 (h)<sup>2</sup> and decisions 2/CP.7 and 3/CP.7, or in the context of national communications, as well as the opportunities provided by other multilateral and bilateral sources of funding;

6. *Requests* the Global Environment Facility to provide financial resources to Parties not included in Annex I of the Convention (non-Annex I Parties), in particular the least developed countries and small island developing States among them, in accordance with decisions 11/CP.1 and 6/CP.7, to support the implementation of the work programme;

7. *Encourages* multilateral and bilateral organizations to support the activities relating to the implementation of Article 6 and its work programme, as well as relevant capacity-building activities in non-Annex I Parties, in particular the least developed countries and small island developing States among them.

*7<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>2</sup> Decision 6/CP.7 paragraph 1 (h), states:

“1. *Decides* that, in accordance with Articles 4.3, 4.5 and 11.1 of the Convention, the GEF, as an operating entity of the financial mechanism, should provide financial resources to developing country Parties, in particular the least developed and the small island developing States among them, for the following activities, including those identified in paragraph 7 of decision 5/CP.7:

(h) Undertaking more in-depth public awareness and education activities and community involvement and participation in climate change issues.”

## ANNEX

**New Delhi work programme on Article 6 of the Convention****A. Observations**

1. The implementation of all elements of Article 6 of the Convention, including education, training, public awareness, public participation, public access to information and international cooperation, will contribute to meeting the objective of the Convention.
2. All Parties, taking into account their common but differentiated responsibilities, are responsible for the implementation of Article 6 of the Convention. The capacity to implement Article 6 activities will vary among countries, as will the priority thematic areas and target audiences, consistent with their sustainable development priorities and the culturally preferred method of programme delivery, in order to increase people's understanding of the climate change issue.
3. Regional, subregional and international cooperation can enhance the collective ability of Parties to implement the Convention, improve synergies, avoid duplication of effort between the different conventions, and ultimately both improve the effectiveness of programming and facilitate its support.
4. It is important to learn more from countries regarding the needs and gaps in their Article 6 activities, so that Parties, and intergovernmental and non-governmental organizations that have the resources to do so might effectively target their efforts at providing appropriate support.
5. Many Parties, intergovernmental organizations, non-governmental organizations and community-based organizations, as well as the private and public sectors, are already working actively to raise awareness on, and increase understanding of, the causes and impacts of climate change, as well as solutions. In particular, many governments are already implementing measures that could be linked to Article 6 activities. However, the lack of adequate financial and technical resources could inhibit some Parties' efforts to implement such activities, in particular developing country Parties.
6. The nature of Article 6 activities carried out by Parties can easily be reported. However, measuring or quantifying the impacts of these activities may be more challenging.

**B. Purposes and guiding principles**

7. The present work programme sets out the scope of, and provides the basis for action on, activities related to Article 6, in accordance with the provisions of the Convention. It should serve as a flexible framework for country-driven action addressing the specific needs and circumstances of Parties, and reflecting their national priorities and initiatives.
8. The Article 6 work programme builds on existing decisions of the Conference of the Parties, specifically the Marrakesh Accords, which contain a number of references to Article 6 activities, in particular decisions 2/CP.7 and 3/CP.7 on capacity-building in developing countries and in countries with economies in transition, 4/CP.7 on development and transfer of technologies, and 5/CP.7 on implementation of Article 4, paragraphs 8 and 9.
9. The Article 6 work programme shall be guided by:
  - (a) A country-driven approach;
  - (b) Cost-effectiveness;



- (c) A phased approach integrating Article 6 activities into existing climate change programmes and strategies;
- (d) Promotion of partnerships, networks and synergies, in particular, synergies between conventions;
- (e) An interdisciplinary approach;
- (f) A holistic, systematic approach;
- (g) The principles of sustainable development.

### **C. Scope of the work programme**

10. As part of their national programmes to implement the Convention, and taking into account national circumstances and capacities, Parties are encouraged to undertake activities under the categories listed below, which reflect the six elements of Article 6.

#### *International cooperation*

11. Subregional, regional and international cooperation in undertaking activities within the scope of the work programme can enhance the collective ability of Parties to implement the Convention, and the efforts of intergovernmental and non-governmental organizations can also contribute to its implementation. Such cooperation can further enhance synergies between conventions and improve the effectiveness of all sustainable development efforts.

#### *Education*

12. In order to advance implementation of Article 6 of the Convention, it is useful to cooperate in, promote, facilitate, develop and implement education and training programmes focused on climate change, targeting youth in particular, and including exchange or secondment of personnel to train experts.

#### *Training*

13. In order to advance implementation of Article 6 of the Convention, it is useful to cooperate in, promote, facilitate, develop and implement training programmes focused on climate change, for scientific, technical, and managerial personnel at the national and, as appropriate, subregional, regional and international levels. Technical skills and knowledge provide an opportunity to adequately address and respond to climate change issues.

#### *Public awareness, public participation and public access to information*

14. In order to advance implementation of Article 6 of the Convention, it is useful to cooperate in, promote, facilitate, develop and implement public awareness programmes on climate change and its effects at the national and, as appropriate, subregional, regional and international levels. It is also useful to facilitate public access to information on climate change and its effects, and to promote public participation in addressing climate change and its effects and in developing adequate responses.

## **D. Implementation**

### *Parties*

15. As part of their national programmes and activities in implementing the Convention, and within the scope of the Article 6 work programme, Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities and capacities, could, inter alia:

(a) Develop institutional and technical capacity to identify gaps and needs for the implementation of Article 6, assess the effectiveness of Article 6 activities, and consider the linkages between Article 6 activities, implementation of policies and measures to mitigate and adapt to climate change, and other commitments under the Convention, such as technology transfer and capacity-building;

(b) Prepare assessments of needs specific to national circumstances in the area of the implementation of Article 6, including the use of surveys and other relevant instruments to determine target audiences and potential partnerships;

(c) Designate, and provide support to, a national focal point for Article 6 activities and assign specific responsibilities. These responsibilities could include the identification of areas for possible international cooperation and opportunities for strengthening synergies with other conventions, and the coordination of the preparation of the Article 6 chapter in the national communications, ensuring that relevant contact information, including web site addresses, is provided therein;

(d) Develop a directory of organizations and individuals, with an indication of their experience and expertise relevant to Article 6 activities, with a view to building active networks involved in the implementation of these activities;

(e) Develop criteria for identifying and disseminating information on good practices for Article 6 activities, in accordance with national circumstances;

(f) Increase the availability of copyright-free and translated climate change materials, in accordance with laws and standards relating to the protection of copyrighted materials;

(g) Enhance efforts to develop and use curricula and teacher training focused on climate change as methods to integrate climate change issues at all educational levels and across disciplines;

(h) Seek opportunities to disseminate widely relevant information on climate change. Measures could include translation into appropriate languages and distribution of popularized versions of the Intergovernmental Panel on Climate Change Third Assessment Report and other key documents on climate change;

(i) Seek input and public participation, including participation by youth and other groups, in the formulation and implementation of efforts to address climate change and encourage the involvement and participation of representatives of all stakeholders and major groups in the climate change negotiation process;

(j) Inform the public about causes of climate change and sources of greenhouse gas emissions, as well as actions that can be taken at all levels to address climate change;

(k) Share the findings contained in their national communications and national action plans or domestic programmes on climate change with the general public and all stakeholders.

16. In developing and implementing Article 6 activities, Parties should seek to enhance cooperation and coordination at international and regional levels, including the identification of partners and networks with other Parties, intergovernmental and non-governmental organizations, the private sector, state and local governments, and community-based organizations, and to promote and facilitate the exchange of information and material, and the sharing of experience and good practices.

Intergovernmental organizations

17. Intergovernmental organizations, including convention secretariats, are invited, inter alia:

(a) To continue supporting efforts to implement activities under Article 6 through their regular programmes, and through specific programmes focused on climate change, including, as appropriate, through the provision and dissemination of information and resource materials, such as diagrams that could easily be translated and adapted, as well as through the provision of financial and technical support;

(b) To strengthen collaboration with, and enhance involvement of, other intergovernmental and non-governmental organizations, with a view to ensuring coordinated support to Parties in their activities related to Article 6 and avoiding duplication of work.

Non-governmental organizations

18. Non-governmental organizations are encouraged to continue their activities relating to Article 6 and are invited to consider ways to enhance cooperation between non-governmental organizations from Annex I and non-Annex I countries, as well as collaboration on activities between intergovernmental organizations, non-governmental organizations, and governments.

Support

19. Parties will need to determine the most efficient and cost-effective way to implement Article 6 activities, and are encouraged to create partnerships with other Parties, as well as intergovernmental and non-governmental organizations and relevant stakeholders, to facilitate the implementation of these activities, including the identification of priority areas for support and funding.

20. As initial priorities, the implementation of the work programme will require the strengthening of national institutions and capacities, in particular in developing countries, and the establishment of a mechanism to provide and exchange information.

Review of progress and reporting

21. The Conference of the Parties, through the Subsidiary Body for Scientific and Technological Advice, will undertake a review of progress in the implementation of this work programme by 2007, with an intermediate review of progress in 2004.

22. All Parties are requested to report in their national communications, where possible, and in other reports, on their accomplishments, lessons learned, experiences gained, and remaining gaps and barriers observed.

23. Intergovernmental organizations are invited to develop programmatic responses to the Article 6 work programme and, following consultations with the Convention secretariat, to communicate to the Subsidiary Body for Scientific and Technological Advice through the secretariat the responses and

progress achieved, for the purpose of reviewing the programme and evaluating its effectiveness in 2004 and 2007.

24. Non-governmental organizations are invited to provide relevant information to the secretariat and in accordance with their national circumstances, informing and involving their national focal point as appropriate, on progress achieved for the purpose of reviewing the Article 6 work programme and evaluating its effectiveness in 2004 and 2007.

*Role of the secretariat*

25. In accordance with Article 8 of the Convention, the secretariat is requested to facilitate efforts under the Article 6 work programme and, in particular:

(a) To prepare reports to the Subsidiary Body for Scientific and Technological Advice on progress achieved by Parties in implementing Article 6, based on information contained in national communications and other sources of information. These reports will be issued regularly, and in particular for the interim progress review in 2004 and the review in 2007;

(b) To facilitate coordinated inputs into the five-year Article 6 work programme by intergovernmental and non-governmental organizations;

(c) To continue work on the structure and content of an information clearing house, including information on existing resources that could facilitate (i) the implementation of the work programme, and (ii) information exchange and cooperation between Parties, and intergovernmental and non-governmental organizations working on Article 6 issues, and to identify institutions that could host and provide regular support for such a clearing house.

## Decision 12/CP.8

### **Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues relating to hydrofluorocarbons and perfluorocarbons**

*The Conference of the Parties,*

*Expressing* its appreciation to the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel of the Montreal Protocol for their timely and complete response to the request of the Subsidiary Body for Scientific and Technological Advice,<sup>1</sup>

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its sixteenth and seventeenth sessions,

*Recalling* that the Convention provides flexibility for Parties included in Annex I to the Convention to optimize their approaches in minimizing the overall carbon dioxide equivalent emissions of greenhouse gases in their actions to address climate change,

*Recognizing* the role of the use of hydrofluorocarbons, hydrocarbons, ammonia, carbon dioxide and other options in the phase-out of ozone-depleting substances under the Montreal Protocol,

*Recognizing also* the need for governments to engage in or continue dialogues with relevant industries and stakeholders to advance information regarding replacement options for ozone-depleting substances in a manner that contributes to the objectives of the Montreal Protocol and the Convention,

*Noting* the importance of continuing research and development on technologies that safeguard the ozone layer while at the same time contributing to the objectives of the Montreal Protocol and the Convention,

*Noting also* that the Multilateral Fund under the Montreal Protocol is funding the replacement of ozone-depleting substances in developing countries by alternatives, some of which are also greenhouse gases,

*Noting further* that many developing countries Parties to the Montreal Protocol use hydrofluorocarbons in applications and depend on imports of these substances, and that any conversion has implications, including technological and economic implications, for those countries,

*Considering* the wide dissemination of policy-neutral information to be vital in allowing enterprises and governments to make fully informed choices regarding replacement options for ozone-depleting substances,

1. *Invites* the Intergovernmental Panel on Climate Change and, through the Meeting of the Parties to the Montreal Protocol, the Technology and Economic Assessment Panel of the Montreal Protocol to develop a balanced scientific, technical and policy-relevant special report as outlined in their response to a request by the Subsidiary Body for Scientific and Technological Advice,<sup>2</sup>

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<sup>1</sup> See document FCCC/SBSTA/2002/MISC.23.

<sup>2</sup> See document FCCC/SBSTA/2002/MISC.23.

2. *Urges* the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel of the Montreal Protocol to address all areas into one single integrated report and finalize the report by early 2005;
3. *Encourages* Parties to ensure that their actions to address ozone depletion are undertaken in a manner that also contributes to the objective of the Convention;
4. *Encourages* governments to engage in or continue dialogues with relevant industries and stakeholders to advance information regarding replacement options for ozone-depleting substances in a manner that contributes to the objectives of the Montreal Protocol and the Convention;
5. *Encourages* relevant organizations to continue to make available policy-neutral information, particularly to developing countries, including through the Convention web site;
6. *Encourages* Parties to work towards continuing research and development on technologies that safeguard the ozone layer while at the same time contributing to the objectives of the Montreal Protocol and the Convention;
7. *Invites* Parties to consider project funding in addition to funding by the Multilateral Fund under the Montreal Protocol, in particular through the Global Environment Facility and the clean development mechanism;
8. *Requests* the Convention secretariat to bring this decision to the attention of the Intergovernmental Panel on Climate Change and the Meeting of the Parties to the Montreal Protocol through their respective secretariats;
9. *Decides* that:
  - (a) Until the acceptance by the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel of the Montreal Protocol to undertake the work referred to in paragraph 1 above, the Subsidiary Body for Scientific and Technological Advice shall continue its consideration of the issues under the agenda item "Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate systems: issues relating to hydrofluorocarbons and perfluorocarbons";
  - (b) Upon receipt of the acceptance by the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel of the Montreal Protocol, the issues referred to in paragraph 9 (a) above will be considered under the agenda item "Cooperation with relevant international organizations";
  - (c) Consideration of these issues under the new agenda item will resume at the Subsidiary Body for Scientific and Technological Advice session immediately following receipt of the report but not later than 2005.

## Decision 13/CP.8

### Cooperation with other conventions

*The Conference of the Parties,*

*Recalling* the Plan of Implementation of the World Summit on Sustainable Development,

*Recalling* the objective and the relevant provisions of the United Nations Framework Convention on Climate Change,

*Recalling* its decision 1/CP.7, in particular paragraph 3,

*Recognizing* the need for cooperation between the three Rio conventions,

*Noting* the need for the Joint Liaison Group to invite the secretariat of the Ramsar Convention on Wetlands to share information and to participate in the meetings of the Joint Liaison Group as appropriate,

*Taking note* of the progress report of the Joint Liaison Group of the secretariats of the three conventions,

1. *Affirms* that there is a need for enhanced cooperation between the United Nations Framework Convention on Climate Change, the Convention on Biological Diversity, and the United Nations Convention to Combat Desertification, with the aim of ensuring the environmental integrity of the conventions and promoting synergies under the common objective of sustainable development, in order to avoid duplication of efforts, strengthen joint efforts and use available resources more efficiently;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to continue and enhance cooperation with the Subsidiary Body on Scientific, Technical and Technological Advice of the Convention on Biological Diversity and the Committee on Science and Technology of the United Nations Convention to Combat Desertification;

3. *Supports* the mandate of the Joint Liaison Group;<sup>1</sup>

4. *Urges* the Joint Liaison Group to continue its efforts to enhance coordination between the three conventions and their secretariats in accordance with its mandate.

*7<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> See document FCCC/SBSTA/2001/2, paragraph 42 (d).

## Decision 14/CP.8

### Activities implemented jointly under the pilot phase

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1, 10/CP.3, 13/CP.5 and 8/CP.7,

*Taking* note of the sixth synthesis report on activities implemented jointly under the pilot phase,<sup>1</sup>

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its seventeenth session,

*Acknowledging* that participating in activities implemented jointly under the pilot phase continues to provide an important opportunity for learning by doing,

*Further acknowledging* the importance of offering opportunities to participate in activities implemented jointly under the pilot phase to those Parties that have not yet had experience of such activities,

*Noting* that reports on activities implemented jointly may be submitted at any time and are available on the UNFCCC web site,

1. *Decides* to continue the pilot phase for activities implemented jointly;
2. *Further decides* to change the frequency of the preparation and consideration of the synthesis report on activities implemented jointly under the pilot phase from annual to biennial;
3. *Requests* the secretariat to make available to the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, at their sessions taking place in conjunction with the Conference of the Parties, updates of information submitted;
4. *Further decides* that the deadline for submission of reports on activities implemented jointly under the pilot phase, to be considered in the seventh synthesis report, shall be 1 June 2004.

*7<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> FCCC/SBSTA/2002/8.



## Decision 15/CP.8

### Date and venue of the ninth session of the Conference of the Parties

*The Conference of the Parties,*

*Recalling* Article 7, paragraph 4, of the United Nations Framework Convention on Climate Change,

*Recalling* General Assembly resolution 40/243 of 18 December 1985 on the pattern of conferences,

*Recalling* rule 22, paragraph 1, of the rules of procedure being applied,<sup>1</sup> regarding the rotation of the office of President among the five regional groups,

1. *Decides* that the ninth session of the Conference of the Parties shall be held from 1 to 12 December 2003, to be preceded by informal pre-sessional meetings;
2. *Notes* with appreciation the expression of interest by the Government of Italy in hosting the ninth session of the Conference of the Parties;
3. *Invites* the Government of Italy to provide further information on its offer by 30 November 2003;
4. *Requests* the Executive Secretary to continue consultations with the Government of Italy and to report to the Bureau not later than 15 January 2003 on whether the ninth session of the Conference of the Parties could be held in Italy, in conformity with General Assembly resolution 40/243;
5. *Requests* the Bureau to decide on the venue of the ninth session of the Conference of the Parties by 30 January 2003 after the first fact-finding mission of the secretariat;
6. *Requests* the secretariat, in the light of a decision by the Bureau that the ninth session of the Conference of the Parties should be held in Italy, to conclude a host country agreement with the Government of Italy on arrangements for the ninth session of the Conference of the Parties.

*8<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> FCCC/CP/1996/2.

## Decision 16/CP.8

### Administrative and financial matters

*The Conference of the Parties,*

*Having considered* the information contained in documents prepared by the secretariat on administrative and financial matters,<sup>1</sup>

*Recalling* paragraph 8 (b) of the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change,

*Having considered* the report of the Executive Secretary on late payment contributions: response options,<sup>2</sup>

#### I. Audited financial statements for the biennium 2000–2001

1. *Takes note* of the audited financial statements for the biennium 2000–2001 and the audit report by the United Nations Board of Auditors;<sup>3</sup>
2. *Expresses appreciation* to the United Nations for arranging the audits of the Convention's accounts and for the valuable audit observations and recommendations;
3. *Takes note* of the recommendations and invites the Executive Secretary to implement them, as appropriate.

#### II. Financial performance, 2002–2003

4. *Takes note* of the initial report on financial performance in 2002, including the status of contributions to all the trust funds of the Convention;
5. *Expresses appreciation* to Parties that have paid their contributions to the core budget in a timely manner;
6. *Also expresses appreciation* for the contributions received from Parties to facilitate the participation of developing country Parties in the Convention process, particularly the least developed countries and small island developing States among them, as well as contributions to the Trust Fund for Supplementary Activities;
7. *Encourages* Parties to continue to contribute to the Trust Fund for Participation in the UNFCCC Process, as well as to the Trust Fund for Supplementary Activities;
8. *Reiterates its appreciation* to the Government of Germany for its annual contribution to the core budget of €766,938 and its special contribution of €1.89,522, as host Government to the secretariat in Bonn;
9. *Urges* Parties which have not paid their contributions to the core budget to do so without further delay, bearing in mind that contributions for 2003 are due on 1 January 2003 in accordance with the financial procedures of the secretariat;

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<sup>1</sup> FCCC/SBI/2002/10 and Add.1, FCCC/SBI/2002/11 and FCCC/SBI/2002/INF.13.

<sup>2</sup> FCCC/SBI/2000/2.

<sup>3</sup> FCCC/SBI/2002/10 and Add.1.

10. *Notes with concern* the large number of Parties that have not made their contributions for 2002 or for prior years, some since the establishment of the trust funds.

### III. Late payment of contributions

11. *Takes note* of the initiatives already taken by the secretariat regarding late payment of contributions;<sup>4</sup>

12. *Urges* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year, and to pay their respective contributions promptly and in full by that date.

### IV. Programme budget, 2004–2005

13. *Requests* the Executive Secretary to submit for consideration by the Subsidiary Body for Implementation at its eighteenth session a proposed programme budget for the biennium 2004–2005, including a contingency for conference services should this prove necessary in the light of decisions taken by the General Assembly at its fifty-seventh session;

14. *Requests* the Subsidiary Body for Implementation at its eighteenth session to recommend a programme budget for adoption by the Conference of the Parties at its ninth session.

*8<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>4</sup> FCCC/SBI/2000/2, paragraph 17.



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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS EIGHTH SESSION, HELD AT NEW DELHI  
FROM 23 OCTOBER TO 1 NOVEMBER 2002

Addendum

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

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GE.03-60859

## Decision 17/CP.8

### **Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention**

*The Conference of the Parties,*

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

*Recalling also* its decisions on communications from Parties not included in Annex I to the Convention (non-Annex I Parties) and, in particular, its decisions 10/CP.2, 2/CP.4, 12/CP.4, 8/CP.5, 31/CP.7 and 32/CP.7,

*Recalling further* that, by its decision 8/CP.5, it had initiated a process of reviewing the guidelines for the preparation of national communications from non-Annex I Parties, with the aim of improving them,

*Having in mind* that, at its seventh session, it had decided<sup>1</sup> to continue the process of reviewing the guidelines for the preparation of national communications from non-Annex I Parties, with a view to adopting them at its eighth session,

*Acknowledging* that the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention has made important contributions to the revision of the guidelines for the preparation of national communications from non-Annex I Parties,

*Recognizing* the important role of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention in facilitating technical advice and support for the preparation of second and, where appropriate, third national communications from non-Annex I Parties, pursuant to decision 3/CP.8,

1. Decides:

(a) That Parties not included in Annex I to the Convention (non-Annex I Parties) should use the guidelines contained in the annex to this decision for the preparation of second and, where appropriate, third national communications and, where appropriate, initial national communications, except where Parties have initiated the process of preparing second national communications and received funding under the expedited procedures or on an agreed full cost basis prior to the approval of the guidelines annexed to this decision;

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

(c) That these guidelines should be used to provide guidance to an operating entity of the financial mechanism for funding the preparation of national communications from non-Annex I Parties;

(d) That the guidelines contained in the annex to this decision, together with the guidance to an operating entity of the financial mechanism provided in decision 6/CP.8, should be used for the

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<sup>1</sup> Decision 32/CP.7.

preparation of second and, where appropriate, third national communications and, where appropriate, initial national communications;

(e) That Parties that have submitted their second national communication and started their third national communication before the thirteenth session of the Conference of the Parties, may do so using the guidelines annexed to this decision;

(f) That the frequency of submission of second and, where appropriate, third national communications by non-Annex I Parties shall be determined by the Conference of the Parties, at its ninth session, taking into account the principle of differentiated timetables set by the Convention;

2. *Invites* non-Annex I Parties that may wish to do so, to use elements from the guidelines for the preparation of national communications from Parties included in Annex I to the Convention, when preparing their national communications;

3. *Requests* the secretariat to facilitate assistance to non-Annex I Parties in the preparation of their national communications, in accordance with Article 8, paragraph 2 (c), of the Convention, and to prepare reports thereon for consideration by the Subsidiary Body for Implementation.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## ANNEX

### **Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention**

#### **I. INTRODUCTION**

##### **A. Objectives**

1. The principal objectives of the guidelines for the preparation of national communications from Parties not included in Annex I to the Convention (non-Annex I Parties) shall be:

(a) To assist non-Annex I Parties in meeting their reporting requirements under the Convention;

(b) To encourage the presentation of information in a consistent, transparent and comparable, as well as flexible, manner, taking into account specific national circumstances;

(c) To facilitate the presentation of information on support required for the preparation and improvement of national communications from non-Annex I Parties;

(d) To serve as policy guidance to the operating entity of the financial mechanism for the timely provision of financial support needed by developing country Parties in order to meet the agreed full costs of complying with their obligations under Article 12, paragraph 1, as referred to in decisions 11/CP.2, 2/CP.4, 2/CP.7 and 6/CP.7;

(e) To ensure that the Conference of the Parties (COP) has sufficient information to carry out its responsibility for assessing the implementation of the Convention by Parties.

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

2. As stated in Article 12, paragraph 1, of the Convention, the national communication shall include the following information:

(f) A national inventory of anthropogenic emissions by sources and removal by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties;

(g) A general description of steps taken or envisaged by the non-Annex I Party to implement the Convention;

(h) Any other information that the non-Annex I Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends.

#### **II. NATIONAL CIRCUMSTANCES**

3. Non-Annex I Parties should provide a description of their national and regional development priorities, objectives and circumstances, on the basis of which they will address climate change and its adverse impacts. This description may include information on features of their geography, climate and economy which may affect their ability to deal with mitigating and adapting to climate change, as well as information regarding their specific needs and concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures, as contained in Article 4, paragraph 8, and, as appropriate, in Article 4, paragraphs 9 and 10, of the Convention.

4. Non-Annex I Parties are encouraged to provide a summary of relevant information regarding their national circumstances, as appropriate, in tabular form.

5. Non-Annex I Parties may provide a description of existing institutional arrangements relevant to the preparation of their national communications on a continuous basis.

### III. NATIONAL GREENHOUSE GAS INVENTORY

6. Each non-Annex I Party shall, in accordance with Article 4, paragraph 1 (a), and Article 12, paragraph 1(a) of the Convention, communicate to the Conference of the Parties a national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases (GHGs) not controlled by the Montreal Protocol, to the extent its capacities permit, following the provisions in these guidelines.

7. Non-Annex I Parties shall estimate national GHG inventories for the year 1994 for the initial national communication or alternatively may provide data for the year 1990. For the second national communication, non-Annex I Parties shall estimate national GHG inventories for the year 2000. The least developed country Parties could estimate their national GHG inventories for years at their discretion.

#### A. Methodologies

8. Non-Annex I Parties should use the Revised 1996 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories, hereinafter referred to as the IPCC Guidelines, for estimating and reporting their national GHG inventories.

9. In accordance with the IPCC Guidelines, Parties may use different methods (tiers) included in the Guidelines, giving priority to those methods which are believed to produce the most accurate estimates, depending on national circumstances and the availability of data. As encouraged by the IPCC Guidelines, Parties can also use national methodologies where they consider these to be better able to reflect their national situation, provided that these methodologies are consistent, transparent and well documented.

10. The IPCC Guidelines offer a default methodology which includes default emission factors and in some cases default activity data. As these default factors, data and assumptions may not always be appropriate for specific national circumstances, non-Annex I Parties are encouraged to use their country-specific and regional emission factors and activity data for key sources or, where these do not exist, to propose plans to develop them in a scientifically sound and consistent manner, provided that they are more accurate than the default data and documented transparently. Non-Annex I Parties are encouraged to formulate cost-effective national or regional programmes aiming at the development or improvement of country-specific or regional emissions factors and activity data.

11. Non-Annex I Parties are encouraged to apply the IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (hereinafter referred to as the IPCC good practice guidance), taking into account the need to improve transparency, consistency, comparability, completeness and accuracy in inventories.

12. Non-Annex I Parties are also encouraged, to the extent possible, to undertake any key source analysis as indicated in the IPCC good practice guidance to assist in developing inventories that better reflect their national circumstances.

#### B. Reporting

13. Non-Annex I Parties are encouraged to describe procedures and arrangements undertaken to collect and archive data for the preparation of national GHG inventories, as well as efforts to make this a continuous process, including information on the role of the institutions involved.

14. Each non-Annex I Party shall, as appropriate and to the extent possible, provide in its national inventory, on a gas-by-gas basis and in units of mass, estimates of anthropogenic emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) by sources and removals by sinks.

15. Non-Annex I Parties are encouraged, as appropriate, to provide information on anthropogenic emissions by sources of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>).



16. Non-Annex I Parties are encouraged, as appropriate, to report on anthropogenic emission by sources of other greenhouse gases such as carbon monoxide (CO), nitrogen oxides (NO<sub>x</sub>) and non-methane volatile organic compounds (NMVOCs).
17. Other gases not controlled by the Montreal Protocol, such as sulphur oxides (SO<sub>x</sub>), included in the IPCC Guidelines, may be included at the discretion of the Parties.
18. Non-Annex I Parties are encouraged, to the extent possible, and if disaggregated data are available, to estimate and report CO<sub>2</sub> fuel combustion emissions using both the sectoral and the reference approaches, and to explain any large differences between the two approaches.
19. Non-Annex I Parties should, to the extent possible, and if disaggregated data are available, to report emissions from international aviation and marine bunker fuels separately in their inventories. Emission estimates from these sources should not be included in the national totals.
20. Non-Annex I Parties wishing to report on aggregated GHG emissions and removals expressed in CO<sub>2</sub> equivalents should use the global warming potentials (GWP) provided by the IPCC in its Second Assessment Report ("1995 IPCC GWP Values") based on the effects of GHGs over a 100-year time horizon.
21. Non-Annex I Parties are encouraged to provide information on methodologies used in the estimation of anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, including a brief explanation of the sources of emission factors and activity data. If non-Annex I Parties estimate anthropogenic emissions and removals from country-specific sources and/or sinks which are not part of the IPCC Guidelines, they should explicitly describe the source and/or sink categories, methodologies, emission factors and activity data used in their estimation of emissions, as appropriate. Parties are encouraged to identify areas where data may be further improved in future communications through capacity-building.
22. Each non-Annex I Party is encouraged to use tables 1 and 2 of these guidelines in reporting its national GHG inventory, taking into account the provisions established in paragraphs 14 to 17 above. In preparing those tables, Parties should strive to present information which is as complete as possible. Where numerical data are not provided, Parties should use the notation keys as indicated.
23. Non-Annex I Parties are encouraged to include in their national communications the inventory sectoral tables and worksheets<sup>1</sup> of the IPCC, in both electronic and hard copy format.
24. Non-Annex I Parties are encouraged to provide information on the level of uncertainty associated with inventory data and their underlying assumptions, and to describe the methodologies used, if any, for estimating these uncertainties.

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<sup>1</sup> The IPCC software (see <http://www.ipcc-nggip.iges.or.jp/public/gl/software.htm>) provides for automated reporting in the worksheets and tables.

#### **IV. GENERAL DESCRIPTION OF STEPS TAKEN OR ENVISAGED TO IMPLEMENT THE CONVENTION**

25. Each non-Annex I Party shall, in accordance with Article 12, paragraph 1(b), communicate to the Conference of the Parties a general description of steps taken or envisaged by the Party to implement the Convention, taking into account its common but differentiated responsibilities and its specific national and regional development priorities, objectives and circumstances.

26. Non-Annex I Parties may provide information on programmes containing measures to mitigate climate change by addressing anthropogenic emission by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, and measures to facilitate adequate adaptation to climate change, following the provisions in these guidelines.

27. Taking into account Article 4, paragraph 7, and, as appropriate, Article 4, paragraphs 3 and 5, of the Convention, the extent to which developing country Parties will effectively implement their commitment to communicate this information will depend on the effective implementation by developed country Parties of their commitments under the Convention relating to financial resources and transfer of technology.

##### **A. Programmes containing measures to facilitate adequate adaptation to climate change**

28. Each Party shall, in accordance with Article 12, paragraph 1 (b) and (c), of the Convention, provide to the COP information on the general descriptions of steps taken or envisaged towards formulating, implementing, publishing and regularly updating national and, where appropriate, regional programmes containing measures to facilitate adequate adaptation to climate change, and any other information they consider to be relevant to the achievement of the objective of the Convention and suitable for inclusion in their communications.

29. In doing so, non-Annex I Parties should provide information on their vulnerability to the adverse effects of climate change, and on adaptation measures being taken to meet their specific needs and concerns arising from these adverse effects.

##### **1. Methodological approaches**

30. Non-Annex I Parties may use appropriate methodologies and guidelines<sup>2</sup> they consider better able to reflect their national situation for assessing their vulnerability and adaptation to climate change, provided that these methodologies and guidelines are consistent, transparent and well documented.

31. Non-Annex I Parties are encouraged to use, for the evaluation of adaptation strategies and measures,<sup>3</sup> appropriate methodologies they consider better able to reflect their national situation, provided that these methodologies are consistent, transparent and well documented.

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<sup>2</sup> Such as the *IPCC Technical Guidelines for Assessing Climate Change Impacts and Adaptations* (Carter, T.R., M.L. Parry, H. Harasawa, S. Nishioka, 1994), the *UNEP Handbook on Methods for Climate Change Impact Assessment and Adaptation Strategies* (Feenstra, J.F., I. Burton, J.B. Smith, R.S.J. Tol, 1998), and the *International Handbook on Vulnerability and Adaptation Assessments* (Benioff, R., S. Guill, J. Lee, 1996).

<sup>3</sup> Such as those contained in the *Compendium of Decision Tools to Evaluate Strategies for Adaptation to Climate Change* which is available from the UNFCCC web site, [www.unfccc.int/issues/meth\\_tools.html](http://www.unfccc.int/issues/meth_tools.html)

## 2. Reporting

32. Non-Annex I Parties are encouraged to provide information on the scope of their vulnerability and adaptation assessment, including identification of vulnerable areas that are most critical.

33. Non-Annex I Parties are encouraged to include a description of approaches, methodologies and tools used, including scenarios for the assessment of impacts of, and vulnerability and adaptation to, climate change, as well as any uncertainties inherent in these methodologies.

34. Non-Annex I Parties are encouraged to provide information on their vulnerability to the impacts of, and their adaptation to, climate change in key vulnerable areas. Information should include key findings, and direct and indirect effects arising from climate change, allowing for an integrated analysis of the country's vulnerability to climate change.

35. Non-Annex I Parties are encouraged to provide information on and, to the extent possible, an evaluation of, strategies and measures for adapting to climate change, in key areas, including those which are of the highest priority.

36. Where relevant, Parties may report on the use of policy frameworks, such as national adaptation programmes,<sup>4</sup> plans and policies for developing and implementing adaptation strategies and measures.

### **B. Programmes containing measures to mitigate climate change**

37. Each Party shall, in accordance with Article 12, paragraphs 1 (b) and (c), of the Convention, provide to the COP information on the general descriptions of steps taken or envisaged for formulating, implementing, publishing and regularly updating national and, where appropriate, regional programmes containing measures to mitigate climate change by addressing anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, and any other information they consider to be relevant to the achievement of the objective of the Convention and suitable for inclusion in their communications.

#### 1. Methodological approaches

38. Based on national circumstances, non-Annex I Parties are encouraged to use whatever methods are available and appropriate in order to formulate and prioritize programmes containing measures to mitigate climate change; this should be done within the framework of sustainable development objectives, which should include social, economic and environmental factors.

39. In their assessment of these programmes on various sectors of the economy, non-Annex I Parties may use the appropriate technical resources.<sup>5</sup>

#### 2. Reporting

40. Based on national circumstances, non-Annex I Parties are encouraged to provide, to the extent their capacities allow, information on programmes and measures implemented or planned<sup>6</sup> which contribute to mitigating climate change by addressing anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, including, as appropriate, relevant information by key sectors on methodologies, scenarios, results, measures and institutional arrangements.

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<sup>4</sup> For example, national adaptation programmes of action (NAPAs) for least developed countries.

<sup>5</sup> Such as *Technologies, Policies and Measures for Mitigating Climate Change* (IPCC Technical Paper I); *Greenhouse Gas Mitigation Assessment: A Guidebook by the U.S. Country Studies Program; Climate Change 2001: Mitigation* (Contribution of Working Group III to the Third Assessment Report of the IPCC)

<sup>6</sup> Such as measures being considered by the government for future implementation.

## **V. OTHER INFORMATION CONSIDERED RELEVANT TO THE ACHIEVEMENT OF THE OBJECTIVE OF THE CONVENTION**

41. With a view to facilitating the formulation and implementation of sustainable development programmes, non-Annex I Parties are encouraged, as appropriate, to provide information on any steps they have taken to integrate climate change considerations into relevant social, economic and environmental policies and actions in accordance with Article 4, paragraph 1 (f), of the Convention.

### **A. Transfer of technologies**

42. Pursuant to decision 4/CP.7, its annex, and the implementation of Article 4, paragraph 5, of the Convention, non-Annex I Parties are encouraged, in the light of their social and economic conditions, to provide information on activities relating to the transfer of, and access to, environmentally sound technologies and know-how, the development and enhancement of endogenous capacities, technologies and know-how, and measures relating to enhancing the enabling environment for development and transfer of technologies.

### **B. Research and systematic observation**

43. Non-Annex I Parties are encouraged to provide information on climate change research and systematic observation, including their participation in and contribution to activities and programmes, as appropriate, of national, regional and global research networks and observing systems.<sup>7</sup>

44. Non-Annex I Parties are encouraged to provide information on research relating to programmes containing measures to mitigate climate change; programmes containing measures to facilitate adequate adaptation to climate change; and the development of emission factors and activity data.

### **C. Education, training and public awareness**

45. Non-Annex I Parties are invited to provide information on activities relating to climate change education, training and public awareness.

### **D. Capacity-building**

46. Non-Annex I Parties are encouraged to provide, in accordance with decision 2/CP.7, information on how capacity-building activities, as contained in the framework annexed to that decision, are being implemented at national and, where appropriate, at subregional and/or regional levels. This could include, inter alia, options and priorities for capacity-building, participation in and promotion of South-South cooperation, the involvement of stakeholders in capacity-building, coordination and sustainability of capacity-building activities, and the dissemination and sharing of information on capacity-building activities.

47. Non-Annex I Parties are encouraged to include, as appropriate, information on national, subregional and/or regional capacity-building activities for integrating adaptation to climate change into medium and long-term planning.

### **E. Information and networking**

48. Non-Annex I Parties are encouraged to provide information on their efforts to promote information sharing among and within countries and regions. Information could cover, as appropriate, participation in and contribution to networks, and access to, and use of, information technologies for information exchange.

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<sup>7</sup> Such as the Global Climate Observing System, Global Terrestrial Observing System and Global Ocean Observing System.

## **VI. CONSTRAINTS AND GAPS, AND RELATED FINANCIAL, TECHNICAL AND CAPACITY NEEDS**

49. Non-Annex I Parties should, in accordance with national circumstances and development priorities, describe any constraints and gaps, and related financial, technical and capacity needs, as well as proposed and/or implemented activities for overcoming the gaps and constraints, associated with the implementation of activities, measures and programmes envisaged under the Convention, and with the preparation and improvement of national communications on a continuous basis.
50. Non-Annex I Parties should provide information on financial resources and technical support for the preparation of their national communications provided by themselves, as well as those received from the Global Environment Facility (GEF), Annex II Parties or bilateral and multilateral institutions.
51. Non-Annex I Parties should also provide information on financial resources and technical support provided by themselves and by the GEF, Annex II Parties or bilateral and multilateral institutions, for activities relating to climate change.
52. Non-Annex I Parties are encouraged to provide, to the extent their capacities permit, a list of projects proposed for financing, in accordance with Article 12, paragraph 4, of the Convention, in preparation for arranging the provision of technical and financial support.
53. Non-Annex I Parties may include information on opportunities for the implementation of adaptation measures, including pilot and/or demonstration adaptation projects, being undertaken or proposed. They may also provide information on barriers to the implementation of adaptation measures. They may include, as appropriate, information on how support programmes from Parties included in Annex II to the Convention are meeting their specific needs and concerns relating to vulnerability and adaptation to climate change.
54. With regard to the development and transfer of technology, non-Annex I Parties are encouraged to provide information on country-specific technology needs and assistance received from developed country Parties and the financial mechanism of the Convention and, as appropriate, on how they have utilized this assistance in support of the development and enhancement of endogenous capacities, technologies and know-how.
55. Non-Annex I Parties are encouraged to provide information on other relevant needs and/or areas for capacity-building other than those mentioned in paragraphs 45, 47, 48 and 50.

## **VII. SUBMISSION**

56. The information provided in accordance with these guidelines shall be communicated by each non-Annex I Party to the COP in a single document, with an executive summary outlining the information contained in the full document, in both hard copy and electronic format.
57. Each non-Annex I Party shall submit its national communication in one of the official languages of the United Nations. The executive summary, which is to be of no more than 10 pages, shall be translated into English and made publicly available. Parties are also encouraged to submit, to the extent possible and where relevant, English translations of their communications.
58. Additional or supporting information may be supplied through other documents such as a technical annex.

**Table 1. National greenhouse gas inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol<sup>a</sup> and greenhouse gas precursors**

Greenhouse gas source and sink categories	CO <sub>2</sub> emissions (Gg)	CO <sub>2</sub> removals (Gg)	CH <sub>4</sub> (Gg)	N <sub>2</sub> O (Gg)	CO (Gg)	NO <sub>x</sub> (Gg)	NMVOCs (Gg)	SO <sub>x</sub> (Gg)
<b>Total national emissions and removals</b>	X	X	X	X	X	X	X	X
<b>1. Energy</b>	X	X	X	X	X	X	X	X
A. Fuel combustion (sectoral approach)	X		X	X	X	X	X	X
1. Energy industries	X		X	X	X	X	X	X
2. Manufacturing industries and construction	X		X	X	X	X	X	X
3. Transport	X		X	X	X	X	X	X
4. Other sectors	X		X	X	X	X	X	X
5. Other (please specify)	X		X	X	X	X	X	X
B. Fugitive emissions from fuels	X		X		X	X	X	X
1. Solid fuels			X		X	X	X	X
2. Oil and natural gas			X		X	X	X	X
<b>2. Industrial processes</b>	X	X	X	X	X	X	X	X
A. Mineral products	X				X	X	X	X
B. Chemical industry	X		X	X	X	X	X	X
C. Metal production	X		X	X	X	X	X	X
D. Other production	X				X	X	X	X
E. Production of halocarbons and sulphur hexafluoride								
F. Consumption of halocarbons and sulphur hexafluoride								
G. Other (please specify)	X		X	X	X	X	X	X
<b>3. Solvent and other product use</b>	X			X			X	
<b>4. Agriculture</b>			X	X	X	X	X	X
A. Enteric fermentation			X					
B. Manure management			X	X			X	
C. Rice cultivation			X				X	
D. Agricultural soils			X	X			X	
E. Prescribed burning of savannahs			X	X	X	X	X	
F. Field burning of agricultural residues			X	X	X	X	X	
G. Other (please specify)			X	X	X	X	X	
<b>5. Land-use change and forestry</b>	X <sup>b</sup>	X <sup>b</sup>	X	X	X	X	X	X
A. Changes in forest and other woody biomass stocks	X <sup>b</sup>	X <sup>b</sup>						
B. Forest and grassland conversion	X	X	X	X	X	X		
C. Abandonment of managed lands		X						
D. CO <sub>2</sub> emissions and removals from soil	X <sup>b</sup>	X <sup>b</sup>						
E. Other (please specify)	X	X	X	X	X	X		
<b>6. Waste</b>			X	X	X	X	X	X
A. Solid waste disposal on land			X		X		X	
B. Waste-water handling			X	X	X	X	X	
C. Waste incineration					X	X	X	X
D. Other (please specify)			X	X	X	X	X	X
<b>7. Other (please specify)</b>	X	X	X	X	X	X	X	X
<b>Memo items</b>								
<b>International bunkers</b>	X		X	X	X	X	X	X
Aviation	X		X	X	X	X	X	X
Marine	X		X	X	X	X	X	X
<b>CO<sub>2</sub> emissions from biomass</b>	X							

Note: Shaded cells do not require entries.

<sup>a</sup> The following standard indicators should be used, as appropriate, for emissions by sources and removals by sinks of GHGs: **NO** (not occurring) for activities or processes that do not occur for a particular gas or source/sink category within a country, **NE** (not estimated) for existing emissions and removals which have not been estimated, **NA** (not applicable) for activities in a given source/sink category which do not result in emissions or removals of a specific gas, **IE** (included elsewhere) for emissions and removals estimated but included elsewhere in the inventory (Parties should indicate where the emissions or removals have been included), **C** (confidential) for emissions and removals which could lead to the disclosure of confidential information.

<sup>b</sup> Do not provide an estimate of both CO<sub>2</sub> emissions and CO<sub>2</sub> removals. "Net" emissions (emissions – removals) of CO<sub>2</sub> should be estimated and a single number placed in either the CO<sub>2</sub> emissions or CO<sub>2</sub> removals column, as appropriate. Note that for the purposes of reporting, the signs for removals are always (–) and for emissions (+).

**Table 2. National greenhouse gas inventory of anthropogenic emissions of HFCs, PFCs and SF<sub>6</sub>**

Greenhouse gas source and sink categories	HFCs <sup>a,b</sup> (Gg)			PFCs <sup>a,b</sup> (Gg)			SF <sub>6</sub> <sup>a</sup> (Gg)
	HFC-23	HFC-134	Other (to be added)	CF <sub>4</sub>	C <sub>2</sub> F <sub>6</sub>	Other (to be added)	
<b>Total national emissions and removals</b>	X	X	X	X	X	X	X
<b>1. Energy</b>							
A. Fuel combustion (sectoral approach)							
1. Energy industries							
2. Manufacturing industries and construction							
3. Transport							
4. Other sectors							
5. Other (please specify)							
B. Fugitive emissions from fuels							
1. Solid fuels							
2. Oil and natural gas							
<b>2. Industrial processes</b>	X	X	X	X	X	X	X
A. Mineral products							
B. Chemical industry							
C. Metal production	X	X	X	X	X	X	X
D. Other production							
E. Production of halocarbons and sulphur hexafluoride	X	X	X	X	X	X	X
F. Consumption of halocarbons and sulphur hexafluoride	X	X	X	X	X	X	X
G. Other (please specify)							
<b>3. Solvent and other product use</b>							
<b>4. Agriculture</b>							
A. Enteric fermentation							
B. Manure management							
C. Rice cultivation							
D. Agricultural soils							
E. Prescribed burning of savannahs							
F. Field burning of agricultural residues							
G. Other (please specify)							
<b>5. Land-use change and forestry</b>							
A. Changes in forest and other woody biomass stocks							
B. Forest and grassland conversion							
C. Abandonment of managed lands							
D. CO <sub>2</sub> emissions and removals from soil							
E. Other (please specify)							
<b>6. Waste</b>							
A. Solid waste disposal on land							
B. Waste-water handling							
C. Waste incineration							
D. Other (please specify)							
<b>7. Other (please specify)</b>	X	X	X	X	X	X	X
<b>Memo items</b>							
<b>International bunkers</b>							
Aviation							
Marine							
<b>CO<sub>2</sub> emissions from biomass</b>							

<sup>a</sup> Parties may wish to express HFC, PFC and SF<sub>6</sub> emissions as either potential or actual. Potential emissions should be estimated using the tier 1 approach of the IPCC Guidelines. Actual emissions should be estimated using the tier 2 approach of the IPCC Guidelines.

<sup>b</sup> Parties reporting HFCs and PFCs should provide emission estimates on a gas-by-gas basis, that is, disaggregated estimates by chemical expressed in units of mass (Gg), as indicated in the table (e.g. HFC-23), where information is available. This should be done by inserting a column for each HFC and PFC gas for which emissions do occur in the country; the gases in the column headings are given as examples only. Other gases to be reported in this table include HFC-32, HFC-41, HFC-43-10, HFC-125, HFC-134a, HFC-152a, HFC-43-10mee, HFC-143a, HFC-227ea, HFC-236fa, HFC-245ca, C<sub>3</sub>F<sub>8</sub>, C<sub>4</sub>F<sub>10</sub>, c-C<sub>4</sub>F<sub>8</sub>, C<sub>5</sub>F<sub>12</sub>, C<sub>6</sub>F<sub>14</sub>, and any other GHG with high global warming potential not covered in this list.

## Decision 18/CP.8

### **Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, part I: UNFCCC reporting guidelines on annual inventories**

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 10.2 and 12 thereof,

*Further recalling* its decisions 3/CP.1 on preparation and submission of national communications from Parties included in Annex I to the Convention, 4/CP.1 on methodological issues, 9/CP.2 on communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration, 11/CP.4 on national communications from Parties included in Annex I to the Convention, and 3/CP.5 on guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories,

*Reaffirming* that anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol should be reported in a transparent, consistent, comparable, complete and accurate way,

*Noting* that the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories, adopted by decision 3/CP.5, need to be revised to improve the transparency, consistency, comparability, completeness and accuracy of the reported national greenhouse gas inventories and other information,

*Further noting* the improvements Parties included in Annex I to the Convention have made in providing complete and timely annual greenhouse gas inventories,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Adopts* the revised guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories, contained in the annex to this decision;<sup>1</sup>
2. *Decides* that Parties included in Annex I to the Convention should use these UNFCCC guidelines on annual inventories in preparing their inventories due by 15 April each year, beginning in the year 2004;
3. *Decides* that Parties included in Annex I to the Convention should use the UNFCCC reporting guidelines on annual inventories adopted by decision 3/CP.5 in preparing their inventories due by 15 April 2003;
4. *Requests* the secretariat, pending availability of resources, to develop, by October 2003, new software for reporting in the common reporting format included in the annex to these guidelines on annual inventories, in order to facilitate Parties' inventory submissions due by 15 April 2004;
5. *Requests* Parties included in Annex I to the Convention to publish on their national web sites their national inventory submissions consisting of the national inventory report and common reporting format, and to inform the secretariat of the exact address of these publications on the World Wide Web;

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<sup>1</sup> To facilitate ease of use by Parties, the annex to this decision is contained in document FCCC/CP/2002/8.



6. *Requests* the secretariat to publish on its web site the officially submitted annual inventory submissions consisting of the national inventory report and common reporting format of all Parties included in Annex I to the Convention, and publish as well the address of Parties' web sites where these publications are located;

7. *Requests* the secretariat to prepare a report assessing experience in the implementation of these guidelines, taking into account, inter alia, the experience gained by Parties included in Annex I to the Convention in using the guidelines and by the secretariat in processing the information reported by Parties included in Annex I to the Convention, for consideration by the Subsidiary Body for Scientific and Technological Advice at its first session in the year 2006.

*7<sup>th</sup> plenary meeting  
1 November 2002*

## Decision 19/CP.8

### UNFCCC guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4 and 7 thereof,

*Further recalling* its decision 6/CP.5 on guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention,

*Noting* that the guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention, adopted by decision 6/CP.5, need to be revised to improve the consistency in the review of annual inventories and to ensure that the review process allows for a thorough and comprehensive technical assessment of Annex I Parties' annual national inventories,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Adopts* the revised guidelines for the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention, contained in the annex to this decision;<sup>1</sup>
2. *Decides* to apply the above-mentioned guidelines for the technical reviews of greenhouse gas inventories to begin in 2003, in accordance with decision 6/CP.5, taking into consideration that the reporting guidelines on annual inventories used by Parties included in Annex I to the Convention in 2003 will be those adopted by decision 3/CP.5;
3. *Requests* the secretariat to conduct individual reviews until the end of the year 2006, pending availability of resources, by coordinating specifically:
  - (a) The in-country review of eight inventories per year;
  - (b) The review of the remaining annually submitted inventories through centralized and desk reviews; in organizing these reviews, the secretariat should give priority to the centralized reviews and should ensure that desk reviews are conducted only within the two subsequent years following an in-country review;
4. *Requests* the secretariat to prepare a report assessing the implementation of these guidelines, taking into account, inter alia, the experience gained by Parties included in Annex I to the Convention, the secretariat and the review experts, for consideration by the Subsidiary Body for Scientific and Technological Advice at its first session in the year 2006.

*7<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> To facilitate ease of use by Parties, the annex to this decision is contained in document FCCC/CP/2002/8.

**Decision 20/CP.8**

**Revised uniform reporting format for  
activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1, 10/CP.3, 13/CP.5 and 8/CP.7,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its sixteenth session,<sup>1</sup>

*Acknowledging* that participating in activities implemented jointly under the pilot phase continues to provide an important opportunity for learning by doing,

1. Adopts the revised uniform reporting format for activities implemented jointly under the pilot phase contained in the annex to this decision;
2. Urges Parties involved in activities implemented jointly under the pilot phase to submit reports using the revised uniform reporting format on activities implemented jointly under the pilot phase.

*7<sup>th</sup> plenary meeting  
1 November 2002*

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<sup>1</sup> FCCC/SBSTA/2002/6, paragraphs 25–27.

## ANNEX

**Activities implemented jointly under the pilot phase:  
revised Uniform Reporting Format (URF 01)**

The contents provided using the revised uniform reporting format (URF 01) below are for information purposes only and the provisions of the URF should not be construed as adopting the underlying concepts.

The URF 01 is to be used for reporting on activities implemented jointly (AIJ) under the pilot phase (decision 20/CP.8). Activities implemented jointly under the pilot phase and reporting on it are subject to decisions 5/CP.1, 10/CP.3, 13/CP.5 and 8/CP.7 and any subsequent relevant decisions.

**CONTENTS  
(major headings only)**

- A. Governmental acceptance, approval or endorsement
- B. Summary of AIJ project
  - B.1 Title of project
  - B.2 Participants
  - B.3 Activity summary
  - B.4 Determination of the baseline
- C. General compatibility with and supportiveness of national economic development and socio-economic and environment priorities and strategies
- D. Environmental, economic and social and cultural impacts
  - D.1 Environmental impact (positive and/or negative)
  - D.2 Economic impact (positive and/or negative)
  - D.3 Social and cultural impact (positive and/or negative)
- E. Calculation of real, measurable and long-term environmental benefits relating to the mitigation of climate change, that would not have occurred otherwise
  - E.1 Assumptions and characteristics of the baseline
  - E.2 Assumptions and characteristics of the project scenario
  - E.3 Revision of the baseline for the project
  - E.4 Scope and performance of the actual project
  - E.5 Tables on real, measurable and long-term GHG emission reductions or removals by sinks (in CO<sub>2</sub> equivalent)
  - E.6 Mutually agreed assessment procedures
  - E.7 Cost (to the extent possible)
- F. Financial additionality

- G. Contribution to capacity-building, transfer of environmentally sound technologies and know-how to other Parties, particularly developing country Parties, to enable them to implement the provisions of the Convention. In this process, the developed country Parties shall support the development and enhancement of endogenous capacities and technologies of developing country Parties
- G.1 Identification of environmentally sound technology and know-how
- G.2 Characteristics of environmentally sound technology
- G.3 Impact of the AIJ project on capacity-building and transfer of environmentally sound technology and know-how
- H. Additional comments

Annexes to the revised uniform reporting format

1. Participants' contact information
2. Project type descriptors
3. 1995 IPCC global warming potential (GWP) values based on the effects of greenhouse gases over a 100-year time horizon
4. Decision 20/CP.8 (decision adopting the revised URF and urging Parties to use this format)
5. Decision 5/CP.1

## A. Governmental acceptance, approval or endorsement

### Guidance for completing section A

A report (first, interim or final) shall be submitted to the secretariat by the designated national authority (DNA) of a participating Party with proof of concurrence, on official letterhead paper, of all other DNAs involved in the project. The AIJ project activity is then considered to be “mutually agreed”. The submitting Party may forward reports to the UNFCCC secretariat by electronic mail. The proof of concurrence shall be faxed by the submitting Party at the same time. All documents must also subsequently be made available to the UNFCCC secretariat in original form.

It is important that the host and/or investor Parties involved in this activity provide information on sections C, D and G, to the extent that information is available.

Each report shall be dated. If the report is an interim or final report, the sections which were modified or newly completed shall be identified under the third bullet (•).

- Date of this report:
- This report is a (*Please underline*):
  - First report
  - Interim report
  - Final report
- Please indicate here which sections were modified since the last report (*e.g. B.2, E.2.4, F.2*):

## B. Summary of AIJ project

### Guidance for completing section B

Section B should provide the reader with a brief description of the AIJ project activity. This information shall enable the reader to categorize the project before reading detailed information contained in the remaining sections. The title of the AIJ project activity shall be reported in subsection B.1.

The roles of the main participants shall be described in section B.2. Detailed contact information shall be provided in annex 1 to the URF 01 using the format contained therein and applying, for each contact, the descriptor system suggested in annex 2.

A general and brief description of the AIJ project activity shall be provided in subsection B.3.1, covering information such as the GHG impact and the type and scale of the technology deployed (e.g. installed capacity, throughput). The type (using a set of descriptors), the location, the stage and the lifetime of the AIJ project activity shall be identified in the remaining subsections of B.3. If the AIJ project activity has been suspended, a brief explanation and the date when it is scheduled to resume activity shall be provided. All dates in this report shall be provided in the format DD/MM/YYYY.

Information relating to the baseline determination and approach shall be provided in section B.4. The baseline methodology, described in detail in section E.1, shall be indicated in section B.4.3. Two

options are provided: (i) the use of a project-specific baseline which establishes the emissions and/or removals for a specific reference case that represents what would otherwise occur; emissions and/or removals by sinks resulting from a project would be compared to the project-specific baseline to calculate net reductions or removals resulting from the project;

(ii) the use of a multi-project baseline which establishes a performance standard (based on emissions and/or removals) for a sector or source category for a specific geographic area that represents what would otherwise occur; emissions and/or removals resulting from a project within the same sector or source category and same geographic area would be compared to the multi-project baseline to calculate net reductions or removals resulting from the project. The level of aggregation of multi-project baselines, if applicable, and the scope of the project boundary of the baseline described in detail in section E.1 shall be indicated in section B.4. The project boundary is defined as the space within which the project is implemented and its emissions or removals by sinks occur. Leakage due to the project, defined as the change in emissions or in removals by sinks outside the project boundary, shall be addressed.

**B.1 Title of project****B.2 Participants**

*Please describe briefly the role(s) of the main participating organization(s) and provide detailed contact information in annex 1:*

**B.3 Activity summary**

## B.3.1 General description

## B.3.2 Type of activity

*(Please use project type descriptors contained in annex 2)*

## B.3.3 Location (e.g. city, region, state):

B.3.4 Stage of activity *(Please underline the appropriate option):*

- Pre-feasibility study completed
- Feasibility study completed
- In start-up or construction phase  
*(e.g. ensuring financing, construction of site, purchase of land, installation of new equipment)*
- In operation  
*(e.g. new windmill plant is connected, converted boiler reconnected, etc., and real, measurable and long-term GHG emission reductions or removals by sinks are generated)*
- Completed  
*(AIJ project activity no longer generates GHG reductions or removals by sinks or has been terminated)*
- Suspended  
*(Please indicate date when AIJ project activity is expected to resume, and give brief explanation of reasons for suspension (up to half a page)):*

**B.3.5 Lifetime of AIJ project activity**

- Approval date:  
*(Date at which the AIJ project activity was mutually approved by designated national authorities of **all** Parties involved)*
- Starting date:  
*(Date at which real, measurable and long-term GHG reductions or removals by sinks will begin or began to be generated)*
- Ending date (expected):  
*(Date at which AIJ project activity is expected to no longer generate GHG reductions or removals by sinks)*
- Ending date (actual):  
*(Date at which AIJ project no longer generated GHG reductions or removals by sinks or was terminated)*
- Ending of the operational life of the project if different from the ending date of the AIJ project activity:
- Reasons for the choice of lifetime dates:  
*(Describe briefly (up to half a page))*

**B.4 Determination of the baseline**

B.4.1 Date of completing the baseline determination:

B.4.2 Carried out by (name):

*(Please provide detailed contact information in annex 1)*

B.4.3 Type of baseline methodology applied and described in detail in section E.1

*(Please underline the appropriate option(s))*

- Project-specific by:
  - I. simulating a likely situation that would have existed without the project
  - II. taking an actual reference case project
  - III. other *(Please specify (insert lines as needed))*:
- Multi-project by using *(please specify briefly)*:

B.4.4 Describe the scope of the project boundary

*(Please summarize briefly the related information provided in section E.2):*

B.4.5 Describe the degree of aggregation of the multi-project baseline

*(Please summarize briefly the related information provided in section E.1)*



**C. General compatibility with and supportiveness of national economic development and socio-economic and environment priorities and strategies**

*Describe briefly, to the extent that information is available (up to one page), and refer to documents, decisions and laws, as appropriate:*

**D. Environmental, economic and social and cultural impacts**

## Guidance for completing section D

The positive and negative impacts of the AIJ project activity on environmental (other than GHGs), economic and social and cultural areas shall be reported in this section, to the extent information is available. Whenever possible, *quantitative information* shall be provided. Failing that, a *qualitative description* shall be given. Indicators (qualitative and quantitative) applied shall reflect the impact of the AIJ project activity in an interconnected manner. Copies of reports, details and sources of information for environmental impact assessment standards, as applicable in the host country, (D.1), economic indicators (D.2) and social and cultural assessment measures (D.3) should be at least referenced. Documents required by law of the host or investor Party relating to these areas shall be at least referenced, for example an environmental impact assessment. The information provided for each section shall not exceed one page.

**D.1 Environmental impact (positive and/or negative)****D.2 Economic impact (positive and/or negative)****D.3 Social and cultural impact (positive and/or negative)****E. Calculation of real, measurable and long-term environmental benefits relating to the mitigation of climatic change, that would not have occurred otherwise**

## Guidance for completing section E

The baseline, i.e. what would have occurred in the absence of the AIJ project, shall be described in section E.1. Assumptions and characteristics of the baseline shall be provided in section E.1.1. The information provided shall include a list of uncertainty factors considered and the way such uncertainties are addressed in the baseline. The baseline shall be described in section E.1.2, including effects occurring outside the AIJ project activity boundary. Such effects may include: (i) positive effects (e.g. displacing activities that reduce emissions in another location; technology spillovers; awareness building; cost reduction of technology due to scale effects; and attraction of demand for clean, reliable services); and/or (ii) negative effects (e.g. displacing activities that cause emissions in another location; technology leakage; purchasing or contracting out of services and commodities that were previously produced or provided on-site and now lead to emissions elsewhere; emission increases due to higher demand for services and commodities whose market price has been reduced through the project; and changes in emissions during the life-cycle of a product so that emissions arise in other stages of the life-cycle that are not subject to constraints). If an overall leakage correction factor is used, its estimation and measurement shall be explained.

The reasons for selecting a baseline and the methodology shall be provided in subsection E.1.3. The type of methodological approach applied and described in this subsection shall be indicated in subsection B.4.3. Similarly, the level of aggregation of the project boundary should be indicated in section B.4.4.

The reporting on the calculation of GHG reductions and/or removals using IPCC global warming potentials for a 100-year time horizon (refer to annex 3) shall be transparent. The information provided in subsection E.1.4 shall be sufficient to enable a full understanding of the calculation and its results. Disaggregated activity data (e.g. fuel consumption), emission factors and other underlying assumptions and data, as well as effects occurring outside the project boundary, shall be considered and reported. Discount rates applied, if different from those used in subsection E.7.2, should be reported. Numeric data other than the GHG reduction and/or removals should be provided in the 'documentation box' at the end of the subsection.

Revisions of baselines shall be reported in section E.2, as applicable. The AIJ project scenario should be presented, including the methods applied to calculate the levels of emissions and/or removals by sinks. Guidance provided for subsections E.1.1, E.1.2 and E.1.4 shall apply to the respective subsections in section E.3.

The GHG reductions and/or removals calculated in subsections E.1.4, E.2.4, E.3.3 and E.4 shall be reported in the applicable tables of subsection E.5. Numerical data relating to activity, emission factors, underlying assumptions, etc., shall be reported in the documentation box provided in each subsection of E. Data should be reported only once and cross-referenced if necessary.

Depending on the mutually agreed assessment procedure chosen for the AIJ project activity, subsections E.6.1 to E.6.2 should be filled in as applicable. Information on cost shall be reported in subsection E.7. If cost information is considered confidential, the appropriate option in subsection E.7.1 shall be underlined.

The various cost items referred to in subsection E.7.2 are defined as follows:

- Capital costs are costs incurred in connection with the financial commitments of the project over its lifetime.
- Installation costs include construction and start-up costs, i.e. costs of construction of sites, installation of equipment etc.
- Operational and maintenance costs include the cost of operating and maintaining the project activity.
- Costs per metric ton of CO<sub>2</sub> equivalent are calculated by dividing the sum of gross AIJ project activity costs by the total CO<sub>2</sub> equivalent reductions or removals from tables E.5.1 or E.5.2, as applicable.

If this project has several sub-activities, please reproduce sections E.1 to E.5 for each sub-activity, as appropriate.

### **E.1 Assumptions and characteristics of the baseline**

E.1.1 Assumptions of the baseline

*(Describe (up to 1 page)):*

E.1.2 Describe the baseline

*(Please describe the baseline as well as leakage effects (up to 1 page)):*

E.1.3 Reasons for selecting a baseline and its methodology

*(Describe (up to 1 page)):*

E.1.4 Calculation of values reported in 'Baseline scenario' in table E.5.1 column (A):

Documentation box <i>(Please provide numerical data referred to in this section):</i>
---

### **E.2 Assumptions and characteristics of the project scenario**

E.2.1 Assumptions for the AIJ project activity and its boundary

E.2.2 Describe the project scenario

*(Please describe the project scenario as well as effects occurring outside the project boundary (up to 1 page)):*

E.2.3 Please explain why the AIJ project activity would not have taken place anyway

*(Describe (up to 1 page)):*

E.2.4 Calculation of values reported in 'Project scenario' in table E.5.1, column (B)

Documentation box <i>(Please provide numerical data referred to in this section):</i>
---

### **E.3 Revision of the baseline for the project**

E.3.1 Baseline revisions are planned (please underline): Yes/ No

*If yes, please complete the remainder of section E.3:*

E.3.2 Revisions are planned at regular intervals (please underline): Yes/ No

- If yes, please specify date of first planned revision and the length of the intervals:
- If no, please explain revision schedule *(up to half a page)*:

E.3.3 Information on revisions

- If a baseline (and/or the project scenario) revision is covered by this report, describe briefly the nature of this revision, including parameters changed in the revision as well as the calculation of the new set of values in the column 'Baseline scenario' in a revision of table E.5.1, column (A): *(up to one page)*

- Date of last baseline revision: *(DD/MM/YYYY)*
- Date of next baseline revision: *(DD/MM/YYYY)*

Documentation box *(Please provide numerical data referred to in this section):*

**E.4 Scope and performance of the actual project**

*Provide actual project data (E.5.2. Column B) and the calculations of the actual real, measurable and long-term emission reductions and/or removals as measured against the relevant (original/revised) baseline scenario values*

Documentation box *(Please provide numerical data referred to in this section):*

**E.5 Tables on real, measurable and long-term GHG emission reductions or removals by sinks (in CO<sub>2</sub> equivalent)**

**E.5.1 Projected real, measurable and long-term GHG emission reductions or removals by sinks**

Projected real, measurable and long-term GHG emission reductions or removals by sinks over the lifetime of the AIJ activity  
*(Please underline and complete, as appropriate: This is the initial table or this is revision \_\_ of this table)*  
 (in metric tons of CO<sub>2</sub> equivalent)

*Insert rows as needed*

Year	Baseline scenario <sup>a</sup> (A)				Project scenario <sup>a</sup> (B)				Projected real, measurable and long-term GHG emission reductions (-) or removals by sinks (+) (B - A)			
	CO <sub>2</sub>	CH <sub>4</sub> <sup>b</sup>	N <sub>2</sub> O <sup>b</sup>	Other <sup>b</sup>	CO <sub>2</sub>	CH <sub>4</sub> <sup>b</sup>	N <sub>2</sub> O <sup>b</sup>	Other <sup>b</sup>	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Other
<b>TOTAL</b>												

<sup>a</sup> Including effects occurring outside the project boundary (leakage) as described in sections E.1.4, and E.2.4, as applicable

<sup>b</sup> Please convert values into global warming potentials, referring to annex 3 for conversion factors.

E.5.2 Actual real, measurable and long-term GHG emission reductions or removals by sinks

Actual real, measurable and long-term GHG emission reductions or removals by sinks of the AIJ activity  
(in metric tons of CO<sub>2</sub> equivalent)

*Please insert values assessed ex post i.e. after measurement. Insert rows as needed.*

Year	Baseline scenario <sup>a b</sup> (A)				Actual project <sup>a b</sup> (B)				Actual real, measurable and long-term GHG emission reductions (-) or removals by sinks (+) (B - A)				Values indicated are assessed independently (Yes/No)
	CO <sub>2</sub>	CH <sub>4</sub> <sup>c</sup>	N <sub>2</sub> O <sup>c</sup>	Other <sup>c</sup>	CO <sub>2</sub>	CH <sub>4</sub> <sup>c</sup>	N <sub>2</sub> O <sup>c</sup>	Other <sup>c</sup>	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Other	
<b>TOTAL</b>													

<sup>a</sup> Including effects occurring outside the project boundary (leakage) as described in sections E.1.4, E.2.4, E.3.3 and E.4, as applicable.

<sup>b</sup> Values that differ from those in table E.5.1 should be marked in **bold**.

<sup>c</sup> Please convert values into global warming potentials, referring to annex 3 for conversion factors.

## E.6 Mutually agreed assessment procedures

If the AIJ activity provides for mutually agreed assessment procedures, please complete subsection E.6.1 or E.6.2, as applicable.

E.6.1 Assessment procedures that use all or one of the following steps:

E.6.1.1 Initial independent assessment of the project activity:

- Has the project design been subject to such an assessment?  
(Please underline): Yes/No
- If yes, what organization(s) is/are involved: (Please indicate the type(s) of organization(s) (consultancy, accredited certification body, government body, university, etc.) and provide their detailed contact information in annex 1 to this report).

E.6.1.2 Monitoring

- Does the project have a monitoring plan? (Please underline): Yes / No
- Summarize briefly the key elements of the monitoring plan (which parameters are being monitored, with what frequency, providing sampling intensities if appropriate, methods and equipment; associated uncertainties, etc.) (not more than 1 page):
- Is the monitoring conducted by project proponents? (Please underline): Yes / No
- If no, which organization(s) is/are involved: (Please indicate the type(s) of organization(s) (consultancy, accredited certification body, government body, university, etc.) and provide their detailed contact information in annex 1 to this report).

E.6.1.3 Independent assessment of the project performance

- Is the activity subject to such an assessment? (Please underline): Yes / No
- If no, is such an assessment intended? (Please underline): Yes / No
- If yes, what organization(s) is/are involved: (Please indicate the type(s) of organization(s) (consultancy, accredited certification body, government body, university, etc.), and provide their detailed contact information in annex 1 to this report. Indicate the frequency of the assessments, how many assessments have taken place to date, and whether the assessment report(s) is/are publicly available if requested).
- Summarize briefly the key elements of the assessment activities: (Please describe issues such as criteria used; the project design; project implementation; key project parameters being verified; the frequency of assessment/surveillance; sampling approach applied by the assessing organization) (up to one page):

E.6.1.4 Provision of written statement by an independent entity regarding the performance of the project activity

(Please note that such a statement is not a formal requirement under the AIJ pilot phase) (see also the note at the beginning of section E.6). If the project has made provision for such a statement, please indicate the name of the independent body and attach a copy of the written statement(s).

E.6.2 Other form of mutually agreed assessment procedure (please specify):

## E.7 Cost (to the extent possible)

E.7.1 The cost information is (Please underline):

- Provided below
- Not provided because the data are (Please underline):

- Not yet available
- Classified as confidential

## E.7.2 AIJ project activity costs

*Please list cost figures per year (insert rows as needed)*

<b>Description</b>	<b>Amount in US\$</b>	
	Projected (A)	Incurred <sup>(a)</sup> (B)
<b>(1) Capital costs</b>		
<b>(2) Installation costs</b>		
<b>(3) Operational and maintenance costs</b>		
<b>(4) Total AIJ project costs</b> <i>(sum (1) to (3) above)</i>		
<b>(10) Projected costs per metric ton of CO<sub>2</sub> equivalent</b> <i>(divide (4) in column (A) by total reductions/removals from the most recent table E.5.1)</i>		
<b>(11) Incurred costs per metric ton of CO<sub>2</sub> equivalent</b> <i>(divide (4) in column (B) by total reductions/removals reflected in table E.5.2)</i>		

<sup>(a)</sup> Indicate the total incurred until the date of this report.

## F. Financial additionality

*Bearing in mind that the financing of AIJ shall be **additional** to financial obligations of Parties included in Annex II to the Convention within the framework of the financial mechanism, as well as to current official development assistance (ODA) flows (decision 5/CP.1), please list sources and the purpose:*

<b>Source and purpose of the AIJ project activity funding</b> <i>Including pre-feasibility phase</i> <i>(One line for each source)</i>	<b>Amount</b> <i>(in thousands of US\$)</i>



**G. Contribution to capacity-building, transfer of environmentally sound technologies and know-how to other Parties, particularly developing country Parties, to enable them to implement the provisions of the Convention. In this process, the developed country Parties shall support the development and enhancement of endogenous capacities and technologies of developing country Parties**

Guidance for completing section G:

The key technology(ies) transferred through the AIJ project activity shall be described briefly in section G.1. If information is considered to be confidential, the respective field should be indicated as such.

To the extent possible, the characteristics of the key technology(ies) transferred shall be indicated in section G.2 by underlining one of the options provided. If the last option is chosen, a brief description should be provided.

The impact of the AIJ project on capacity-building and transfer of environmentally sound technology and know-how shall be described in section G.3 covering issues such as information dissemination, centres and networks; effect on market development (e.g. relative changes in installed capacities, number of systems installed, investment volumes, sales volumes); specific barriers overcome (informational, financial, legal, institutional); institutions strengthened; new financing schemes or models introduced; and new legal or institutional arrangements made. The contents of section G.3 should show "how" capacity-building and the transfer of environmentally sound technologies and know-how, as applicable, occurred. Indicators relating to such impact shall be referenced if collected.

**G.1 Identification of environmentally sound technology and know-how**

- Name of manufacturer:
- Place of manufacture (*country*):
- Model names and numbers of equipment (*where appropriate*):
- Any other relevant key specific technology characteristics:
- Where applicable, name and location of provider and nature of training:

**G.2 Characteristics of environmentally sound technology**

The technology is (underline the option):

- At a research and development stage
- Being tested or demonstrated in similar conditions outside the host country
- At the initial stage of introduction into the world market
- At the initial stage of introduction into the host market
- Commercially available and deployed in the world market
- Commercially available and deployed in the host market
- Not characterized by the above options. *Please describe:*

**G.3 Impact of the AIJ project on capacity-building and transfer of environmentally sound technology and know-how (up to two pages):**

**H. Additional comments**

*Complete as appropriate:*

**Annex 1 to the revised uniform reporting format (URF 01)**

**Participants' contact information**

Please provide contact information for each organization. Add rows as required (by copying and pasting)

<b>Name</b>	<b>Address<sup>a</sup></b>	<b>Voice/Fax/E-mail</b>
<b>Organization(s):<sup>b</sup></b>		
<b>Function(s) within activity:<sup>c</sup></b>		
<b>Officer responsible:</b>		<b>Tel:</b> <b>Fax:</b> <b>E-mail:</b>
<b>Contact person, if different from above:</b>		<b>Voice:</b> <b>Fax:</b> <b>E-mail:</b>

<sup>a</sup> Address should include: department, street, postal code, city, country and the Internet address of the organization (if available).

<sup>b</sup> Organization includes: institutions, ministries, government agencies closely following the activity, companies, non-governmental organizations, etc., involved in the activity.

<sup>c</sup> Function within activity: please use the following categories:

<b>Function</b>	<b>Description of function</b>
<i>Project development</i>	<i>Designing/developing the AIJ project and/or submitting the AIJ project proposal</i>
<i>Project operator</i>	<i>Implementing and administering the AIJ project activities</i>
<i>Government regulation/oversight</i>	<i>Ensuring compliance of the project with laws and regulations</i>
<i>Technical assistance</i>	<i>Providing scientific or other technical guidance or support for the purposes of project development and/or project administration, implementation, training and education activities</i>
<i>Financing</i>	<i>Serving as a source of funding for the AIJ project</i>
<i>Initial independent assessment of project activity</i>	<i>Assessing whether the project activity meets a given set of criteria</i>
<i>Monitoring</i>	<i>Monitoring the environmental and/or socio-economic results of the project in accordance with a monitoring protocol</i>
<i>Independent assessment of project performance</i>	<i>Assessing the performance (environmental and/or socio-economic) achieved by a project against pre-set criteria</i>
<i>Providing independent written statement on performance</i>	<i>Providing written assurance that a performance is achieved and/or a set of criteria is met by an activity</i>
<i>Designated national authority</i>	<i>Entity authorized to officially accept, approve or endorse the AIJ project</i>
<i>Other (please specify)</i>	

**Annex 2 to the revised uniform reporting format (URF 01)****Project Type Descriptors**

*To describe the type of project activity, please specify the sector(s) and activity(ies). Use a combination from the first column (sector) and one option from the second column (activity):*

<b>Sector</b>	<b>Activity</b>
Energy	Fuel-switching, renewable energy generation, alternative energy generation, improving energy efficiency, reduction of fugitive emissions from fuels, other (please specify)
Industrial processes (Excluding GHG emissions from energy production)	Material substitution, process or equipment change, waste treatment, recovery or recycling, other (please specify)
Solvent and other product use	Material substitution, process or equipment change, waste treatment, recovery or recycling, other (please specify)
Agriculture	Livestock productivity management, livestock manure management, crop management, crop-switching, fertilizer management, fertilizer substitution, other (please specify)
Land-use change and forestry	Afforestation, reforestation, forest preservation, agroforestry, silviculture (forest management), fire management, sustainable harvesting, reduced impact logging, manufacture of durable wood products, other (please specify) <sup>a</sup>
Transport	
Waste	Solid-waste management, landfill methane recovery, wastewater management, other (please specify)
Other	Please make a proposal for the sector and activities

Note: One AIJ project activity may cover several project types.

<sup>a</sup> Parties may wish to further revise these activity categories in the light of results of methodological work on land use, land-use change and forestry.

**Annex 3 to the revised uniform reporting format (URF 01)**

**1995 IPCC global warming potential (GWP) values<sup>a</sup>  
based on the effects of greenhouse gases over a 100-year time horizon**

Greenhouse gas	Chemical formula	1995 IPCC GWP
Carbon dioxide	CO <sub>2</sub>	1
Methane	CH <sub>4</sub>	21
Nitrous oxide	N <sub>2</sub> O	310
Hydrofluorocarbons (HFCs)		
HFC-23	CHF <sub>3</sub>	11700
HFC-32	CH <sub>2</sub> F <sub>2</sub>	650
HFC-41	CH <sub>3</sub> F	150
HFC-43-10mee	C <sub>5</sub> H <sub>2</sub> F <sub>10</sub>	1300
HFC-125	C <sub>2</sub> HF <sub>5</sub>	2800
HFC-134	C <sub>2</sub> H <sub>2</sub> F <sub>4</sub> (CHF <sub>2</sub> CHF <sub>2</sub> )	1000
HFC-134a	C <sub>2</sub> H <sub>2</sub> F <sub>4</sub> (CH <sub>2</sub> FCF <sub>3</sub> )	1300
HFC-143	C <sub>2</sub> H <sub>3</sub> F <sub>3</sub> (CHF <sub>2</sub> CH <sub>2</sub> F)	300
HFC-143a	C <sub>2</sub> H <sub>3</sub> F <sub>3</sub> (CF <sub>3</sub> CH <sub>3</sub> )	3800
HFC-152a	C <sub>2</sub> H <sub>4</sub> F <sub>2</sub> (CH <sub>3</sub> CHF <sub>2</sub> )	140
HFC-227ea	C <sub>3</sub> HF <sub>7</sub>	2900
HFC-236fa	C <sub>3</sub> H <sub>2</sub> F <sub>6</sub>	6300
HFC-245ca	C <sub>3</sub> H <sub>3</sub> F <sub>5</sub>	560
Perfluorocarbons		
Perfluoromethane	CF <sub>4</sub>	6500
Perfluoroethane	C <sub>2</sub> F <sub>6</sub>	9200
Perfluoropropane	C <sub>3</sub> F <sub>8</sub>	7000
Perfluorobutane	C <sub>4</sub> F <sub>10</sub>	7000
Perfluorocyclobutane	c-C <sub>4</sub> F <sub>8</sub>	8700
Perfluoropentane	C <sub>5</sub> F <sub>12</sub>	7500
Perfluorohexane	C <sub>6</sub> F <sub>14</sub>	7400
Sulphur hexafluoride	SF <sub>6</sub>	23900

<sup>a</sup> As provided by the IPCC in its Second Assessment Report. Please refer to conclusions of the SBSTA at its fourth session (FCCC/SBSTA/1996/20) and decision 2/CP.3 (FCCC/CP/1997/7/Add.1).

**Annex 4 to the revised uniform reporting format (URF 01)**

[Decision 20/CP.8]

**Annex 5 to the revised uniform reporting format (URF 01)**

[Decision 5/CP.1]

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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS EIGHTH SESSION, HELD AT NEW DELHI  
FROM 23 OCTOBER TO 1 NOVEMBER 2002**

**Addendum**

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

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## Decision 21/CP.8

### Guidance to the Executive Board of the clean development mechanism

*The Conference of the Parties,*

*Recalling* its decisions 15/CP.7 and 17/CP.7,

*Noting with appreciation* the first report of the Executive Board of the clean development mechanism,<sup>1</sup> and encouraging the Executive Board to continue to report on its activities, including on the implementation of rules 26 and 27 of the rules of procedure contained in annex I to this decision,

*Expressing its appreciation* to the Executive Board for the successful accomplishment of all elements of the work programme stipulated in decision 17/CP.7 and for its efforts to provide for dialogue and the exchange of information with the public,

1. *Decides*, in accordance with the provisions of decision 17/CP.7 and its annex:
  - (a) To adopt the rules of procedure of the Executive Board as contained in annex I to this decision;
  - (b) To encourage the Executive Board to keep its rules of procedure under review and, if necessary, make recommendations, in accordance with paragraph 5 (b) of the annex to decision 17/CP.7, on any amendments or additions aimed at safeguarding its efficient, cost-effective and transparent functioning;
  - (c) To adopt the simplified modalities and procedures for small-scale clean development mechanism project activities as contained in annex II to this decision;
  - (d) To authorize the Executive Board to accredit operational entities and designate them, on a provisional basis, pending the designation by the Conference of the Parties at its next session;
  - (e) To commend the Executive Board and the secretariat for the provision of up-to-date public information on the operational requirements of the clean development mechanism, such as on the accreditation procedures for operational entities and on the clean development mechanism project design document available in all six official languages of the United Nations on the secretariat web site<sup>2</sup> and on CD-ROM;
  - (f) To call to the attention of each Party wishing to participate in clean development mechanism project activities the need to identify a designated national authority and the possibility that information pertaining to the establishment of this authority can be made publicly available through the secretariat web site;
  - (g) To reiterate its invitation to Parties to finance the administrative expenses of operating the clean development mechanism by making contributions to the UNFCCC Trust Fund for Supplementary Activities;

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<sup>1</sup> FCCC/CP/2002/3 and Add.1.

<sup>2</sup> <http://unfccc.int/cdm/index.html>



2. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*7<sup>th</sup> plenary meeting  
1 November 2002*

**Draft decision -/CMP.1**

**Guidance to the Executive Board of the clean development mechanism**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms), and -/CMP.1 (Article 12),*

*Cognizant of decisions 15/CP.7 and 17/CP.7,*

*Decides to confirm and give full effect to any actions taken pursuant to decision 21/CP.8.*

## ANNEX I

### **Rules of procedure of the Executive Board of the clean development mechanism**

#### **I. SCOPE**

##### Rule 1

These rules of procedures shall apply to all activities of the Executive Board of the clean development mechanism (CDM) undertaken in accordance with decision 17/CP.7, and the annex thereto on the modalities and procedures for a CDM, as defined in Article 12 of the Kyoto Protocol.

#### **II. DEFINITIONS**

##### Rule 2

For the purpose of these rules:

1. “Decision 17/CP.7” means the decision taken by the Conference of the Parties to the United Nations Framework Convention on Climate Change at its seventh session on the modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol;<sup>1</sup>
2. “CDM modalities and procedures” means modalities and procedures for a clean development mechanism contained in the annex to decision 17/CP.7;<sup>2</sup>
3. “UNFCCC” means the United Nations Framework Convention on Climate Change;
4. “COP” means the Conference of the Parties to the United Nations Framework Convention on Climate Change;
5. “COP/MOP” means the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
6. “CDM” means the clean development mechanism as defined in Article 12 of the Kyoto Protocol;
7. “Executive Board” means the Executive Board of the clean development mechanism as defined in Article 12 of the Kyoto Protocol;
8. “Chair” and “Vice-Chair” mean the members of the Executive Board elected as Chair and Vice-Chair by the Executive Board of the clean development mechanism;
9. “Member” means member of the Executive Board of the clean development mechanism;
10. “Alternate member” means alternate member of the Executive Board of the clean development mechanism;
11. “Secretariat” means the secretariat referred to in Article 14 of the Kyoto Protocol and the paragraph 19 of the CDM modalities and procedures;
12. “Technical reports commissioned” refers to reports commissioned by the Executive Board to obtain outside expertise other than reports produced by committees, panels and working groups specified in section VII of these rules of procedure;

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<sup>1</sup> FCCC/CP/2001/13/Add.2

<sup>2</sup> FCCC/CP/2001/13/Add/2

Paragraph 1 (e) of the CDM modalities and procedures:

13. “Stakeholders” means the public, including individuals, groups or communities affected, or likely to be affected, by the proposed clean development mechanism project activity.

14. For the purpose of rules 26 and 27, Parties to the Convention that are not Parties to the Kyoto Protocol may exercise the same rights as all other observers.

### **III. MEMBERS AND ALTERNATE MEMBERS**

#### **A. Nomination, election and re-election**

##### Rule 3

Paragraph 7 of the CDM modalities and procedures:

The Executive Board shall comprise ten members from Parties to the Kyoto Protocol, as follows: one member from each of the five United Nations regional groups, two other members from the Parties included in Annex I, two other members from the Parties not included in Annex I, and one representative of the small island developing States, taking into account the current practice in the Bureau of the Conference of the Parties.

##### Rule 4

2. The term of service of a member, or an alternate member, shall start on 1 January of the calendar year following his/her election by the COP/MOP and shall end on 31 December, two or three years thereafter, as applicable.

##### Rule 5

Paragraph 9 of the CDM modalities and procedures:

1. The COP/MOP shall elect an alternate for each member of the Executive Board based on the criteria in paragraphs 7 and 8 {of the CDM modalities and procedures}. The nomination by a constituency of a candidate member shall be accompanied by a nomination for a candidate alternate member from the same constituency.

2. Any reference in these rules to a member shall be deemed to include his/her alternate when such alternate acts for the member.

3. In the absence of a member from a meeting of the Board, his/her alternate shall serve as the member for that meeting.

Rule 6

1.

Paragraph 8 (c) of the CDM modalities and procedures:

1. The cost of participation of members, and of alternate members, from developing country Parties and other Parties eligible under UNFCCC practice shall be covered by the budget for the Executive Board.

2. Funding for participation shall be provided in accordance with the financial regulations of the United Nations and the financial procedures of the UNFCCC.

**B. Suspension, termination and resignation**

Rule 7

Paragraph 10 of the CDM modalities and procedures:

1. The Executive Board may suspend and recommend to the COP/MOP the termination of the membership of a particular member, including an alternate member, for cause including, inter alia, breach of the conflict of interest provisions, breach of the confidentiality provisions, or failure to attend two consecutive meetings of the Executive Board without proper justification.

2. Any motion calling for the suspension of, and recommendation to the COP/MOP to terminate the membership of, a member, or an alternate member, shall immediately be put to the vote in accordance with the voting rules in section V below. When the motion concerns the suspension of, and recommendation to the COP/MOP to terminate the membership of, the Chair, the Vice-Chair shall act as Chair until the voting has been conducted and its result announced.

3. The Executive Board shall suspend and recommend termination of the membership of a member, or an alternate member, only after the member, or alternate member, has been afforded the opportunity of a hearing by the Board in a meeting.

#### Rule 8

Paragraph 11 of the CDM modalities and procedures:

1. If a member, or an alternate member, of the Executive Board resigns or is otherwise unable to complete the assigned term of office or to perform the functions of that office, the Executive Board may decide, bearing in mind the proximity of the next session of the COP/MOP, to appoint another member, or an alternate member, from the same constituency to replace the said member for the remainder of that member's mandate.

2. The Executive Board shall request the relevant constituency to nominate the new member, or the new alternate member, to be appointed in accordance with paragraph 1 of this rule.

#### **C. Conflict of interest and confidentiality**

#### Rule 9

Paragraph 8 (f) of the CDM modalities and procedures:

{Members, including alternate members, of the Executive Board shall} {h}ave no pecuniary or financial interest in any aspect of a CDM project activity or any designated operational entity.

#### Rule 10

Paragraph 8 (e) of the CDM modalities and procedures:

1. {Members, including alternate members, of the Executive Board shall} take a written oath of service witnessed by the Executive Secretary of the UNFCCC or his/her authorized representative before assuming his or her duties.

2. The written oath of service shall read as follows:

“I solemnly declare that I will perform my duties as a member/alternate member of the Executive Board of the clean development mechanism pursuant to Article 12 of the Kyoto Protocol, honourably, faithfully, impartially and conscientiously.

“I further solemnly declare and promise that I shall have no financial interest in any aspect of the clean development mechanism, including accreditation of operational entities, registration of CDM project activities and/or the issuance of related certified emission reductions. Subject to my responsibilities to the Executive Board, I shall not disclose, even after the termination of my functions, any confidential or

proprietary information which is transferred to the Executive Board in accordance with the CDM modalities and procedures, or any other confidential information coming to my knowledge by reason of my duties for the Executive Board.

“I shall disclose to the Executive Secretary of the United Nations Framework Convention on Climate Change and to the Executive Board any interest in any matter under discussion before the Executive Board which may constitute a conflict of interest or which might be incompatible with the requirements of integrity and impartiality expected of a member of the Executive Board and I shall refrain from participating in the work of the Board in relation to such matter.”

Rule 11

Paragraph 8 (g) of the CDM modalities and procedures:

1. {Members, including alternate members of the Executive Board shall,} subject to their responsibilities to the Executive Board, not disclose any confidential or proprietary information coming to their knowledge by reason of their duties for the Executive Board. The duty of the member, including alternate member, not to disclose confidential information constitutes an obligation in respect of that member, and alternate member, and shall remain an obligation after the expiration or termination of that member's function for the Executive Board.

Paragraph 6 of the CDM modalities and procedures:

2. Information obtained {by members, and alternate members} from CDM project participants marked as proprietary or confidential shall not be disclosed without the written consent of the provider of the information, except as required by national law. Information used to determine additionality as defined in paragraph 43 {of the CDM modalities and procedures}, to describe the baseline methodology and its application, and to support an environmental impact assessment referred to in paragraph 37 (c) {of the CDM modalities and procedures}, shall not be considered as proprietary or confidential.

**D. Officers**

Rule 12

Paragraph 12 of the CDM modalities and procedures:

1. The Executive Board shall elect its own {Chair} and {Vice-Chair}, with one being a member from a Party included in Annex I and the other being from a Party not included in Annex I. The positions of {Chair} and {Vice-Chair} shall alternate annually between a member from a Party included in Annex I and a member from a Party not included in Annex I.

2. At the first Executive Board meeting of each calendar year, the Board shall elect a Chair and a Vice-Chair from among its members.

### Rule 13

1. The Chair and Vice-Chair shall serve in their respective capacities at any meeting of the Executive Board.
2. If the elected Chair is not able to serve in that capacity for a meeting, the Vice-Chair shall serve as Chair. If both are unable to serve in their respective capacities, the Board shall elect a member from among its members present to serve as Chair for that meeting.
3. If the Chair or Vice-Chair ceases to be able to carry out his or her functions, or ceases to be a member, a new Chair or Vice-Chair shall be elected for the remainder of the term.

### Rule 14

1. The Chair shall preside over the meetings of the Executive Board as provided for under this rule.
2. In addition to exercising the functions conferred upon the Chair elsewhere by these rules, the Chair shall declare the opening and closing of meetings, preside at meetings, ensure the observance of these rules, accord the right to speak, put questions to the vote and announce decisions. The Chair shall rule on points of order and, subject to these rules, shall have complete control of the proceedings and over the maintenance of order at the meeting.
3. The Chair may propose to the Executive Board a limitation on the time to be allowed to speakers and on the number of times each member may speak on a question, the adjournment or closure of the debate and the suspension or adjournment of a meeting.
4. The Chair, or any other member designated by the Executive Board, shall represent the Board as necessary, including at sessions of the COP/MOP.

## IV. MEETINGS

### A. Dates

#### Rule 15

Paragraph 13 of the CDM modalities and procedures:

The Executive Board shall meet as necessary but no less than three times a year, bearing in mind the provisions of paragraph 41 {of the CDM modalities and procedures.}

#### Rule 16

1. At the first Executive Board meeting of each calendar year, the Chair shall propose for the approval of the Board a schedule of meetings for that calendar year. To the extent possible, these meetings shall be held in conjunction with sessions of the COP, the COP/MOP or their subsidiary bodies.
2. If changes to the schedule or additional meetings are required, the Chair shall, after consultations with all members, give notice of any changes in the dates of scheduled meetings, and/or of the dates of additional meetings.



Rule 17

The Chair shall convene and give notice of the date of each meeting of the Executive Board not less than eight weeks prior to the date of such meeting.

Rule 18

The secretariat shall promptly notify all those invited to the meeting.

**B. Venue**

Rule 19

Meetings of the Executive Board held in conjunction with meetings of the COP, the COP/MOP or their subsidiary bodies shall be held at the same location as the meetings of these bodies. Other meetings of the Executive Board shall take place at the location of the secretariat, unless the Executive Board decides otherwise or other appropriate arrangements are made by the secretariat in consultation with the Chair.

**C. Agenda**

Rule 20

The Chair, assisted by the secretariat, shall draft the provisional agenda of each meeting of the Executive Board and transmit a copy of such provisional agenda, agreed upon by the Executive Board at its previous meeting, to all those invited to the meeting.

Rule 21

Additions or changes to the provisional agenda of a meeting may be proposed to the secretariat by any member, or alternate member, and incorporated in the proposed agenda provided that the member, or alternate member, shall give notice thereof to the secretariat not less than four weeks before the date set for the opening of the meeting. The proposed agenda for the meeting shall be transmitted by the secretariat to all those invited to the meeting three weeks before the date set for the opening of the meeting.

Rule 22

The Executive Board shall, at the beginning of each meeting, adopt the agenda for the meeting.

Rule 23

Any item included on the agenda for a meeting of the Executive Board, consideration of which has not been completed at that meeting, shall be included automatically on the provisional agenda for the next meeting, unless otherwise decided by the Executive Board.

**D. Documentation**

Rule 24

1. All documentation for an Executive Board meeting shall be made available to members and alternate members through the secretariat at least two weeks before the meeting.

2. Documentation shall be made publicly available by the secretariat via the Internet soon after transmission to members and alternate members. Availability of such documentation shall be subject to confidentiality provisions.

#### Rule 25

Paragraph 5 (j) of the CDM modalities and procedures:

{The Executive Board shall} make any technical reports commissioned available to the public and provide a period of at least eight weeks for public comments on draft methodologies and guidance before documents are finalized and any recommendations are submitted to the COP/MOP for their consideration.

### **E. Transparency**

#### Rule 26

Subject to the need to protect confidential information, the principle of transparency should apply to all the work of the Executive Board, encompassing the timely public availability of documentation and channels through which external comments by all Parties and all UNFCCC accredited observers and stakeholders can be submitted for consideration by the Board. The posting of the Board's meetings on the Internet is one way to ensure transparency.

### **F. Attendance**

#### Rule 27

Paragraph 16 of the CDM modalities and procedures:

1. Meetings of the Executive Board shall be open to attendance, as observers, by all Parties and by all UNFCCC accredited observers and stakeholders, except where otherwise decided by the Executive Board.

2. Observers may, upon invitation by the Board, make presentations relating to matters under consideration by the Board.

### **G. Quorum**

#### Rule 28

Paragraph 14 of the CDM modalities and procedures:

At least two thirds of the members of the Executive Board, representing a majority of members from Parties included in Annex I and a majority of members from Parties not included in Annex I, must be present to constitute a quorum.

## V. VOTING

### Rule 29

Paragraph 15 of the CDM modalities and procedures:

1. Decisions by the Executive Board shall be taken by consensus, whenever possible. If all efforts at reaching a consensus have been exhausted and no agreement has been reached, decisions shall be taken by a three-fourths majority of the members present and voting at the meeting. Members abstaining from voting shall be considered as not voting.

2. The Chair shall ascertain whether consensus has been reached. The Chair shall declare that a consensus does not exist if there is a stated objection to the proposed decision under consideration by a member of the Executive Board or by an alternate member acting for a member.

3. Each member shall have one vote. For the purpose of this rule, the phrase “members present and voting” means members present at the meeting at which voting takes place and casting an affirmative or negative vote.

4. Alternate members may participate in the proceedings of the Board without the right to vote. An alternate member may cast a vote only if acting for the member.

### Rule 30

1. Whenever, in the judgment of the Chair, a decision must be taken by the Executive Board which cannot be postponed until the next meeting of the Executive Board, the Chair shall transmit to each member a proposed decision, with an invitation to approve the decision by consensus. Together with the proposed decision, the Chair shall provide, subject to the applicable confidentiality requirements, the relevant facts that, in the Chair’s judgement, justify decision-making pursuant to this rule 30. The proposed decision shall be transmitted in the form of an electronic message through the listserv of the Executive Board. A quorum of the Board is required to confirm the receipt of the message. Such message shall also be transmitted to alternate members for information.

2. Members, and/or alternate members, shall be given two weeks from the date of receipt of the proposed decision for comments. These comments shall be made available to members and alternate members via the Executive Board listserv.

3. At the expiration of the period referred to in paragraph 2 above, the proposed decision shall be considered approved if there is no objection by any member. If an objection is raised, the Chair shall include consideration of the proposed decision as an item on the proposed agenda for the next meeting of the Executive Board and inform the Board accordingly.

4. Any decision made using the procedure specified in paragraphs 1 to 3 of this rule shall be included in the report of the Board at its next meeting.

## **VI. LANGUAGES**

### **Rule 31**

Paragraph 17 of the CDM modalities and procedures:

The full text of all decisions of the Executive Board shall be made publicly available. The working language of the Executive Board shall be English. Decisions shall be made available in all six official languages of the United Nations.

## **VII. COMMITTEES, PANELS AND WORKING GROUPS**

### **Rule 32**

Paragraph 18 of the CDM modalities and procedures:

1. The Executive Board may establish committees, panels or working groups to assist it in the performance of its functions. The Executive Board shall draw on the expertise necessary to perform its functions, including from the UNFCCC roster of experts. In this context, it shall take fully into account the consideration of regional balance.

2. The panel shall be composed of an appropriate number of panel members determined by the Executive Board. Members of a panel shall have demonstrated and recognized technical expertise in the relevant field of work.

3. In establishing a panel, the Executive Board shall appoint two Executive Board members to act as Chair and Vice-Chair of the panel, one from a Party included in Annex I and one from a Party not included in Annex I. The Executive Board may appoint additional members and alternate members to participate in a panel.

4. In establishing a panel, the Executive Board shall determine its terms of reference. The terms of reference shall include a work plan, the deadline for submission of documents, the criteria for the selection of the panel members and the necessary budgetary provisions.

5. Reports of committees, panels and working groups to the Executive Board shall be made publicly available, subject to confidentiality provisions.

## **VIII. SECRETARIAT**

### **Rule 33**

Paragraph 19 of the CDM modalities and procedures:

The secretariat shall service the Executive Board.

Rule 34

The Executive Secretary of the UNFCCC shall arrange for the provision of staff and services required for the servicing of the Executive Board from within available resources. The Executive Secretary shall manage and direct such staff and services and provide appropriate support and advice to the Executive Board.

Rule 35

An official of the secretariat designated by the Executive Secretary shall serve as secretary to the Executive Board.

Rule 36

In addition to the functions specified in the CDM modalities and procedures and/or any subsequent decision by the COP/MOP, the secretariat shall, in accordance with these rules, and subject to the availability of resources:

(a) Receive, reproduce and distribute to members and alternate members the documents of a meeting;

(b) Receive and translate decisions into all six official languages of the United Nations and make publicly available the full texts of all decisions of the Executive Board;

(c) Assist the Executive Board in fulfilling tasks relating to the maintenance of files and the collection, processing and public availability of information;

(d) Perform all other work that the Executive Board may require.

Rule 37

The financial regulations of the United Nations and the financial procedures of the UNFCCC shall apply.

**IX. CONDUCT OF BUSINESS**

Rule 38

The Executive Board shall undertake any tasks assigned to it by decision 17/CP.7, in accordance with the CDM modalities and procedures, and by any subsequent decision taken by the COP/MOP.

**X. RECORD OF THE MEETING**

Rule 39

Before the end of each meeting, the Chair shall present draft conclusions and decisions of the meeting for consideration and approval by the Executive Board. Any written records of the Executive Board or recordings of proceedings shall be kept by the secretariat in accordance with United Nations rules and regulations.

## **XI. AMENDMENTS TO THE RULES**

### Rule 40

Paragraph 5 (b) of the CDM modalities and procedures:

{The Executive Board shall} make recommendations to the COP/MOP on any amendments or additions to rules of procedure for the Executive Board contained in the {CDM modalities and procedures}, as appropriate.

## ANNEX II

### **Simplified modalities and procedures for small-scale clean development mechanism project activities**

#### **I. FURTHER CLARIFICATIONS ON DEFINITIONS OF ELIGIBLE ACTIVITIES**

##### **B. Type (i) project activities: renewable energy project activities with a maximum output capacity equivalent to up to 15 megawatts (or an appropriate equivalent) (decision 17/CP.7, paragraph 6 (c) (i))**

1. Definition of “renewable energy”: the Executive Board agreed to draw up an indicative list of energy sources/eligible project activities,<sup>1</sup> as proposed in the attachment to annex 2 of the annotated agenda of its third meeting.<sup>2</sup> In drawing up such a list, the Board shall consider recognized classifications of renewable energy technologies/sources and take into account experience based on completed or ongoing small-scale projects in relevant fields. Following the “bottom-up” project cycle approach of the clean development mechanism (CDM), this list shall evolve and be further elaborated over time as new project activities are proposed and registered.

2. Definition of “maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent)”:

(a) Definition of “maximum output”: the Board agreed to define “output” as installed/rated capacity, as indicated by the manufacturer of the equipment or plant, disregarding the actual load factor of the plant;

(b) Definition of “appropriate equivalent” of 15 megawatts: the Board agreed that, whereas decision 17/CP.7, paragraph 6 (c) (i), refers to megawatts (MW), project proposals may refer to MW(p), MW(e) or MW(th).<sup>3</sup> As MW(e) is the most common denomination, and MW(th) only refers to the production of heat which can also be derived from MW(e), the Board agreed to define MW as MW(e) and otherwise to apply an appropriate conversion factor.

##### **C. Type (ii) project activities: energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatt hours per year (decision 17/CP.7, paragraph 6 (c) (ii))**

3. Definition of “energy efficiency improvement project activities”:

(a) The Executive Board agreed to draw up an indicative list of eligible project activities/sectors, as proposed in the attachment to annex 2 of the annotated agenda of its third meeting. In drawing up such a list, the Board shall consider recognized classifications of energy efficiency and take into account experience based on completed or ongoing small-scale projects in relevant fields. Following the CDM “bottom-up” approach, this list shall evolve and be further elaborated over time as new project activities are proposed and registered;

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<sup>1</sup> Project activities referring to the burning of peat and non-biogenic waste should not be included in the indicative list.

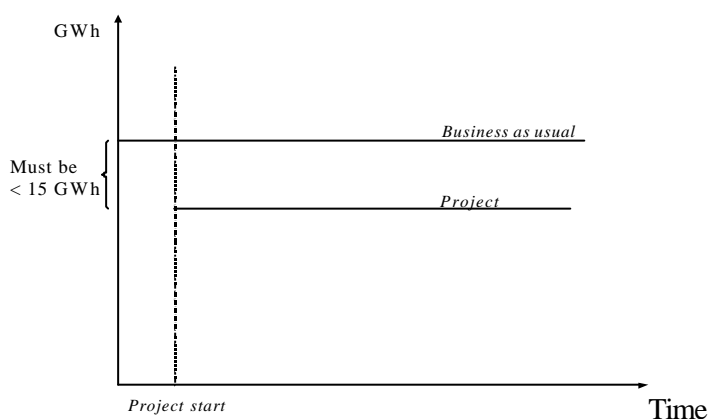
<sup>2</sup> Please refer to <http://unfccc.int/cdm/ebmeetings/eb003/eb03annan2.pdf>.

<sup>3</sup> Where (p) stands for peak, (e) stands for electric and (th) stands for thermal.

- (b) The Board further agreed on the following clarifications:
- (i) Energy efficiency is the improvement in the service provided per unit power, that is, project activities which increase unit output of traction, work, electricity, heat, light (or fuel) per MW input are energy efficiency project activities;
  - (ii) Energy consumption is the consumption reduced and measured in watt-hours with reference to an approved baseline. Lower consumption as a result of lower activity shall not be taken into consideration;

(c) Demand side, as well as supply side, projects shall be taken into consideration, provided that a project activity results in a reduction of maximum 15 gigawatt hours (GWh), as illustrated by figure 1. A total saving of 15 GWh is equivalent to 1000 hours of operation of a 15 MW plant or  $15 \times 3.6 \text{ TJ} = 54 \text{ TJ}$ , where TJ stands for terajoules.

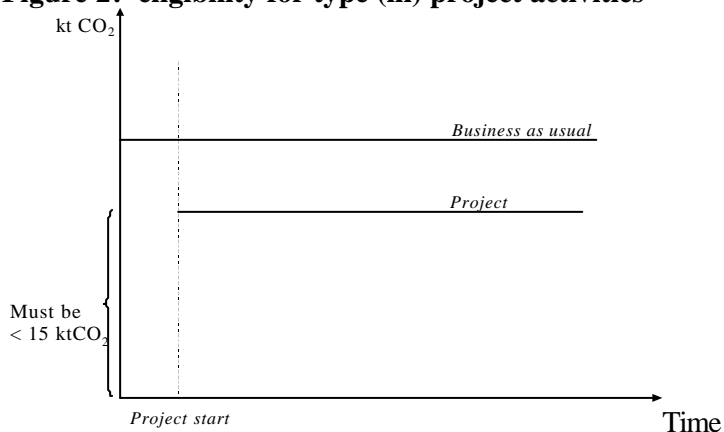
**Figure 1: eligibility for type (ii) project activities**



**D. Type (iii) project activities: other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually (decision 17/CP.7, paragraph 6 (c) (iii)):**

4. As figure 2 illustrates, type (iii) projects shall not exceed total direct emissions of 15 kilotonnes (kt) of carbon dioxide (CO<sub>2</sub>) equivalent annually, and must reduce greenhouse gas emissions.

**Figure 2: eligibility for type (iii) project activities**





5. As presented in the attachment to annex 2 of the annotated agenda of the third meeting of the Executive Board, type (iii) CDM project activities could include agricultural projects, fuel switching, industrial processes and waste management. Possible examples in the agricultural sector include improved manure management, reduction of enteric fermentation, improved fertilizer usage or improved water management in rice cultivation.

6. Other project activities that could qualify include CO<sub>2</sub> recycling, carbon electrodes, adipic acid production and the use of hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>) making reference to the emission reductions generated by such projects expressed in CO<sub>2</sub> equivalent. In order for these to be calculated in a consistent and transparent manner, appropriate baseline methodologies need to be developed.

**E. Interpretation of types of project activity to be mutually exclusive (decision 17/CP.7, paragraph 6 (c), (i), (ii) and (iii))**

7. The Board agreed that the three types of project activities outlined in decision 17/CP.7, paragraph 6 (c), are mutually exclusive. In a project activity with more than one component that will benefit from simplified CDM modalities and procedures, each component shall meet the threshold criterion of each applicable type, e.g. for a project with both a renewable energy and an energy efficiency component, the renewable energy component shall meet the criterion for “renewable energy” and the energy efficiency component that for “energy efficiency”.

**F. Point in the project activity lifetime at which reference values are to be applied (decision 17/CP.7, paragraph 6 (c), (i), (ii) and (iii))**

8. The Board agreed that if the maximum reference value of a small-scale CDM project activity is exceeded on an annual average basis during any verified period, CERs should be issued only up to the maximum value.

**II. DRAFT SIMPLIFIED MODALITIES AND PROCEDURES FOR SMALL-SCALE CDM PROJECT ACTIVITIES**

**A. Introduction**

9. Small-scale CDM project activities shall follow the stages of the project cycle specified in the modalities and procedures for a clean development mechanism contained in the annex to decision 17/CP.7 (hereinafter referred as the CDM modalities and procedures). In order to reduce transaction costs modalities and procedures are simplified for small-scale CDM project activities, as follows:

(a) Project activities may be bundled or portfolio bundled at the following stages in the project cycle: the project design document, validation, registration, monitoring, verification and certification. The size of the total bundle should not exceed the limits stipulated in paragraph 6 (c) of decision 17/CP.7;

(b) The requirements for the project design document are reduced;

(c) Baselines methodologies by project category are simplified to reduce the cost of developing a project baseline;

(d) Monitoring plans are simplified, including simplified monitoring requirements, to reduce monitoring costs;

(e) The same operational entity may undertake validation, and verification and certification.

10. Simplified baseline and monitoring methodologies have been developed for 14 small-scale CDM project activity categories related to types (i) to (iii).<sup>4</sup> They are presented in appendix B. This list shall not preclude other types of small-scale CDM project activities. If a proposed small-scale CDM project activity does not fall into any of the categories in appendix B, the project participants may submit a request to the Executive Board for approval of a simplified baseline and/or monitoring plan developed bearing in mind provisions in paragraph 16 below.

11. The CDM modalities and procedures shall apply to small-scale CDM project activities except for its paragraphs 37 to 60. The following paragraphs 12 to 39 apply instead. Appendix A to this annex should replace, as appropriate, provisions in appendix B of the CDM modalities and procedures.

### **B. Simplified modalities and procedures for small-scale CDM project activities**

12. To use simplified modalities and procedures for small-scale CDM project activities, a proposed project activity shall:

(a) Meet the eligibility criteria for small-scale CDM project activities set out in paragraph 6 (c) of decision 17/CP.7;

(b) Conform to one of the project categories in appendix B to this annex;

(c) Not be a debundled component of a larger project activity, as determined through appendix C to this annex.

13. Project participants shall prepare a project design document in accordance with the format specified in appendix A to this annex.

14. Project participants may use the simplified baseline and monitoring methodologies specified in appendix B for their project category.

15. Project participants involved in small-scale CDM project activities may propose changes to the simplified baseline and monitoring methodologies specified in appendix B or propose additional project categories for consideration by the Executive Board.

16. Project participants willing to submit a new small-scale project activity category or revisions to a methodology shall make a request in writing to the Board providing information about the technology/activity and proposals on how a simplified baseline and monitoring methodology would be applied to this category. The Board may draw on expertise, as appropriate, in considering new project categories and/or revisions of and amendments to simplified methodologies. The Executive Board shall expeditiously, if possible at its next meeting, review the proposed methodology. Once approved, the Executive Board shall amend appendix B.

17. The Executive Board shall review and amend, as necessary, appendix B at least once a year.

18. Any amendments to appendix B shall apply only to project activities registered subsequent to the date of amendment and shall not affect registered CDM project activities during the crediting periods for which they are registered.

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<sup>4</sup> Type (i): Renewable energy project activities with a maximum output capacity equivalent of up to 15 megawatts (or an appropriate equivalent); Type (ii): Energy efficiency improvement project activities which reduce energy consumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatthours per year; and Type (iii): Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of carbon dioxide equivalent annually.

19. Several small-scale CDM project activities may be bundled for the purpose of validation. An overall monitoring plan that monitors performance of the constituent project activities on a sample basis may be proposed for bundled project activities. If bundled project activities are registered with an overall monitoring plan, this monitoring plan shall be implemented and each verification/certification of the emission reductions achieved shall cover all of the bundled project activities.

20. A single designated operational entity may perform validation as well as verification and certification for a small-scale CDM project activity or bundled small-scale CDM project activities.

21. The Executive Board, in proposing the share of proceeds to cover administrative expenses and registration fees to recover any project related expenses, may consider proposing lower fees for small-scale CDM project activities.

### **C. Validation and registration**

22. The designated operational entity selected by project participants to validate a project activity, being under a contractual arrangement with them, shall review the project design document and any supporting documentation to confirm that the following requirements have been met:

(a) The participation requirements set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied;

(b) Comments by local stakeholders have been invited and a summary of the comments received has been provided to the designated operational entity together with a report indicating how due account was taken of any comments received;

(c) Project participants have submitted to the designated operational entity documentation on the analysis of the environmental impacts of the project activity, if required by the host Party;

(d) The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 26 to 28 below;

(e) The small-scale project activity conforms to one of the project categories in appendix B and uses the simplified baseline and monitoring methodology for that project activity category as specified in appendix B, or a bundle of small-scale project activities satisfies the conditions for bundling and the overall monitoring plan for the bundled small-scale project activities is appropriate;

(f) The project activity conforms to all other requirements for CDM project activities in the CDM modalities and procedures that are not replaced by these simplified modalities and procedures;

23. The designated operational entity shall:

(a) Prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development;

(b) In accordance with provisions on confidentiality contained in paragraph 27 (h) of the CDM modalities and procedures, make publicly available the project design document;

(c) Receive, within 30 days, comments on the project design document from Parties, stakeholders and UNFCCC accredited non-governmental organizations, and make them publicly available;

(d) After the deadline for receipt of comments, make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated;

(e) Inform project participants of its determination on the validation of the project activity. Notification to the project participants shall include either:

- (i) Confirmation of validation and date of submission of the validation report to the Executive Board; or
- (ii) An explanation of reasons for non-acceptance if the project activity, as documented, is judged not to fulfil the requirements for validation.

(f) Submit to the Executive Board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party as referred to in paragraph 23 (a) above, and an explanation of how it has taken due account of comments received;

(g) Make this validation report publicly available upon transmission to the Executive Board.

24. The registration by the Executive Board shall be deemed final four weeks after the date of receipt by the Executive Board of the request for registration, unless a Party involved in the project activity or at least three members of the Executive Board request a review of the proposed CDM project activity. The review by the Executive Board shall be made in accordance with the following provisions:

(a) It shall be related to issues associated with the validation requirements;

(b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.

25. A proposed project activity that is not accepted may be reconsidered for validation and subsequent registration after appropriate revisions, provided that it follows the procedures and meets the requirements for validation and registration, including those related to public comments.

26. A CDM project activity is additional if anthropogenic emissions of greenhouse gases by sources are reduced below those that would have occurred in the absence of the registered CDM project activity.

27. The baseline for a CDM project activity is the scenario that reasonably represents the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed project activity. A simplified baseline for a small-scale CDM project activity specified in appendix B shall be deemed to reasonably represent the anthropogenic emissions that would occur in the absence of the proposed small-scale project activity. If a simplified baseline is not used, the baseline proposed shall cover emissions from all gases, sectors and source categories listed in Annex A to the Kyoto Protocol within the project boundary.

28. A simplified baseline and monitoring methodology listed in appendix B may be used for a small-scale CDM project activity if the project participants are able to demonstrate to a designated operational entity that the project activity would otherwise not be implemented due to the existence of one or more of the barriers listed in attachment A of appendix B. Where specified in appendix B for a project category, quantitative evidence that the project activity would otherwise not be implemented may be provided instead of a demonstration based on the barriers listed in attachment A to appendix B.

29. Project participants shall select a crediting period for a proposed small-scale CDM project activity from one of the following alternatives:

(a) A maximum of seven years which may be renewed at most two times, provided that, for each renewal, a designated operational entity determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable;

(b) A maximum of 10 years with no option of renewal.

30. Leakage is defined as the net change of anthropogenic emissions by sources of greenhouse gases which occurs outside the project boundary, and which is measurable and attributable to the CDM project activity. Reductions in anthropogenic emissions by sources shall be adjusted for leakage in accordance with the provisions of appendix B for the relevant project categories. The Executive Board shall consider simplification of the leakage calculation for any other project categories added to appendix B.

31. The project boundary shall encompass significant anthropogenic emissions by sources of greenhouse gases under the control of the project participants that are reasonably attributable to the small-scale CDM project activity, in accordance with provisions of appendix B for the relevant project category.

#### **D. Monitoring**

32. Project participants shall include, as part of the project design document for a small-scale CDM project activity or bundle of small-scale CDM project activities, a monitoring plan. The monitoring plan shall provide for the collection and archiving of the data needed to:

(a) Estimate or measure anthropogenic emissions by sources of greenhouse gases occurring within the project boundary during the crediting period as specified in appendix B for the relevant project category;

(b) Determine the baseline of anthropogenic emissions by sources of greenhouse gases occurring within the project boundary during the crediting period, as specified in appendix B for the relevant project category;

(c) Calculate the reductions of anthropogenic emissions by sources by the proposed small-scale CDM project activity, and for leakage effects, in accordance with provisions of appendix B for the relevant project category.

33. The monitoring plan for a small-scale CDM project activity may use the monitoring methodology specified in appendix B for the relevant project category if the designated operational entity determines at validation that the monitoring methodology reflects good monitoring practice appropriate to the circumstances of the project activity.

34. If project activities are bundled, a separate monitoring plan shall apply for each of the constituent project activities in accordance with paragraphs 32 and 33 above, or an overall monitoring plan shall apply for the bundled projects, as determined by the designated operational entity at validation to reflect good monitoring practice appropriate to the bundled project activities and to provide for collection and archiving of the data needed to calculate the emission reductions achieved by the bundled project activities.

35. Project participants shall implement the monitoring plan contained in the registered project design document, archive the relevant monitored data and report the relevant monitoring data to a designated operational entity contracted to verify the emission reductions achieved during the crediting period specified by the project participants.

36. Revisions, if any, to the monitoring plan to improve its accuracy and/or completeness of information shall be justified by project participants and shall be submitted for validation to a designated operational entity.
37. The implementation of the registered monitoring plan and its revisions, as applicable, shall be a condition for verification, certification and the issuance of certified emission reductions (CERs).
38. Subsequent to the monitoring and reporting of reductions in anthropogenic emissions, CERs resulting from a small-scale CDM project activity during a specified time period shall be calculated, applying the registered methodology, by subtracting the actual anthropogenic emissions by sources from baseline emissions, and adjusting for leakage, as appropriate, in accordance with appendix B for the relevant project category.
39. The project participants shall provide to the designated operational entity, contracted by the project participants to perform the verification, a monitoring report in accordance with the registered monitoring plan set out in paragraph 32 above for the purpose of verification and certification.

#### APPENDIX A

##### **Simplified project design document for small-scale CDM project activities**

*(The full appendix developed by the Executive Board can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)*

APPENDIX B

**Indicative simplified baseline and monitoring methodologies  
for selected small-scale CDM project activity categories**

*(The full appendix developed by the Executive Board can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)*

Project types*	Project categories	Technology/ Measure	Boundary	Baseline	Leakage	Monitoring
<b>Type (i): Renewable energy projects</b>	A. Electricity generation by the user/household					
	B. Mechanical energy for the user/enterprise					
	C. Thermal energy for the user					
	D. Electricity generation for a system					
<b>Type (ii): Energy efficiency improvement projects</b>	E. Supply-side energy efficiency improvements – transmission and distribution activities					
	F. Supply-side energy efficiency improvements – generation					
	G. Demand-side energy efficiency programmes for specific technologies					
	H. Energy efficiency and fuel switching measures for industrial facilities					
	I. Energy efficiency and fuel switching measures for buildings					
<b>Type (iii): Other project activities</b>	J. Agriculture					
	K. Switching fossil fuels					
	L. Emission reductions in the transport sector					
	M. Methane recovery					
<b>Types (i)–(iii)</b>	N. Other small-scale project**					

\* In accordance with paragraph 6 (c) of decision 17/CP.7

\*\* Paragraphs 8 to 10 of the simplified modalities and procedures for small-scale CDM project activities allow for project participants to submit a new small-scale project activity category or revisions to a methodology to the Executive Board for consideration and amendment of appendix B by the Executive Board, as appropriate.

**Attachment A to Appendix B**

*(The full attachment A to appendix B, referred to in paragraph 28 of the simplified modalities and procedures for small-scale CDM project activities, can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm>)*

APPENDIX C

**Decision tree for determining the occurrence of debundling**

*(The full appendix developed by the Executive Board, with the title “Determining the occurrence of debundling,” can be found on the UNFCCC CDM web site: <http://unfccc.int/cdm> )*



## Decision 22/CP.8

### **Additional sections to be incorporated in the guidelines for the preparation of the information required under Article 7, and in the guidelines for the review of information under Article 8, of the Kyoto Protocol<sup>1</sup>**

*The Conference of the Parties,*

*Recalling* its decisions 19/CP.7, 22/CP.7 and 23/CP.7,

*Noting* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Articles 7 and 8,

1. *Decides* to incorporate:

(a) In the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, the section on “Information on emission reduction units, certified emission reductions, assigned amount units and removal units”<sup>2</sup> and the section on “National registries”,<sup>3</sup> as contained in annex I to this decision;

(b) In the guidelines for review under Article 8 of the Kyoto Protocol, the section on “Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units”<sup>4</sup> and the section on “Review of national registries”,<sup>5</sup> as contained in annex II to this decision;

(c) In the guidelines for review under Article 8 of the Kyoto Protocol, the part on “Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms”, as contained in annex III to this decision;<sup>6</sup>

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<sup>1</sup> A consolidated text of draft decisions forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for adoption will be issued to include these additional sections in one document.

<sup>2</sup> This section will be incorporated in section “E. Information on emission reduction units, certified emission reductions, assigned amount units and removal units” (decision 22/CP.7, annex to draft decision -/CMP.1 (*Article 7*): Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3)).

<sup>3</sup> This section will be incorporated in section “E. National Registries” (decision 22/CP.7, annex to draft decision -/CMP.1 (*Article 7*): Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3)).

<sup>4</sup> This section will be incorporated in “Part III: Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units” (decision 23/CP.7, annex to draft decision -/CMP.1 (*Article 8*): Guidelines for review under Article 8 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3)).

<sup>5</sup> This section will be incorporated in “Part V: Review of national registries” (decision 23/CP.7, annex to draft decision -/CMP.1 (*Article 8*): Guidelines for review under Article 8 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3)).

<sup>6</sup> Paragraph 19bis of annex III to this decision will be incorporated after paragraph 19 of the annex to the draft CMP decision on guidelines for review under Article 8 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3). Part VIII in annex III to this decision will be incorporated as “Part VIII: Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms” (decision 23/CP.7, annex to the draft decision -/CMP.1 (*Article 8*): Guidelines for review under Article 8 of the Kyoto Protocol (FCCC/CP/2001/13/Add.3)).

2. *Requests* the secretariat to develop, by 15 March 2004, a proposal for the appropriate electronic format for reporting supplementary information on emission reduction units, certified emission reductions, assigned amount units and removal units, for consideration by the Subsidiary Body for Scientific and Technological Advice at its twentieth session;

3. *Invites* Parties to submit, by 30 April 2004, their views on the proposal by the secretariat mentioned in paragraph 2 above;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its twentieth session, to forward a draft decision to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol recommending that it incorporates in the sections of the guidelines under Articles 7 and 8 of the Kyoto Protocol, referred to in paragraph 1 above, any elements needed to reflect decisions of the Conference of the Parties or of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to definitions and modalities for including afforestation and reforestation project activities under Article 12 of the Kyoto Protocol in the first commitment period.

*7<sup>th</sup> plenary meeting  
1 November 2002*

## ANNEX I

**I. REPORTING OF SUPPLEMENTARY INFORMATION UNDER  
ARTICLE 7, PARAGRAPH 1****Information on emission reduction units, certified emission reductions,  
assigned amount units and removal units**

1. Each Party included in Annex I that is considered to have met the requirements to participate in the mechanisms shall report the supplementary information in this section of the guidelines beginning with information for the first calendar year in which it transferred or acquired emission reduction units (ERUs), certified emission reductions (CERs), assigned amount units (AAUs) and removal units (RMUs)<sup>1</sup> in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*). This information shall be reported in conjunction with the inventory submission due under the Convention in the following year and until the first inventory submission due under the Protocol.

2. Each Party included in Annex I shall report, in a standard electronic format, the following information on ERUs, CERs, AAUs and RMUs from its national registry for the previous calendar year (based on Universal Time), distinguishing between units valid for different commitment periods:

(a) The quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (a) and (c) to (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the quantities of ERUs, CERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) at the beginning of the year;

(b) The quantity of AAUs issued on the basis of the assigned amount pursuant to Article 3, paragraphs 7 and 8;

(c) The quantity of ERUs issued on the basis of Article 6 projects and the corresponding quantities of AAUs and RMUs that were converted to ERUs;

(d) The quantity of ERUs issued in accordance with paragraph 24 of the annex to decision -/CMP.1 (*Article 6*) on the basis of Article 6 projects, verified under the supervision of the Article 6 supervisory committee, and the corresponding quantities of AAUs and RMUs that were converted to ERUs;

(e) The quantities of ERUs, CERs, AAUs and RMUs acquired from each transferring registry; the quantity of CERs acquired as a result of afforestation and reforestation activities under Article 12 shall be identified separately from acquisitions of other CERs;<sup>2</sup>

(f) The quantity of RMUs issued on the basis of each activity under Article 3, paragraphs 3 and 4;

(g) The quantities of ERUs, CERs, AAUs and RMUs transferred to each acquiring registry; the quantity of CERs transferred as a result of afforestation and reforestation activities under Article 12 shall be identified separately from transfers of other CERs<sup>3</sup>;

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<sup>1</sup> As defined in paragraphs 1–4 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

<sup>2</sup> The guidance in this subparagraph is adopted without prejudice to paragraph 4 of decision 22/CP.8.

<sup>3</sup> The guidance in this subparagraph is adopted without prejudice to paragraph 4 of decision 22/CP.8.

- (h) The quantity of ERUs transferred in accordance with paragraph 10 of the annex to decision 18/CP.7;
- (i) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) on the basis of each activity under Article 3, paragraphs 3 and 4;
- (j) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) following determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1;
- (k) The quantities of other ERUs, CERs, AAUs and RMUs cancelled under paragraph 33 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (l) The quantities of ERUs, CERs, AAUs and RMUs retired;
- (m) The quantities of ERUs, CERs and AAUs carried over from the previous commitment period;
- (n) The quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (a) and (c) to (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the quantities of ERUs, CERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) at the end of the year.
3. Each Party included in Annex I shall report on any discrepancies identified by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), specifying whether the relevant transactions were completed or terminated and, in the case where transactions were not terminated, the transaction number(s) and serial numbers and quantities of ERUs, CERs, AAUs and RMUs concerned. The Party may also provide its explanation for not terminating the transaction.
4. Each Party included in Annex I shall report the serial numbers and quantities of ERUs, CERs, AAUs and RMUs held in the national registry at the end of that year that are not valid for use towards compliance with commitments under Article 3, paragraph 1, pursuant to paragraph 43 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).
5. Each Party included in Annex I shall report on any actions and the date of such actions taken to correct any problem that caused a discrepancy to occur, any changes to the national registry to prevent a discrepancy from reoccurring, and the resolution of any previously identified questions of implementation pertaining to transactions.
6. Each Party included in Annex I shall report the calculation of its commitment period reserve in accordance with the annex to decision -18/CP.7.
7. Each Party included in Annex I shall provide access, upon request of expert review teams, to information held in the national registry relating to holding accounts referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and other types of accounts and transactions for the previous calendar year, that substantiates the supplementary information reported under paragraphs 2 and 3 above.
8. Each Party included in Annex I shall, for the year of submission of the annual inventory for the last year of the commitment period, report the supplementary information described in this section of the

guidelines that relates to the accounting of assigned amounts for that commitment period in that year and that would otherwise be reported with the annual inventory submission, in conjunction with the report upon expiration of the additional period for fulfilling commitments referred to in paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

## II. REPORTING OF SUPPLEMENTARY INFORMATION UNDER ARTICLE 7, PARAGRAPH 2

### National registries

9. Each Party included in Annex I shall provide a description of how its national registry performs the functions defined in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and complies with the requirements of the technical standards for data exchange between registry systems as adopted by the COP/MOP. The description shall include the following information:

(a) The name and contact information of the registry administrator designated by the Party to maintain the national registry;

(b) The names of the other Parties with which the Party cooperates by maintaining their national registries in a consolidated system;

(c) A description of the database structure and capacity of the national registry;

(d) A description of how the national registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the transaction log (decision 19/CP.7, paragraph 1)<sup>3</sup>;

(e) A description of the procedures employed in the national registry to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and/or RMUs, and of the steps taken to terminate transactions where a discrepancy is notified and to correct problems in the event of a failure to terminate the transactions;

(f) An overview of security measures employed in the national registry to prevent unauthorized manipulations and to prevent operator error and of how these measures are kept up to date;

(g) A list of the information publicly accessible by means of the user interface to the national registry;

(h) The Internet address of the interface to its national registry;

(i) A description of measures taken to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster;

(j) The results of any test procedures that might be available or developed with the aim of testing the performance, procedures and security measures of the national registry undertaken pursuant to the provisions of decision 19/CP.7 relating to the technical standards for data exchange between registry systems.

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<sup>3</sup> See draft -/CMP.1 decision on technical standards for data exchange between registry systems recommended by COP 8 in the annex to decision 24/CP.8.

## ANNEX II

**PART III: REVIEW OF INFORMATION ON ASSIGNED AMOUNTS PURSUANT TO ARTICLE 3, PARAGRAPHS 7 AND 8, EMISSION REDUCTION UNITS, CERTIFIED EMISSION REDUCTIONS, ASSIGNED AMOUNT UNITS AND REMOVAL UNITS****A. Purpose**

1. The purpose of this review is:

(a) To provide an objective, consistent, transparent and comprehensive technical assessment of annual information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units (ERUs), certified emission reductions (CERs), assigned amount units (AAUs) and removal units (RMUs) for conformity with the provisions of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), with the technical standards for data exchange between registry systems and any further guidance adopted by the COP/MOP, and with section I.E of the annex to decision -/CMP.1 (*Article 7*);

(b) To ensure that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) and the Compliance Committee have reliable information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs of each Party included in Annex I.

**B. General procedures**

2. The review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, AAUs and RMUs, shall comprise the following procedures:

(a) A thorough review of the calculation of assigned amounts pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as part of the initial review of each Party included in Annex I performed in accordance with the procedures contained in part I of these guidelines;

(b) An annual review of the information on ERUs, CERs, AAUs and RMUs and of information on discrepancies reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) for each Party included in Annex I;

(c) A desk or centralized review of the information of each Party included in Annex I to be reported upon expiration of the additional period for fulfilment of commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and of the information referred to in paragraph 8<sup>1</sup> of the annex to decision -/CMP.1 (*Article 7*).

**C. Scope of the review**

3. For each Party:

(a) The initial review shall cover the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8 as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

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<sup>1</sup> This paragraph notation refers to paragraph 8 of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

- (b) The annual review shall cover the:
- (i) Information on ERUs, CERs, AAUs and RMUs reported in accordance with section I.E of the annex to the decision -/CMP.1 (*Article 7*);
  - (ii) Transaction log records, including records of any discrepancies forwarded to the secretariat by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), including records of any discrepancies that were forwarded to the secretariat since the start of the previous review and until the start of the review;
  - (iii) Information contained in the national registry that substantiates or clarifies the information reported. For this purpose Parties included in Annex I shall provide the expert review team with effective access to their national registry during the review. The relevant parts of paragraphs 9 and 10 of part I of these guidelines shall also apply to this information;

(c) The review upon expiration of the additional period for fulfilling commitments shall cover the report upon expiration of the additional period for fulfilling commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), including the information reported under paragraph 8<sup>2</sup> of the annex to decision CMP.1 (*Article 7*), and shall include oversight of the preparation of the final compilation and accounting report for that Party published by the secretariat.

#### 1. Identification of problems

4. During the initial review the expert review team shall assess whether:

(a) The information is complete and submitted in accordance with the relevant provisions of paragraphs 6, 7 and 8 of the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), section I of the annex to decision -/CMP.1 (*Article 7*), and relevant decisions of the COP/MOP;

(b) The assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), and is consistent with reviewed and adjusted inventory estimates;

(c) The calculation of the required level of the commitment period reserve is in accordance with paragraph 6 of the annex to decision 18/CP.7.

5. During the annual review the expert review team shall assess whether:

(a) The information is complete and submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) and relevant decisions of the COP/MOP;

(b) The information relating to issuance, cancellations, retirement, transfers, acquisitions and carry-over is consistent with information contained in the national registry of the Party concerned and with the records of the transactions log;

(c) The information relating to transfers and acquisitions between national registries is consistent with the information contained in the national registry of the Party concerned and with the

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<sup>2</sup> This paragraph notation refers to paragraph 8 of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

records of the transaction log, and with information reported by the other Parties involved in the transactions;

(d) The information relating to acquisitions of CERs from the CDM registry is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with the CDM registry;

(e) ERUs, CERs, AAUs and RMUs have been issued, acquired, transferred, cancelled, retired, or carried over to the subsequent or from the previous commitment period in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

(f) The information reported under paragraph 2 (a)<sup>3</sup> of section I.E. in the annex to decision -/CMP.1 (*Article 7*) on the quantities of units in accounts at the beginning of the year is consistent with information submitted for the previous year, taking into account any corrections made to such information, on the quantities of units in accounts at the end of the previous year;

(g) The required level of the commitment period reserve, as reported, is calculated in accordance with paragraph 6 of the annex to decision 18/CP.7;

(h) The assigned amount is calculated to avoid double accounting in accordance with paragraph 9 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*);

(i) Any discrepancy has been identified by the transaction log relating to transactions initiated by the Party, and if so the expert review team shall:

- (i) Verify that the discrepancy has occurred and been correctly identified by the transaction log;
- (ii) Assess whether the same type of discrepancy has occurred previously for that Party;
- (iii) Assess whether the transaction was completed or terminated;
- (iv) Examine the cause of the discrepancy and whether the Party or Parties has or have corrected the problem that caused the discrepancy;
- (v) Assess whether the problem that caused the discrepancy relates to the capacity of the national registry to ensure the accurate accounting, issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.

6. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted by the Party under Article 7, paragraph 1, to assess whether:

(a) The information is reported in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

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<sup>3</sup> This paragraph notation refers to paragraph 2 (a) of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.



(b) The information is consistent with the information contained in the compilation and accounting database maintained by the secretariat and with the information contained in the Party's registry;

(c) There are any problems or inconsistencies in the information provided by the Party in accordance with paragraph 5 above.

7. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted in accordance with paragraph 8<sup>4</sup> of the annex to decision -/CMP.1 (*Article 7*) in accordance with paragraph 5 above.

8. Following the completion of the steps set out in paragraph 6 above and, if possible, resolution of any problems relating to the reported information, and taking account of the information contained in the compilation and accounting database maintained by the secretariat, the expert review team shall assess whether aggregate anthropogenic carbon dioxide equivalent emissions for the commitment period exceed the quantities of ERUs, CERs, AAUs, and RMUs in the retirement account of the Party for the commitment period.

#### **D. Timing**

9. The review of the calculation of assigned amount pursuant to Article 3, paragraphs 7 and 8, as part of the initial review shall be concluded within one year of the due date for submission of the report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, referred to in paragraph 6<sup>5</sup> of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and shall follow the time frames and procedures established in paragraph 10 below.

10. The annual review of the information on ERUs, CERs, AAUs and RMUs reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) shall be concluded within one year of the due date for the submission of the information under Article 7, paragraph 1, and include the following steps:

(a) The expert review team shall list all problems identified, indicating which problems would need corrections to previous accounting of AAUs, ERUs, CERs or RMUs, and send this list to the Party included in Annex I no later than 25 weeks from the due date for submission of the annual inventory, if the information was submitted within six weeks after the submission due date;

(b) The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revisions to the accounting of AAUs, ERUs, CERs or RMUs. The expert review team shall prepare a draft review report within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned for comments;

(c) The Party included in Annex I shall provide its comments on the draft review report within four weeks of receipt of the report. The expert review team shall prepare a final review report within four weeks of the receipt of the comments on the draft report.

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<sup>4</sup> This paragraph notation refers to paragraph 8 of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

<sup>5</sup> This paragraph notation refers to paragraph 6 of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

11. The review of the report upon expiration of the additional period for fulfilling commitments and of the information submitted in accordance with paragraph 8<sup>6</sup> of the annex to decision -/CMP.1 (*Article 7*) shall be completed within 14 weeks of the due date for the submission of the information. The expert review team shall prepare a draft report within eight weeks of the due date for submission of the information. The Party concerned may comment on the draft report within four weeks of its receipt. The expert review team shall prepare a final review report within two weeks of receipt of comments on the draft report by the Party.

#### **D. Reporting**

12. The final review reports referred to in paragraphs 10 and 11 above shall include an assessment of the specific problems identified in accordance with paragraphs 4 to 8 above and shall follow the format and outline contained in paragraph 48 of part I of these guidelines, as appropriate.

### **PART V: REVIEW OF NATIONAL REGISTRIES**

#### **A. Purpose**

13. The purpose of the review of national registries is:

(a) To provide a thorough and comprehensive technical assessment of the capacity of a national registry to ensure the accurate accounting of the issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and the carry-over of ERUs, CERs and AAUs;

(b) To assess the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and any decisions by the COP/MOP have been adhered to, and to assist Parties included in Annex I in meeting their commitments;

(c) To assess the extent to which the national registry conforms to the technical standards for data exchange between registry systems adopted by the COP/MOP;

(d) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

#### **B. General procedures**

14. The review of national registries shall take place in two parts:

(a) A thorough review of the national registry as part of the initial review in accordance with paragraphs 11 to 14 in part I of these guidelines and in conjunction with its periodic review;

(b) A desk or centralized review of any changes of the national registry reported in accordance with section I.G of the annex to decision -/CMP.1 (*Article 7*) in conjunction with the annual review.

15. A thorough review of the national registry shall also be conducted if the final review reports under paragraph 48 in part I of these guidelines recommend a thorough review of the national registry or if findings relating to reported changes in national registries considered by the expert review team lead to the

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<sup>6</sup> This paragraph notation refers to paragraph 8 of annex I to decision 22/CP.8. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

recommendation of a thorough review in the final review report. The expert review team shall use the standard set of electronic tests described in paragraph 18 below for this purpose.

An in-country visit shall be conducted only if standardized electronic tests are not sufficient to identify the problems.

### **C. Scope of the review**

16. The expert review team shall conduct a thorough and comprehensive review of the national registry of each Party included in Annex I. The review of the national registry should cover the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the technical standards for data exchange between registry systems adopted by the COP/MOP have been adhered to.

#### **1. Review of changes in the national registry**

17. The expert review team shall review the information submitted as supplementary information under Article 7, paragraph 1, and shall identify any significant changes in the national registry reported by the Party or any problems identified by the expert review team in the course of the review of ERUs, CERs, AAUs and RMUs and transaction log records that may affect the performance of the functions contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the adherence to the technical standards for data exchange between registry systems in accordance with relevant COP/MOP decisions. This review should take place in conjunction with the annual review in accordance with the relevant procedures in paragraphs 18 to 20 below.

#### **2. Identification of problems**

18. The expert review team shall review the national registry, including the information provided on it, to assess whether:

- (a) The information on the national registry is complete and submitted in accordance with section I of the annex to decision -/CMP.1 (*Article 7*), and with relevant decisions of the COP and the COP/MOP;
- (b) The registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring accurate, transparent and efficient exchange of data between national registries, the clean development registry and the independent transaction log;
- (c) The transaction procedures, including those relating to the transaction log, are in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, contained in annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (d) There are adequate procedures to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, AAUs and RMUs and to take steps to terminate transactions where a discrepancy is notified, and to correct problems in the event of a failure to terminate the transactions;
- (e) There are adequate security measures to prevent and resolve unauthorized manipulations and minimize operator error, and procedures for updating them;
- (f) Information is publicly available in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (g) There are adequate measures to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster.

19. During the thorough review, the expert review team shall use a test version of the transaction log and a standard set of electronic tests and sample data to assess the capacity of the registry to perform its functions, including all types of transactions, referred to in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and to assess the adherence to the technical standards for data exchange between registry systems adopted by the COP/MOP. The expert review team may draw upon the results of any other testing relevant to the review of the registry.

20. Based on the assessments carried out in accordance with paragraph 18 and 19 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments relating to the performance of the functions of the national registry and the adherence to technical standards for data exchange between registry systems. In addition, the expert review team shall recommend how problems could be addressed.

#### **D. Timing**

21. During the thorough review, the expert review team shall list all the problems identified and shall notify the Party included in Annex I of the problems identified no later than six weeks after the start of the review or after the in-country visit, as appropriate. The Party included in Annex I shall comment on these problems within six weeks of the notification. The expert review team shall prepare a draft review report on the national registry within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to that Party shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national registry within four weeks of the receipt of the comments on the draft report. The review of the national registry shall be concluded within one year of the due date for submission of the information.

22. The review of changes in the national registry shall follow the time frames and procedures for the annual review of the information to be submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) established in part III of these guidelines. If either the annual review or the review of changes in the national registry recommends a thorough review of the national registry, and if a country visit is considered necessary, this thorough review should be conducted together with the subsequent in-country visit of either the annual inventory or the periodic national communication, whichever is the earlier.

#### **E. Reporting**

23. The final review reports shall include an evaluation of the overall functioning of the national registry and an assessment of the specific problems identified in accordance with paragraphs 18 to 20 above, and shall follow the format and outline in accordance with paragraph 48 of part I of these guidelines.

## ANNEX III

### **GUIDELINES FOR REVIEW UNDER ARTICLE 8 OF THE KYOTO PROTOCOL**

#### 4. Expedited procedure for the review for the reinstatement of eligibility to use the mechanisms

19 bis. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit to the secretariat information on the matter which led to the suspension of eligibility, for review by an expert review team.<sup>1</sup> This information shall be reviewed expeditiously in accordance with the provisions of part VIII of these guidelines.

### **PART VIII: EXPEDITED PROCEDURE FOR THE REVIEW FOR THE REINSTATEMENT OF ELIGIBILITY TO USE THE MECHANISMS**

#### **A. Purpose**

1. The purpose of the review of information related to a request, by a Party included in Annex I, for reinstatement of eligibility to use the mechanisms established under Articles 6, 12 and 17, pursuant to paragraph X.2 of the procedures and mechanisms relating to compliance, is:

(a) To provide an objective, transparent, thorough and comprehensive technical assessment of information provided by a Party on matters relating to Articles 5 and 7 which led to the suspension of its eligibility to use the mechanisms;

(b) To provide for an expedited review procedure for the reinstatement of eligibility to use the mechanisms for a Party included in Annex I which is able to demonstrate that it is no longer failing to meet eligibility requirements under Articles 6, 12 and 17;

(c) To ensure that the enforcement branch of the Compliance Committee has reliable information to enable it to consider the request of a Party for the reinstatement of its eligibility to use the mechanisms.

#### **B. General procedure**

2. The review for the reinstatement of eligibility to use the mechanisms shall be an expedited procedure limited to the review of the matter or matters which led to the suspension of the eligibility. However, the expedited nature of this review procedure shall not compromise the thoroughness of the examination by the expert review team.

3. Any Party included in Annex I that has been suspended from eligibility to use the mechanisms may, at any time following suspension, submit information to the secretariat on the matter or matters which led to the suspension of eligibility. To enable the expert review team to perform its tasks, the information submitted by the Party concerned shall be additional to information previously submitted prior to or during the review that led to the suspension of eligibility. However, information previously submitted by the Party may also be included in the submission, if relevant. The information submitted by the Party shall be reviewed expeditiously in accordance with these guidelines.

4. The secretariat shall organize the review in the most expeditious way possible following the procedures established in these guidelines and taking into account the planned review activities in the

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<sup>1</sup> In accordance with paragraph X.2 of the procedures and mechanisms relating to compliance, a Party may submit a request to reinstate its eligibility either through an expert review team or directly to the enforcement branch.

regular review cycle. The secretariat shall convene an expert review team for conducting the expedited review procedures established in these guidelines in accordance with the relevant provisions of section E of Part I of these guidelines and shall forward the information referred to in paragraph 3 above to this expert review team.

5. To ensure objectivity, the expert review team for the reinstatement of eligibility shall not be composed of the same members and lead reviewers who formed part of the expert review team that conducted the review which led to the suspension of eligibility of the Party concerned, and shall be composed of members with the necessary expertise for addressing the matter or matters contained in the Party's submission.

6. Depending on the issue that led to the suspension of the eligibility to participate in the mechanisms, the review shall be performed as a centralized review or an in-country review as provided for in parts II, III, IV and V of these guidelines, as deemed appropriate by the secretariat.<sup>2</sup>

### **C. Scope of the review**

7. The review shall cover the information submitted by the Party. The expert review team may also consider any other information, including information previously submitted by the Party and any information relating to the Party's subsequent inventory, which the expert review team considers necessary in order to complete its task. The expert review team shall assess, consistent with the applicable provisions in parts II, III, IV or V of these guidelines, whether the question or questions of implementation that led to suspension of eligibility have been addressed and resolved.

8. If the expedited review for reinstatement of eligibility relates to the submission of a revised estimate for a part of its inventory to which an adjustment was previously applied, the expert review team shall assess whether the revised estimate is prepared in accordance with the IPCC Guidelines as elaborated by the IPCC good practice guidance or whether the new information substantiates the original emission estimate provided by the Party.

### **D. Timing**

9. A Party included in Annex I that intends to submit information under paragraph 3 to the secretariat on the matter or matters which led to its suspension of eligibility should provide the secretariat with at least six weeks notice of the date on which it intends to submit such information. The secretariat, on receipt of such notice, should undertake the necessary preparations with the aim of ensuring that an expert review team is convened and ready to start consideration of the information within two weeks of the receipt of the submission of information under paragraph 3 above from the Party concerned.

10. For the expedited procedure for the review for reinstatement of eligibility, the following time frames shall apply from the date of receipt of the information:

(a) The expert review team shall prepare a draft expedited review report within five weeks of the receipt of information from the Party concerned;

(b) The Party concerned shall be provided with up to three weeks to comment upon the draft expedited review report. If the Party concerned notifies the expert review team, within that period of time, that it does not intend to provide comments, then the draft expedited review report becomes the final expedited review report upon receipt of such notification. If the Party concerned does not provide any

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<sup>2</sup> For example, if the failure to have in place a national system for the estimation of anthropogenic emissions led to loss of eligibility and such system has not previously been reviewed, the national system shall be reviewed in accordance with part IV of these guidelines, such review to include an in-country visit.

comments within that period of time, the draft expedited review report becomes the final expedited review report;

(c) If comments by the Party are received within the time frame indicated above, the expert review team shall prepare a final expedited review report within three weeks of the receipt of comments upon the draft report.

11. The time periods in paragraph 10 (a) to (c) above are considered maximum time periods. The expert review team and the Party should strive to complete the review in the shortest time possible. However, the expert review team may, with the agreement of the Party, extend the time periods in paragraph 10 (a) to (c) above for the expedited review procedure for an additional four weeks.

12. Where the start of the consideration of information by the expert review team is delayed due to the Party giving shorter notice than provided in paragraph 9, the expert review team may extend the time in paragraph 10 (a) up to the difference in time between the period for notification in paragraph 9 and the actual notification given by the Party.

#### **E. Reporting**

13. The expert review team shall, under its collective responsibility, produce a final review report on the reinstatement of eligibility in accordance with the relevant provisions of paragraph 48 of these guidelines and in accordance with the relevant provisions for review reports in parts II, III, IV or V of these guidelines depending on the specific reason for the suspension of eligibility.

14. The expert review team shall include a statement whether the team considered thoroughly all questions of implementation that led to the suspension of the eligibility in the time available for the reinstatement procedure and shall indicate whether there is or is not any longer a question of implementation with respect to the eligibility of the Party concerned to use the mechanisms established under Articles 6, 12 and 17.

**Decision 23/CP.8**

**Terms of service for lead reviewers**

*The Conference of the Parties,*

*Noting* the relevant provisions of Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Recalling* its decision 23/CP.7,

*Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session adopt draft decision -/CMP.1 (*Terms of service for lead reviewers*) below.

*7<sup>th</sup> plenary meeting  
1 November 2002*



**Draft decision –/CMP.1**

**Terms of service for lead reviewers**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Article 8 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

*Having considered* decisions 23/CP.7 and 23/CP.8, adopted by the Conference of the Parties at its seventh and eighth sessions, respectively,

*Decides* that lead reviewers referred to in the guidelines under Article 8 of the Kyoto Protocol (decision 23/CP.7) will be based in their home country or their country of residence for the period of their assignment and will attend regularly scheduled meetings and planned review activities outside their home country or their country of residence to perform the duties described in these guidelines.

## Decision 24/CP.8

### Technical standards for data exchange between registry systems under the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decisions 15/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7 and 24/CP.7,

*Noting* the progress made through the intersessional consultations on registries convened by the Chair of the Subsidiary Body for Scientific and Technological Advice,

*Mindful* of the importance of this work to the timely implementation of the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol, in particular to the prompt start of the clean development mechanism under Article 12 of the Kyoto Protocol,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the general design requirements for the technical standards for data exchange between registry systems<sup>1</sup> under the Kyoto Protocol, as contained in the annex to this decision;
2. *Recognizes* that the general design requirements form the basis for a complete model of data exchange between registry systems and require the subsequent elaboration of detailed functional and technical specifications, in order to facilitate the implementation of the technical standards in all registry systems in a compatible manner;
3. *Requests* the secretariat, in its development of the transaction log, to undertake work relating to the functional and technical specifications of the technical standards during 2003, subject to the availability of resources, with a view to completing the technical specification prior to the ninth session of the Conference of the Parties and completing the implementation and testing of the transaction log by the tenth session of the Conference of the Parties;
4. *Requests* the secretariat, in working on these specifications, to closely collaborate with technical experts and submit a report on progress for consideration by the Subsidiary Body for Scientific and Technological Advice at its nineteenth session;
5. *Commends* the progress already made through the intersessional consultations on more detailed material for the technical standards as a good starting point for future work to elaborate the functional and technical specifications of the technical standards;
6. *Requests* the Subsidiary Body for Scientific and Technological Advice to report to the Conference of the Parties at its ninth session<sup>2</sup> on progress made in developing the functional and technical specifications of the technical standards, and to make any recommendations for additional actions to establish and maintain registry systems, as appropriate;

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<sup>1</sup> National registries, the clean development mechanism registry and the transaction log.

<sup>2</sup> Or, if the Kyoto Protocol has entered into force, the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

7. *Requests* the Chair of the Subsidiary Body for Scientific and Technological Advice, with the assistance of the secretariat, to continue the intersessional consultations with Parties and experts for the purpose of:

(a) Sharing the results of work on the specifications of the technical standards with other Parties and seeking feedback on progress;

(b) Exchanging information and experience in relation to the development and establishment of registry systems;

(c) Preparing any recommendations to the Subsidiary Body for Scientific and Technological Advice on additional actions to establish and maintain registry systems and to implement and update the technical standards, as appropriate;

8. *Recognizes* that the intersessional consultations on registries identified issues that lie outside the scope of the technical standards for data exchange on which there is need for cooperation to facilitate and promote accuracy, efficiency and transparency in the design and operation of registry systems;

9. *Notes* that national registries and the clean development mechanism registry shall make up-to-date information, as referred to in draft decisions -/CMP.1 (*Article 12*) and -/CMP.1 (*Modalities for the accounting of assigned amounts*),<sup>3</sup> publicly accessible through an Internet web site;

10. *Encourages* each Party included in Annex I to the Convention with a commitment inscribed in Annex B to the Kyoto Protocol to designate, as soon as possible, a registry administrator to maintain its national registry, with a view to facilitating early cooperation between registry administrators to address the need referred to in paragraph 8 above;

11. *Reiterates* its invitation to Parties, contained in decision 38/CP.7, to make contributions to the Trust Fund for Supplementary Activities under the United Nations Framework Convention on Climate Change, in the order of US\$ 1.15 million for the biennium 2002–2003, for the purpose of undertaking work relating to registries and the transaction log;

12. *Invites* the secretariat to estimate the specific resource requirements for establishing and maintaining the transaction log, including the elaboration and implementation of the functional and technical specifications of the technical standards, and make this information available to Parties prior to the eighteenth session of the Subsidiary Body for Scientific and Technological Advice;

13. *Invites* Parties included in Annex II to the Convention to contribute to meeting the resource requirements referred to in paragraph 12 above in order to provide for the timely development of all registry systems in a manner that facilitates the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol, as well as the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol, and is consistent with the progress envisaged in paragraph 3 above;

14. *Invites* the secretariat to explore additional sources of funding to meet the resource requirements referred to in paragraph 12 above;

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<sup>3</sup> Attached to decisions 17/CP.7 and 19/CP.7, respectively.

15. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its twentieth session, to forward a draft decision to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol recommending that it incorporates, in the annex to this decision, any elements needed to reflect decisions of the Conference of the Parties or of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to definitions and modalities for including afforestation and reforestation project activities under Article 12 in the first commitment period.

*7<sup>th</sup> plenary meeting*

*1 November 2002*

## ANNEX

### Technical standards for data exchange between registry systems under the Kyoto Protocol

#### General design requirements

##### I. PURPOSE

1. The technical standards for data exchange provide a technical basis for transactions under the mechanisms defined in Articles 6, 12 and 17 of the Kyoto Protocol and the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol.<sup>1</sup> They pertain to the exchange of data between national registries of Parties to the Kyoto Protocol, the clean development mechanism (CDM) registry and the transaction log (referred to below as “registry systems”), in accordance with decisions -/CMP.1 (*Article 12*) and -/CMP.1 (*Modalities for the accounting of assigned amounts*),<sup>2</sup> and are complementary to those decisions.
2. Transactions requiring the exchange of data between registry systems are the issuance, transfer and acquisition between registries, cancellation, retirement and carry-over, as appropriate, of assigned amount units (AAUs), certified emission reductions (CERs), emission reduction units (ERUs) and removal units (RMUs) (referred to below as “units”).
3. In order to support the elaboration of technical standards and their implementation in all registry systems, the technical standards shall have the following tiered framework:
  - (a) General design requirements for data exchange between registry systems, forming the basis for a complete model for data exchange;
  - (b) Detailed functional specification of the interface between registry systems, in accordance with the general design requirements;
  - (c) Detailed technical specification of the interface between registry systems, in accordance with the general design requirements, at a level of detail sufficient for administrators of registry systems to implement and test them.
4. The provisions contained herein address the general design requirements of the technical standards.

##### II. PRINCIPLES

5. The elaboration and implementation of the technical standards for the exchange of data between registry systems shall:
  - (a) Effectively facilitate the mechanisms under Articles 6, 12 and 17 and the modalities for the accounting of assigned amounts under Article 7, paragraph 4;
  - (b) Ensure the accuracy of data and of the exchange of data;
  - (c) Ensure the transparency and auditability of transaction processes;
  - (d) Ensure the transparency of non-confidential information;

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<sup>1</sup> Hereinafter, “Article” refers to an article of the Kyoto Protocol, unless otherwise specified.

<sup>2</sup> Attached to decisions 17/CP.7 and 19/CP.7, respectively.

- (e) Promote efficiency in transaction procedures;
- (f) Ensure the security of data storage and data exchange;
- (g) Promote the maximum resilience and availability of registry systems;
- (h) Allow the independent design of individual registry systems that, at minimum, are consistent with the technical standards for data exchange between registry systems.

### III. INTERFACE BETWEEN REGISTRY SYSTEMS

#### A. Message sequences

6. In the course of conducting their activities, registry systems shall transmit and receive standardized messages, at minimum, for the types of message sequences listed in table 1, in accordance with standardized message sequences to be developed. Such messages shall use formats and protocols that allow messages to be electronically processed by the receiving registry systems.

<b>Table 1 Minimum standardized message sequence types for registry systems</b>
<i>Transactions</i>
1. Issuance of units in a national registry or the CDM registry
2. Internal transfer of units (a) from the CDM registry pending account to another account or (b) from an account to a cancellation or retirement account
3. External transfer of units to a national registry
4. Carry-over of units, as appropriate, to the subsequent commitment period
<i>Other activities</i>
5. Reconciliation of data between registries and the transaction log
6. Testing of connections between registry systems
7. Notification of change to online status of the transaction log
8. Notification of change to offline status of the transaction log

7. The message sequences and content shall incorporate, as appropriate:
- (a) Time certification, using a common format;
  - (b) Message identification, uniquely identifying the relevant message sequence, stage of the message sequence and message;
  - (c) The transaction number assigned by the registry system initiating the message sequence;
  - (d) The transaction record associated with the transaction number, as generated by the registry system initiating the message sequence, containing information, as appropriate, on:
    - (i) The total quantity of units involved;
    - (ii) The serial numbers of units involved, in blocks of consecutive numbers;
    - (iii) The account number of the transferring account;
    - (iv) The account number of the acquiring account.
  - (e) The status of the transaction;

(f) An indication of units for which a discrepancy has been notified by the transaction log, until the discrepancy has been resolved;

(g) Provision for the termination, by the acquiring registry, of a transaction for which a discrepancy has been notified by the transaction log, that has not been terminated by the transferring registry;

(h) Confirmation responses to notify that a message has been received;

(i) Error messages, as necessary, identifying the point of failure.

8. A common language protocol shall be used for each type of message sequence. The language protocol for the messages shall be able to support a structured messaging format and shall be independent of the platform and the software vendor.

9. The messaging format shall allow for the possibility of changes and additions to the data contained in a message. Message formats shall allow any interpreting software to determine the content and structure of the data contained within each transaction. The character set used in the message shall also be independent of software vendor and be able to support non-Roman characters.

10. Message content and the interaction between the systems shall be modelled using a standard notation.

#### **B. Transaction rules**

11. A specific point shall be identified in each message sequence at which the transaction shall be deemed unequivocally final.

12. Subsequent messages in the sequence shall be sent in a time frame consistent with the functional and/or technical specification to be developed. The transaction log shall cancel transactions after a specified period of time has elapsed without a response to a message.

13. Units for which a transaction process is initiated shall not be available to other transactions until the initiated transaction process is completed or terminated. The transaction log shall verify, as part of its automated checks, whether units are already subject to a transaction process.

### **IV. REGISTRY SYSTEM REQUIREMENTS RELATED TO DATA EXCHANGE**

#### **A. Number elements**

14. Each unique serial number assigned by a registry to a unit shall consist of at least the elements contained in table 2<sup>3</sup>, in accordance with formats and codes to be developed.

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<sup>3</sup> The elements of this table are without prejudice to paragraph 15 of decision 24/CP.8.

<b>Table 2 Elements of serial numbers</b>				
<i>Element</i>	<i>AAU</i>	<i>RMU</i>	<i>CER</i>	<i>ERU</i>
Originating Party identifier	Yes	yes	yes	yes
Issuance commitment period	Yes	yes	yes	yes
Unit type	Yes	yes	yes	yes
LULUCF activity	No	yes	yes	yes
Project identifier	No	no	yes	yes
Unique number	Yes	yes	yes	yes

LULUCF: Land use, land-use change and forestry

15. Registry systems shall associate with the serial number of each unit an indicator of whether the unit is valid for use towards commitments under Article 3, paragraph 1, in accordance with paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

16. Each unique account number assigned by a registry shall consist of at least the elements contained in table 3, in accordance with formats and codes to be developed.

<b>Table 3 Elements of account numbers</b>			
<i>Element</i>	<i>Holding account</i>	<i>Cancellation account</i>	<i>Retirement account</i>
Party identifier	Yes	yes	yes
Commitment period	No	yes	yes
Account type	Yes	yes	yes
Unique number	Yes	yes	yes

17. Each unique transaction number assigned by a registry shall consist of at least the elements contained in table 4, in accordance with formats and codes to be developed. The transaction number shall be assigned by the registry initiating a transaction and shall thereafter be associated with the transaction record relevant to that transaction.

<b>Table 4 Elements of transaction numbers</b>
Originating Party identifier
Commitment period
Date
Transaction type
Unique number

## **B. Infrastructure**

18. The interface between registry systems shall operate through a central communications hub integrated with the transaction log.

19. Registry systems shall apply common protocols and procedures for the testing, initiation and suspension of the operation of registry systems or parts thereof.

20. Registry systems, and the exchange of data between them, shall apply security measures that ensure:



(a) Confidentiality: data transmitted between registry systems shall be encrypted so as to be unreadable by any party not involved in the transaction;

(b) Authentication: the communicating registry systems shall be uniquely and securely identified and identifiable. The transaction log shall act as the central reference database for authentication information;

(c) Non-repudiation: there should be a single full and final record of all actions such that those actions cannot be disputed or repudiated;

(d) Integrity: data exchanged between registry systems shall not be modifiable by any party not involved in the transaction;

(e) Auditability: a full audit trail shall be maintained for each message and message sequence to document all processes, actions and messages and the date and time at which they occurred.

21. The ability of the transaction log to receive and process messages shall be scalable.

22. The scheduled downtime of registry systems shall be kept to a minimum. Registry systems shall have systems and procedures in place to isolate any problems and minimize the interruption or suspension of their functions.

23. The transaction log shall maintain a publicly accessible list of units, and the relevant transaction records, that are subject to a notification of a discrepancy that has not yet been resolved.

24. A separate messaging test environment shall be maintained by each registry system, in conjunction with its operational system, in order to allow registries to test the development and amendment of their messaging infrastructure without disrupting the operational messaging framework.

25. Each registry system shall implement measures, including automated internal checks, to:

(a) Ensure that its data records and transactions are accurate;

(b) Ensure that data are protected against unauthorized manipulation and that any change in data is automatically and securely recorded using journaling and auditing functionality;

(c) Ensure that it is protected against exposure to security compromises, such as through viruses, hackers and denial of service attacks;

(d) Ensure that it has robust systems and procedures for safeguarding data and recovering data and registry service in the event of a disaster;

(e) Prevent inconsistencies and, where they are found, halt transactions until the inconsistencies have been resolved;

(f) Prevent discrepancies from occurring.

### **C. Data**

26. The transaction log and registries shall reconcile their data with each other in order to ensure data consistency and facilitate the automated checks of the transaction log. The transaction log shall, on a daily basis, compare a statement from each registry of its unit holding position against the records of the transaction log. The transaction log shall notify each registry of the result. In the event of an inconsistency being found, all transactions in question shall be halted until the inconsistency has been resolved.

27. Each registry system shall retain its records of unit holdings and transactions pertaining to a commitment period at least until any questions of implementation relating to emissions or assigned amount information, for which the data records were created, have been resolved.

28. In order to facilitate the automated checks of the transaction log, registries shall, in a timely manner, provide the following information and ensure that it remains up to date:

- (a) Confirmation of the completion or termination of transactions;
- (b) The authorization, or removal thereof, by Parties of:
  - (i) Legal entities to participate in Article 6 projects under decision -/CMP.1 (*Article 6*);
  - (ii) Private and/or public entities to participate in Article 12 project activities under decision -/CMP.1 (*Article 12*);
  - (iii) Legal entities to transfer and/or acquire ERUs, CERs, AAUs or RMUs under decision -/CMP.1 (*Article 17*).

## Decision 25/CP.8

### Demonstrable progress under Article 3, paragraph 2, of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* Article 3, paragraph 2, of the Kyoto Protocol,

*Recalling* also its decisions 4/CP.5 and 13/CP.7,

*Recalling further* its decision 22/CP.7, by which it urged each Party included in Annex I to the Convention that is also a Party to the Kyoto Protocol to submit, by 1 January 2006, a report to provide the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol with the basis for reviewing the demonstration of progress by 2005, in accordance with Article 3, paragraph 2, of the Kyoto Protocol,

1. *Reiterates* that the report mentioned in the third preambular paragraph shall include:

(a) A description of domestic measures, including any legal and institutional steps to prepare to implement each Party's commitments under the Kyoto Protocol to mitigate greenhouse gas emissions, and any of its programmes for domestic compliance and enforcement;

(b) Trends in, and projections of, its greenhouse gas emissions;

(c) An evaluation of how such domestic measures, in light of these trends and projections, will contribute to the Party's meeting its commitments under Article 3;

(d) A description of the activities, actions and programmes undertaken by the Party in fulfilment of its commitments under Articles 10 and 11.

2. *Requests* each Party included in Annex I to the Convention that is also a Party to the Kyoto Protocol, to prepare the above-mentioned report in accordance with the provisions of the guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part II: UNFCCC reporting guidelines on national communications,<sup>1</sup> and the provisions of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol,<sup>2</sup> relating to paragraph 1 above, and incorporating any relevant contribution pursuant to decision 13/CP.7;

3. *Requests* each Party included in Annex I to the Convention that is also a Party to the Kyoto Protocol to prepare the above-mentioned report as a single document including four chapters that shall contain the information required by paragraph 1 above. The information should be consistent with that provided by the Party in its fourth national communication<sup>3</sup> and will be evaluated together with the national communication submitted after the entry into force of the Kyoto Protocol;

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<sup>1</sup> Decision 4/CP.5 (FCCC/CP/1999/7).

<sup>2</sup> Document FCCC/CP/2001/13/Add.3.

<sup>3</sup> The date for submission of the fourth national communication from Parties included in Annex I to the Convention is 1 January 2006 (decision 4/CP.8).

4. *Requests* the secretariat to prepare a synthesis of the reports by Parties on demonstrable progress for consideration by the Subsidiary Body for Implementation at its first session in 2006. The Subsidiary Body for Implementation shall use this report as the basis for reviewing the demonstration of progress by 2005, in accordance with Article 3, paragraph 2, of the Kyoto Protocol, with a view to providing advice on this matter to the subsequent session of the Conference of Parties serving as the meeting of the Parties to the Kyoto Protocol.

*7<sup>th</sup> plenary meeting*  
*1 November 2002*

**III. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES**

**Resolution 1/CP.8**

**Expression of gratitude to the Government of the Republic of India  
and the people of the city of New Delhi**

*The Conference of the Parties,*

*Having met* in New Delhi from 23 October to 1 November 2002 at the invitation of the Government of the Republic of India,

1. *Expresses its profound gratitude* to the Government of the Republic of India for having made it possible for its eighth session to be held in New Delhi;
2. *Requests* the Government of the Republic of India to convey to the city and the people of New Delhi its gratitude for the hospitality and warm welcome extended to the participants.

*8<sup>th</sup> plenary meeting  
1 November 2002*

## IV. OTHER ACTIONS TAKEN BY THE CONFERENCE OF THE PARTIES

### A. Report of the Global Environment Facility to the Conference of the Parties

The Conference of the Parties at its eighth session endorsed the conclusions of the Subsidiary Body for Implementation on the Report of the Global Environment Facility to the Conference of the Parties.<sup>1</sup> These conclusions are reproduced below for ease of reference.

1. The Subsidiary Body for Implementation (SBI) took note of the report of the Global Environment Facility (GEF) contained in document FCCC/CP/2002/4. The report includes information on how the GEF has applied the guidance and decisions of the Conference of the Parties, in accordance with the Memorandum of Understanding between the Conference of the Parties and the Council of the GEF annexed to decision 12/CP.2.
2. The SBI noted with satisfaction the successful and substantial third replenishment of the GEF Trust Fund and called upon countries and other entities that are in a position to do so to make additional contributions to the GEF.
3. The SBI welcomed the Beijing Declaration adopted at the second GEF Assembly, which noted that the GEF had produced significant results in effectively using resources for global environmental protection and sustainable development.
4. The SBI noted the efforts made by the GEF, as an operating entity of the financial mechanism, in providing useful information on the implementation of relevant COP decisions, and welcomed the efforts made by the GEF in funding the activities relating to phase II of enabling activities in developing countries.
5. The SBI noted that the GEF had provided information on the arrangements necessary for the establishment and administration of the two new funds under the Convention (the Special Climate Change Fund and the Least Developed Countries Fund), in accordance with decision 7/CP.7. In relation to the Least Developed Countries Fund, the SBI noted with appreciation that the GEF Council had approved arrangements for the operation of the fund, and the GEF secretariat had acted quickly to mobilize resources based on an assessment of the financing needs and had convened consultations with potential donors at which resources had been successfully raised.
6. The SBI welcomed the progress made by the GEF in addressing the responsiveness and efficiency of the project cycle. However, the SBI noted that there were still areas where concerns had been expressed by developing country Parties, particularly with regard to the progress made in funding the activities relating to the framework for capacity-building in developing countries (decision 2/CP.7); the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention (decision 4/CP.7); adaptation and other issues in accordance with decision 5/CP.7 and the preparation of second national communications (decisions 2/CP.4 and 8/CP.5), as well as other issues contained in decision 6/CP.7.
7. The SBI noted that, as reflected in the Beijing Declaration of the second GEF Assembly, the GEF should enhance its strategic business planning for the allocation of scarce GEF resources to high-priority areas for developing country Parties, taking into account national priorities.

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<sup>1</sup> FCCC/SBI/2002/17, paragraphs 22–24

8. The SBI recommended that the Conference of the Parties invite the GEF to include in its report to the Conference of the Parties at its ninth session, more detailed information on how the GEF has applied the guidance on funding activities relating to decisions of the Conference of the Parties, as indicated in paragraphs 5 and 6 above.

### **B. Calendar of meetings of Convention bodies, 2003–2007**

The Conference of the Parties at its eighth session took note that there were no changes to the calendar of meetings of Convention bodies for 2003–2007. The calendar is reproduced below for ease of reference.

- First sessional period in 2003: from 2 to 13 June
- Second sessional period in 2003: from 1 to 12 December
- First sessional period in 2004: from 14 to 25 June
- Second sessional period in 2004: from 29 November to 10 December
- First sessional period in 2005: from 16 May to 27 May
- Second sessional period in 2005: from 7 to 18 November
- First sessional period in 2006: from 15 May to 26 May
- Second sessional period in 2006: from 6 to 17 November
- First sessional period in 2007: from 7 May to 18 May
- Second sessional period in 2007: from 5 November to 16 November

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**Framework Convention  
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CONFERENCE OF THE PARTIES

**REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS NINTH SESSION, HELD AT MILAN  
FROM 1 TO 12 DECEMBER 2003**

**Addendum**

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

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## Decision 1/CP.9

### National communications from Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 2 (a) and (b), Article 12 and other relevant provisions of the Convention, as well as its decisions 9/CP.2, 6/CP.3, 11/CP.4, 3/CP.5, 33/CP.7 and 4/CP.8 on national communications from Parties included in Annex I to the Convention (Annex I Parties),

*Emphasizing* that national communications and annual greenhouse gas inventories submitted by Annex I Parties are the main sources of information for reviewing the implementation of the Convention by these Parties, and that reports on in-depth reviews of these national communications provide important additional information for this purpose,

*Noting* that delays in or absence of submissions from some Parties, as well as delays in completion of in-depth reviews, hinder the assessment of implementation,

*Noting* with appreciation the work of the secretariat in synthesizing and presenting information contained in the above-mentioned documentation, as well as the reports on the compilation and synthesis of third national communications<sup>1</sup> and on the national greenhouse gas inventory data from Annex I Parties for the period 1990–2001,<sup>2</sup>

*Recognizing* that data now available on greenhouse gas emissions and other information submitted by Annex I Parties provide a basis for reviewing the implementation of the Convention by these Parties in the period 1990–2000, as well as indicators of progress towards implementing the Kyoto Protocol by Parties that intend to do so,

1. *Welcomes* the information that all Parties included in Annex I to the Convention (Annex I Parties) have implemented or planned a wide range of policies and measures to mitigate climate change, as well as economic reforms that contribute to that aim, and that integrated climate strategies have emerged in a number of these Parties;

2. *Notes* from the documents cited above that:

(a) The aggregate greenhouse gas emissions of Annex I Parties in 2000 were below their 1990 levels, despite the considerable increase of these emissions in several Parties, largely because of the decrease in emissions from Annex I Parties with economies in transition;

(b) By 2000, emissions of Annex I Parties in the major sectors of energy industries and transport had increased above 1990 levels;

(c) Emissions of Annex I Parties from international aviation had increased by more than 40 per cent by the end of the period 1990–2000;

(d) Projections provided by Annex I Parties indicate that, in the absence of additional measures, the aggregate emissions of these Parties, including emissions of Parties with economies in transition, are expected to increase in the period 2000–2010;

3. *Concludes* that further action is needed by Annex I Parties to implement policies and measures that will contribute to modifying longer-term trends in anthropogenic emissions, consistent

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<sup>1</sup> FCCC/SBI/2003/7 and Add.1–4.

<sup>2</sup> FCCC/SBSTA/2003/14.

with the objective of the Convention and the commitments of these Parties, and strongly urges these Parties to intensify efforts to that end;

4. *Urges* those Annex I Parties that have not submitted their national communications in accordance with decision 11/CP.4 or their annual greenhouse gas inventories in accordance with decision 3/CP.5 to do so as a matter of priority;

5. *Stresses* the need for Parties included in Annex II to the Convention to provide detailed information, including in their national communications, on their assistance to developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation to those adverse effects;

6. *Encourages* the Subsidiary Body for Scientific and Technological Advice to consider ways of improving the transparency of greenhouse gas projections in time to contribute to the preparation of fourth national communications, taking into account the relevant conclusion of the Subsidiary Body for Scientific and Technological Advice at its nineteenth session on its work on methodological issues;<sup>3</sup>

7. *Requests* the secretariat to prepare a report summarizing information available from in-depth reviews of national communications from Annex I Parties for consideration by the Conference of the Parties at its tenth session;

8. *Further requests* the secretariat, subject to the availability of resources, to organize a workshop in the second half of 2004 in order to facilitate timely submission of fourth national communications, address problems encountered by Parties in preparing national communications and encourage the exchange of views among technical experts on the comparability and transparency of the information in national communications.

*8<sup>th</sup> plenary meeting  
12 December 2003*

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<sup>3</sup> See report of the Subsidiary Body for Scientific and Technological Advice on its nineteenth session, FCCC/SBSTA/2003/15, paragraph 14 (f).

## Decision 2/CP.9

### Compilation and synthesis of initial national communications

*The Conference of the Parties,*

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

*Recalling also* its decisions on initial national communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2, 11/CP.2, 12/CP.4, 7/CP.5, 3/CP.6, 30/CP.7 and 2/CP.8,

*Noting* the information contained in the fifth compilation and synthesis report on 16 initial national communications from non-Annex I Parties,<sup>1</sup>

*Noting also* the information contained in the “List of projects submitted by Parties not included in Annex I to the Convention in accordance with Article 12, paragraph 4, of the Convention”,<sup>2</sup> and the relevant recommendations of the Subsidiary Body for Implementation at its seventeenth session,

*Noting further* that as at 2 April 2003, information contained in 99 initial national communications has been compiled and synthesised in reports prepared by the secretariat in response to relevant decisions of the Conference of the Parties,

*Noting also* that 110 initial national communications have been submitted using the guidelines annexed to decision 10/CP.2, and that those Parties that have yet to submit their initial national communications are encouraged to do as soon as possible,

*Concluding* that non-Annex I Parties are continuing to fulfil their commitments under Article 4, paragraph 1, and Article 12, paragraph 1, of the Convention, and that many non-Annex I Parties have, on a voluntary basis, submitted projects for funding in accordance with Article 12, paragraph 4, of the Convention, and that these projects have yet to be funded,

*Concluding also* that although the preparation of national communications has provided a valuable opportunity for capacity-building, inter alia in the area of national greenhouse gas inventories, vulnerability and adaptation, and mitigation, the enhancement of capacity and support for the maintenance of such capacity is necessary,

*Concluding also* that, in view of the technical constraints and problems reported by non-Annex I Parties while preparing their initial national communications relating to, inter alia, the quality and availability of activity data, emission factors and methodologies to assess the effects of climate change and impacts of response measures, there continues to be a need for financial and technical support to enhance national capacities in non-Annex I Parties to prepare second and, where appropriate, third and initial national communications,

1. *Requests* the secretariat to prepare a compilation and synthesis of information contained in all initial national communications submitted up to 1 April 2005, for its consideration at its eleventh session;

2. *Requests* the secretariat to prepare for its consideration at its tenth session an information document, in consultation with the financial mechanism of the Convention and its implementing

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<sup>1</sup> FCCC/SBI/2003/13

<sup>2</sup> FCCC/WEB/2003/5

agencies, on possible means to facilitate the implementation of projects proposed by Parties not included in Annex I to the Convention, in accordance with Article 12, paragraph 4, of the Convention, on a voluntary basis, for funding.

*8<sup>th</sup> plenary meeting  
12 December 2003*

**Decision 3/CP.9****Report of the Global Environment Facility to the Conference of the Parties**

*The Conference of the Parties,*

*Recalling* Article 11, paragraph 1, of the Convention,

*Recalling also* its decisions 11/CP.1, 12/CP.1, 13/CP.1, 10/CP.2, 11/CP.2, 12/CP.2, 2/CP.4, 3/CP.4, 8/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 6/CP.7, 27/CP.7, 5/CP.8 and 6/CP.8,

*Having considered* the report of the Global Environment Facility<sup>1</sup> containing information on its major activities in the period 1 June 2002 to 30 June 2003,

*Noting* the information provided on the current level of funding for full- and medium-sized projects and the small grants programme, and for enabling activities in developing countries,

*Noting also* that over time there are variations in activity under different operational programmes,

*Noting further* that within the reporting period, two out of eight project development facility grants were provided for preparation of projects under the Global Environment Facility's operational programme 7 (Reducing the long-term costs of low greenhouse gas-emitting energy technologies),

*Noting* the ongoing work in the areas of monitoring and evaluation, strategic planning, streamlining the Global Environment Facility project cycle, and incremental costs,

*Welcoming* the completion of the operational procedures for the expedited financing of national communications on the basis of the "Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention" (contained in the annex to decision 17/CP.8), and the approval of a global project designed to support the preparation of those national communications,

*Welcoming also* the increased support for capacity-building activities as outlined in the "GEF Business Plan FY05-07"<sup>2</sup> and the Global Environment Facility's strategic approach to enhancing capacity-building<sup>3</sup> approved by its Council in November 2003,

*Welcoming further* the successful efforts to mobilize resources for the Least Developed Countries Fund, and also noting the added responsibility of the Global Environment Facility in respect of the Special Climate Change Fund as stipulated in decisions 7/CP.7 and 7/CP.8,

*Noting* the value of the long-term and strategic approach of the Global Environment Facility to barrier removal and market facilitation for renewable energy technologies, energy efficiency and energy conservation, low-greenhouse-gas-emitting technologies and environmentally sustainable transport,

*Noting also* the Global Environment Facility document *A Proposed GEF Approach to Adaptation*<sup>4</sup> and the establishment of a new strategic priority in the climate change focal area (Piloting an operational approach to adaptation) that will build upon and demonstrate linkages to activities in the other focal areas by expanding opportunities within those focal areas to demonstrate important adaptation response measures,

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<sup>1</sup> FCCC/CP/2003/3.

<sup>2</sup> GEF/C.22/6 available at [www.gefweb.org/Documents/Council\\_Documents/](http://www.gefweb.org/Documents/Council_Documents/)

<sup>3</sup> GEF/C.22/8 available at [www.gefweb.org/Documents/Council\\_Documents/](http://www.gefweb.org/Documents/Council_Documents/)

<sup>4</sup> GEF/C.21/INF.10 available at [www.gefweb.org/Documents/Council\\_Documents/](http://www.gefweb.org/Documents/Council_Documents/)

*Noting further* the information provided in response to guidance by the Conference of the Parties on the provision of financial support to Parties not included in Annex I to the Convention for the transfer of technology,

*Noting* the information provided on activities relating to education, training and public awareness under Article 6 of the Convention,

*Welcoming* the closer consultations initiated between the Global Environment Facility secretariat and the Convention secretariat to strengthen collaboration and improve information exchange,

1. *Requests* the Global Environment Facility to include, in its report to the tenth session of the Conference of the Parties:

(a) Information on the implementation of the strategic approach to enhancing capacity-building in response to decisions 2/CP.7 and 3/CP.7;

(b) Information on its support for the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## Decision 4/CP.9

### Additional guidance to an operating entity of the financial mechanism

*The Conference of the Parties,*

*Recalling* Article 3, Article 4, paragraphs 1, 3, 4, 5, 7, 8 and 9, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4, of the Convention,

*Recalling also* its decisions 13/CP.1, 7/CP.2, 10/CP.2, 11/CP.2, 12/CP.2, 9/CP.3, 1/CP.4, 2/CP.4, 4/CP.4, 6/CP.4, 8/CP.5, 9/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 6/CP.7, 7/CP.7, 5/CP.8, 7/CP.8, 9/CP.8 and 10/CP.8,

*Recalling further* that in accordance with decision 11/CP.1, the Conference of the Parties is to give guidance on policies, programme priorities and eligibility criteria to an operating entity of the financial mechanism,

1. *Decides* that the Global Environment Facility, as an operating entity of the financial mechanism, should:
  - (a) On matters relating to national communications:
    - (i) Closely monitor the performance of the global project to support the preparation of national communications, including its effectiveness and efficiency, and continue to ensure that implementation of this project is consistent with the guidance provided by the Conference of the Parties;
    - (ii) Provide finance in a timely manner for the preparation of national communications by Parties not included in Annex I to the Convention (non-Annex I Parties) whose project activities are not covered by the global project;
  - (b) On matters relating to capacity-building:
    - (i) Continue to provide financial support to non-Annex I Parties, in accordance with decision 6/CP.7, for the implementation of the capacity-building framework annexed to decision 2/CP.7;
    - (ii) Take into account, in its work relating to the development of capacity-building performance indicators for the climate change focal area, the capacity-building framework annexed to decision 2/CP.7, and undertake this work in consultation with the Convention secretariat;
    - (iii) Provide financial support to countries with economies in transition, within its mandate, for the implementation of the capacity-building framework annexed to decision 3/CP.7;
  - (c) On matters relating to transfer of technology, continue to support enabling activities relating to technology needs assessments;
2. *Requests* the Global Environment Facility:
  - (a) To continue its support for education, training and public awareness activities relating to climate change;
  - (b) To operationalize the new strategic priority in the climate change focal area (Piloting an operational approach to adaptation) as soon as possible;



(c) To include in its report to the Conference of the Parties at its tenth session information on specific steps undertaken to implement this decision;

3. *Invites* the Global Environment Facility to give appropriate consideration to addressing the priority needs identified by non-Annex I Parties in their regional action plans relating to global observing systems for climate, noting the existence of other bilateral and multilateral agencies and mechanisms that support global climate observing systems.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## Decision 5/CP.9

### **Further guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Special Climate Change Fund**

*The Conference of the Parties,*

*Recalling* the relevant provisions of, in particular, Article 4, paragraphs 1, 3, 4, 5, 7, 8, 9 and 10, and Article 11, of the Convention,

*Recalling also* its decisions 4/CP.7, 5/CP.7, 7/CP.7 and 7/CP.8,

*Noting* the views of Parties on prioritized activities, programmes and measures to be funded under the Special Climate Change Fund,

*Stressing* the importance of bilateral and multilateral funding in support of the implementation of activities, programmes and measures in the climate change area,

*Noting* that the Special Climate Change Fund supports the implementation of the Convention, contributes to the achievement of the World Summit on Sustainable Development and the Millennium Development Goals, and contributes to the integration of climate change considerations into development activities,

1. *Decides* that:

(a) The Special Climate Change Fund should serve as a catalyst to leverage additional resources from bilateral and other multilateral sources;

(b) Activities to be funded should be country-driven, cost-effective and integrated into national sustainable development and poverty-reduction strategies;

(c) Adaptation activities to address the adverse impacts of climate change shall have top priority for funding;

(d) Technology transfer and its associated capacity-building activities shall also be essential areas to receive funding from the Special Climate Change Fund;

2. *Decides also* that the implementation of adaptation activities shall be supported through the Special Climate Change Fund, taking into account national communications or national adaptation programmes of action, and other relevant information provided by the applicant Party, and include:

(a) Implementation of adaptation activities where sufficient information is available to warrant such activities, inter alia, in the areas of water resources management, land management, agriculture, health, infrastructure development, fragile ecosystems, including mountain ecosystems, and integrated coastal zone management;

(b) Improving the monitoring of diseases and vectors affected by climate change, and related forecasting and early warning systems, and in this context improving disease control and prevention;

(c) Supporting capacity-building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme weather events;

(d) Strengthening existing and, where needed, establishing national and regional centres and information networks for rapid response to extreme weather events, utilizing information technology as much as possible;

3. *Decides further* that resources from the Special Climate Change Fund shall be used to fund technology transfer activities, programmes and measures that are complementary to those currently funded by the Global Environment Facility taking into account national communications or any other relevant documents in accordance with decision 4/CP.7 and its annex containing the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, in the following priority areas:

- (a) Implementation of the results of technology needs assessments;
- (b) Technology information;
- (c) Capacity-building for technology transfer;
- (d) Enabling environments;

4. *Decides further* that activities under paragraph 2 (c) and (d) in decision 7/CP.7 are also to be funded by the Special Climate Change Fund and to this effect invites Parties to submit to the secretariat, by 15 September 2004, further views on activities, programmes and measures in these areas for further consideration by the Subsidiary Body for Implementation, at its twenty-first session, in order for the Conference of the Parties to take a decision on this matter at its tenth session;

5. *Requests* the entity entrusted with the operation of the fund to arrange expedited access to the Special Climate Change Fund in keeping with current practices of the Global Environment Facility, taking into account the need for adequate resources to implement eligible activities, programmes and measures;

6. *Invites* the entity entrusted with the operation of the Special Climate Change Fund to make the necessary arrangements to mobilize resources to make the fund operational without delay;

7. *Requests* the entity referred to in paragraph 5 above to include in its report to the Conference of the Parties, at its tenth session, the specific steps it has undertaken to implement this decision.

*9<sup>th</sup> plenary meeting  
12 December 2003*

## Decision 6/CP.9

### Further guidance for the operation of the Least Developed Countries Fund

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.7, 7/CP.7, 27/CP.7, 28/CP.7 and 8/CP.8,

*Noting* that the Least Developed Countries Fund supports the implementation of the Convention, contributes to the achievement of the World Summit on Sustainable Development and the Millennium Development Goals, and contributes to the integration of climate change considerations into development activities,

*Noting also* that the Least Developed Countries Fund will contribute to the enhancement of adaptive capacity to address the adverse effects of climate change, including, as appropriate, in the context of national strategies for sustainable development,

*Noting also* with appreciation efforts by the Global Environment Facility in developing expedited procedures for funding the preparation of national adaptation programmes of action and for its efforts to mobilize resources for the Least Developed Countries Fund,

1. *Decides* to adopt the further guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Least Developed Countries Fund, as set out in paragraphs 2 and 3 below;

2. *Requests* the entity to support the implementation of national adaptation programmes of action as soon as possible after their completion;

3. *Requests* the entity to take into account, inter alia, the following elements when developing operational guidelines for funding of the implementation of national adaptation programmes of action:

(a) Ensuring a country-driven approach, in line with national priorities, which ensures cost-effectiveness and complementarity with other funding sources;

(b) Equitable access by least developed country Parties to funding for the implementation of national adaptation programmes of action;

(c) Criteria for supporting activities on an agreed full-cost basis, taking account of the level of funds available;

(d) Guidelines for expedited support;

(e) Urgency and immediacy of adapting to the adverse effects of climate change;

(f) Prioritization of activities;

4. *Requests* Parties to make completed national adaptation programmes of action available to the Global Environment Facility and to the secretariat for further dissemination to the Parties;

5. *Requests* the entity to include in its report to the Conference of the Parties information on the specific steps it has undertaken to implement this decision as well as the preparation of national adaptation programmes of action;

6. *Decides* to assess progress in the implementation of this decision and consider the adoption of further guidance at its tenth session.

*9<sup>th</sup> plenary meeting*

*12 December 2003*

## Decision 7/CP.9

### Extension of the mandate of the Least Developed Countries Expert Group

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.7 and 29/CP.7,

*Recognizing* the specific needs and special situations of the least developed countries under Article 4, paragraph 9, of the Convention,

*Having considered* the progress report of the Least Developed Countries Expert Group,

1. *Decides* to extend the mandate of the Least Developed Countries Expert Group, under the terms of reference adopted by decision 29/CP.7;
2. *Decides* that new experts may be nominated to the Least Developed Countries Expert Group, or existing members of the group may continue in office, as determined by the respective regions or groups;
3. *Invites* Parties included in Annex II to the Convention to contribute funding towards supporting the activities of the Least Developed Countries Expert Group;
4. *Requests* the secretariat to continue to facilitate the work of the Least Developed Countries Expert Group;
5. *Decides* to review, at its eleventh session, the progress, need for continuation and terms of reference of the group, and to adopt a decision thereon.

*9<sup>th</sup> plenary meeting  
12 December 2003*

**Decision 8/CP.9**

**Review of the guidelines for the preparation of national adaptation programmes of action**

*The Conference of the Parties,*

*Recalling* its decisions 28/CP.7 and 9/CP.8,

*Recognizing* the specific needs and special situations of the least developed countries under Article 4, paragraph 9, of the Convention,

*Having considered* the progress report of the Least Developed Countries Expert Group,

1. *Decides* that a revision of the guidelines for the preparation of national adaptation programmes of action is not necessary at this time.

*9<sup>th</sup> plenary meeting  
12 December 2003*

## Decision 9/CP.9

### Capacity-building

*The Conference of the Parties,*

*Recalling* its decision 2/CP.7 to conduct a comprehensive review of the implementation of the framework for capacity-building in developing countries at its ninth session and every five years thereafter,

*Recalling further* its decision 3/CP.7 to review at regular intervals the effectiveness of the implementation of the framework for capacity-building in countries with economies in transition,

*Noting* that capacity-building is a country-driven process, addressing specific needs and conditions of developing countries and reflecting their national strategies for sustainable development,

*Welcoming* the secretariat paper containing an analysis of the implementation of the framework for capacity-building in developing countries,<sup>1</sup>

*Welcoming also* the strategic approach of the Global Environment Facility towards enhancing capacity-building with the aim of providing adequate support for nationally determined and prioritized capacity-building needs,

*Having considered* the conclusions of the Subsidiary Body for Implementation at its eighteenth session relating to capacity-building,<sup>2</sup>

*Having taken note* of the terms of reference of the first comprehensive review of the implementation of the framework for capacity-building in developing countries, contained in annex III to the report of the Subsidiary Body for Implementation at its eighteenth session,<sup>3</sup>

1. *Decides* to complete the first comprehensive review of the implementation of the framework for capacity-building in developing countries by its tenth session and to conduct further comprehensive reviews every five years thereafter;

2. *Decides* on the following actions and steps necessary to complete this first comprehensive review:

(a) To request the secretariat to prepare a paper, with technical appendices, on the range and effectiveness of capacity-building activities in developing countries aimed at implementing decision 2/CP.7, for consideration by the Subsidiary Body for Implementation at its twentieth session, this paper and its technical appendices to be based on the terms of reference contained in annex III of the report of the Subsidiary Body for Implementation at its eighteenth session;

(b) To invite Parties to submit to the secretariat, by 15 February 2004, additional information in a format to be guided by the above-mentioned terms of reference as an input to the paper and its technical appendices;

3. *Requests* the Chair of the Subsidiary Body for Implementation, subject to the availability of resources, and upon consideration by Parties of the secretariat paper and its technical appendices, to convene a technical meeting with the aim of contributing to the comprehensive review at the tenth session of the Conference of the Parties;

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<sup>1</sup> FCCC/SBI/2003/14.

<sup>2</sup> FCCC/SBI/2003/8, paragraph 22.

<sup>3</sup> FCCC/SBI/2003/8, annex III



4. *Decides* to complete the review of the effectiveness of the implementation of the framework for capacity-building in countries with economies in transition, annexed to decision 3/CP.7, by its tenth session, and that further reviews should be based on the review of national communications of these countries;

5. *Encourages* Parties with economies in transition, in preparing their national communications, to provide information relating to the implementation of the framework for capacity-building in their countries, taking into account the following:

(a) Provision of enabling environments to promote the sustainability and effectiveness of capacity-building activities relating to the implementation of the ultimate objective of the Convention;

(b) Best practices in capacity-building;

(c) Capacity-building needs, priorities and options;

(d) Information on how capacity-building activities are being implemented;

(e) Cooperation relating to capacity-building among Parties with economies in transition;

(f) Mobilization and sustainability of national capacities, including the institutional leadership necessary for national coordination and the effectiveness of capacity-building activities;

(g) Participation in, and access to, capacity-building activities by all stakeholders, including governments, civil society and the private sector, as appropriate;

(h) Financial and other resources needed to implement capacity-building activities;

6. *Requests* the secretariat to prepare a compilation and synthesis report on capacity-building activities in countries with economies in transition, based on information included in their national communications, if available, and on information provided by the Global Environment Facility and other relevant organizations, for consideration by the Subsidiary Body for Implementation at its twentieth session.

**Decision 10/CP.9**

**Scientific, technical and socio-economic aspects of impacts of, and vulnerability and adaptation to, climate change, and scientific, technical and socio-economic aspects of mitigation**

*The Conference of the Parties,*

*Recalling* its decisions 25/CP.7 and 1/CP.8, and the conclusions of the Subsidiary Body for Scientific and Technological Advice at its sixteenth and eighteenth sessions on the Third Assessment Report of the Intergovernmental Panel on Climate Change,

1. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its twentieth session, to initiate its work on scientific, technical and socio-economic aspects of impacts of, and vulnerability and adaptation to, climate change, and on scientific, technical and socio-economic aspects of mitigation, and to focus on exchanging information and sharing experiences and views among Parties on practical opportunities and solutions to facilitate the implementation of the Convention;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to report on its work in these areas to the Conference of the Parties at its eleventh session.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## Decision 11/CP.9

### Global observing systems for climate

*The Conference of the Parties,*

*Recalling* Article 4.1(g)–(h) and Article 5 of the Convention,

*Further recalling* its decisions 14/CP.4 and 5/CP.5,

*Having considered* conclusions of the Subsidiary Body for Scientific and Technological Advice at its fifteenth, sixteenth, seventeenth and eighteenth sessions,

*Having considered and noted with appreciation The Second Report on the Adequacy of the Global Observing Systems for Climate in Support of the UNFCCC,*

*Recognizing* the importance of collaboration among the sponsoring agencies of the Global Climate Observing System,

*Recognizing further* the need for a clear definition of the long-term needs of the Convention and of the short-term priorities concerning the support of systematic observation and networks, in particular taking into account the needs of developing countries,

*Recognizing also* the value of indigenous knowledge in supplementing regional and national climate monitoring systems,

*Welcoming* the efforts of the ad hoc Group on Earth Observations to develop a 10-year implementation plan for a comprehensive, coordinated and sustained Earth observing system or systems,

*Welcoming further* the establishment of the Global Climate Observing System Cooperation Mechanism by Members of the sponsoring agencies of the Global Climate Observing System, under the guidance of the Global Climate Observing System steering committee, as well as the flexible approach that has been adopted to participation in the mechanism,

*Noting* that the Global Climate Observing System Cooperation Mechanism will address priority needs for improvements in global observing systems for climate in developing countries,

1. *Requests* Parties to review *The Second Report on the Adequacy of the Global Observing Systems for Climate in Support of the UNFCCC* (second adequacy report) within the context of their national capabilities and to consider what actions they can take individually, bilaterally, multilaterally and through coordinated international programmes to address the findings, noting, in particular:

- (a) The importance of maintaining the operation of baseline stations in the long term;
- (b) That homogeneous long-term climate records represent a national heritage and are necessary, inter alia, to improve the basis for climate assessment and adaptation measures;
- (c) The wealth of information that can be provided through the digitization, analysis and exchange of historical information;
- (d) The importance of adhering to applicable adopted principles of free and unrestricted exchange of data and products, especially with respect to the set of Essential Climate Variables as defined in the second adequacy report;
- (e) The value of reporting on such actions in national communications;

2. *Requests* the Global Climate Observing System secretariat, under the guidance of the Global Climate Observing System steering committee, taking into account international and intergovernmental mechanisms, to coordinate the development of a phased 5- to 10-year implementation plan for the integrated global observing systems for climate, using a mix of high-quality satellite and in situ measurements, dedicated infrastructure and targeted capacity-building, such a plan:

(a) To draw on the second adequacy report and the views of Parties;

(b) To take into consideration existing global, regional and national plans, programmes and initiatives, such as the Global Monitoring for Environment and Security programme and the Integrated Global Observing Strategy partnership;

(c) To be based on extensive consultations with a broad and representative range of scientists and data users;

(d) To include indicators for measuring its implementation;

(e) To identify implementation priorities, resource requirements and funding options;

3. *Invites* the Global Climate Observing System secretariat and the ad hoc Group on Earth Observations to collaborate closely in developing their respective implementation plans;

4. *Invites* the ad hoc Group on Earth Observations to treat global climate monitoring as a priority and to adopt a balanced approach to the application of in situ and remote-sensing systems for climate monitoring;

5. *Invites* the Global Climate Observing System secretariat to provide a progress report on the development of the implementation plan to the Subsidiary Body for Scientific and Technological Advice at its twentieth session;

6. *Requests* the Global Climate Observing System secretariat to conduct an open review of the implementation plan before its completion and to submit the final implementation plan to the Subsidiary Body for Scientific and Technological Advice at its twenty-first session;

7. *Invites* Parties to participate actively in the above-mentioned review process;

8. *Invites* the sponsoring agencies of the Global Climate Observing System, and in particular those of the Global Terrestrial Observing System, in consultation with other international or intergovernmental agencies, as appropriate, to develop a framework for the preparation of guidance materials, standards and reporting guidelines for terrestrial observing systems for climate, and associated data and products, taking into consideration possible models, such as those of the World Meteorological Organization/Intergovernmental Oceanographic Commission Joint Commission for Oceanographic and Marine Meteorology, and to submit a progress report on this issue to the Conference of the Parties at its eleventh session;

9. *Invites* the relevant national entities, in cooperation with the sponsoring agencies of the Global Climate Observing System and other international and intergovernmental agencies, to make available on a sustained basis a range of integrated climate products relevant to the needs of the Convention, as identified in the second adequacy report;

10. *Invites* the Global Climate Observing System secretariat, in conjunction with the Global Ocean Observing System secretariat, to provide information to the Subsidiary Body for Scientific and Technological Advice, at its twenty-second session, on progress made towards implementing the initial ocean climate observing system;

11. *Requests* the Subsidiary Body for Implementation, when next reviewing the guidelines for the preparation of national communications:

(a) To incorporate into the guidelines the supplementary reporting format developed by a group of Parties and made available to the Subsidiary Body for Scientific and Technological Advice at its thirteenth session;

(b) To replace the “GCOS/GOOS/GTOS Climate Monitoring Principles” contained in appendix II to chapter III of document FCCC/CP/1999/7 (page 108) with the modified set agreed by the World Meteorological Organization at its Fourteenth Congress and approved by the Committee on Earth Observation Satellites at its seventeenth plenary, to better reflect the needs and capabilities of the in situ and satellite monitoring communities;

12. *Encourages* all Parties to provide reports on systematic observation in accordance with the agreed reporting guidelines, in recognition of the importance of accurate, credible and comprehensive information on global observing systems for climate as a basis for planning and implementing priority improvements;

13. *Urges* Parties in a position to do so, in particular Parties included in Annex I to the Convention, to support, including by contributing to relevant funding mechanisms such as the Global Climate Observing System Cooperation Mechanism, the priority needs, identified in the second adequacy report and regional action plans, in developing countries, especially the least developed countries and small island developing States, noting that filling the gaps in baseline atmospheric networks is an urgent need that should be met during the next two years;

14. *Requests* the Global Climate Observing System secretariat to include information on the operation of the Global Climate Observing System Cooperation Mechanism in its regular reports to the Conference of the Parties.

*8<sup>th</sup> plenary meeting  
12 December 2003*

**Decision 12/CP.9****Issues relating to the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention**

*The Conference of the Parties,*

*Recalling* Articles 4, 7 and 12 of the Convention,

*Further recalling* its decision 19/CP.8,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Requests* the secretariat, subject to the availability of resources, to develop and implement the training programme for members of expert review teams for the technical review of greenhouse gas inventories, in accordance with the provisions in annex I to this decision, including requirements for testing of experts, and to give priority to implementation of a final seminar for the land use, land-use change and forestry module;
2. *Encourages* Parties included in Annex II to the Convention to provide financial support for implementing the training programme;
3. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its first session in 2006, to assess the results of the training programme for members of expert review teams for the technical review of greenhouse gas inventories and to make recommendations to the Conference of the Parties on the further development and implementation of the training programme;
4. *Adopts* the “Code of practice for the treatment of confidential information in the technical review of greenhouse gas inventories from Parties included in Annex I to the Convention” (Annex I Parties) contained in annex II to this decision;
5. *Requests* the secretariat, beginning in 2004, to apply procedures consistent with this code of practice in the technical review of greenhouse gas inventories and to make these procedures publicly available;
6. *Decides* that, beginning in 2004, all members of expert review teams participating in the technical review of greenhouse gas inventories from Annex I Parties shall be required to sign an agreement for expert review services, prepared based on the elements included in annex III to this decision, and on any additional elements arising from consideration, by the Subsidiary Body for Scientific and Technological Advice at its twentieth session, of consequences for breach of the agreement;
7. *Requests* the secretariat to develop the agreement for expert review services and make it publicly available before the twentieth session of the Subsidiary Body for Scientific and Technological Advice;
8. *Requests* the secretariat to take into account the provisions of paragraphs 4–6 above in the selection of members of expert review teams for the technical review of greenhouse gas inventories from Annex I Parties;
9. *Requests* the secretariat, subject to the availability of resources, to organize meetings of lead reviewers participating in the technical review of greenhouse gas inventories from Annex I Parties, the purpose of these meetings being to consider methodological and procedural issues relating to inventory reviews, with a view to developing a common approach to these issues by expert review teams

and to making recommendations to the secretariat on ways to improve the effectiveness and efficiency of the technical review of inventories;

10. *Requests* the secretariat to prepare an annual report on inventory review activities, including any recommendation resulting from the lead reviewers' meetings, for consideration by the Subsidiary Body for Scientific and Technological Advice, the future frequency for the preparation of this report to be considered in the first session of the Subsidiary Body for Scientific and Technological Advice in 2006, in the context of the report assessing the implementation of the review guidelines requested in decision 19/CP.8;

11. *Requests* the secretariat to include also in its annual report on inventory review activities, information on the training programme, in particular on examination procedures and on the selection of trainees and instructors;

12. *Requests* the secretariat to archive review information, including information about members of expert review teams, and to include a description of the types of information collected in its annual report on inventory review activities;

13. *Urges* Annex I Parties to support greenhouse gas inventory review activities as established in decision 19/CP.8, and all Parties to facilitate the participation of their experts in the inventory review process.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## ANNEX I

### **TRAINING PROGRAMME FOR MEMBERS OF EXPERT REVIEW TEAMS FOR THE TECHNICAL REVIEWS OF GREENHOUSE GAS INVENTORIES OF PARTIES INCLUDED IN ANNEX I TO THE CONVENTION**

#### **I. PREMISES OF THE TRAINING PROGRAMMES**

1. New reviewers who successfully complete the relevant requirements of the training programme will be invited to participate in a centralized or in-country review, working alongside experienced inventory reviewers.
2. All courses will include an examination. For courses which have a final seminar, the examination will generally take place during the seminar. In exceptional circumstances, other arrangements for examination will be made, provided that the examinations take place under the supervision of the secretariat. For other courses the examination will take place on-line.
3. Experts who do not pass an examination for a course at the first attempt may re-take the examination one additional time, provided that the expert has fulfilled all the tasks assigned to the trainees in the course in a timely manner, and that the re-take does not require the secretariat to incur additional costs.
4. Examination procedures should be standardized, objective and transparent.
5. All courses will be available on-line. The courses will be distributed on CD-ROM to trainees without easy access to the Internet; in such cases, and for courses that are facilitated by an instructor, trainees will communicate with the instructor by email.
6. Final seminars for courses may be offered in conjunction with lead reviewers' meetings to complete the training for lead reviewers.
7. The development and implementation of the courses of this training programme depend on the availability of resources.
8. Highly experienced inventory review experts will be selected as instructors for courses of the training programme, ensuring that their collective skills cover the subjects addressed in each course. The secretariat will seek geographic balance among the instructors participating in the training programme.
9. When selecting new reviewers for courses facilitated by instructors, priority will be given to national inventory experts, nominated to the roster of experts, from Parties that have not participated in review activities before 2004.



## II. COURSES OF THE TRAINING PROGRAMME

### A. Basic course for the review of Annex I Party greenhouse gas inventories

**Description:** This course covers UNFCCC review guidelines and procedures and general Intergovernmental Panel on Climate Change (IPCC) inventory guidance<sup>1</sup> as well as specific aspects of the review of the IPCC sectors energy, fugitive emissions, industrial processes, agriculture and waste.<sup>2</sup> This course will also provide guidance on making review reports substantive and reader-friendly

**Preparation:** 2003

**Implementation:** 2004, 2005 and 2006

**Target audience:** New reviewers and reviewers who have participated in fewer than two review activities before 2004

**Type of course:** E-learning, facilitated by an instructor, with final seminar (subject to the availability of resources)

**Examination requirements:** New reviewers and reviewers who have participated in fewer than two review activities before 2004 must pass the examination before participating in expert review teams

### B. Land use, land-use change and forestry (LULUCF) module of the course for the review of Annex I Party greenhouse gas inventories

**Description:** This course will be based on the IPCC good practice guidance for the LULUCF sector

**Preparation:** 2004

**Implementation:** Only 2005<sup>3</sup>

**Target audience:** 50 reviewers for the LULUCF sector

**Type of course:** E-learning, facilitated by instructors,<sup>4</sup> with final seminar (subject to the availability of resources)

**Examination requirements:** Review experts must pass the examination before participating as an LULUCF expert reviewer

### C. Improving communication and facilitating consensus in expert review teams

**Description:** This course provides tools to improve the work of expert review teams and facilitate teamwork

**Preparation:** 2003

**Implementation:** 2004, 2005, 2006

**Target audience:** All reviewers

**Type of course:** E-learning, without instructor

**Examination requirements:** Self-check electronic examination

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<sup>1</sup> IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories available at: <http://www.ipcc-nggip.iges.or.jp/public/gp/gpgaum.htm> and the Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories, volumes 1–3, available at: <http://www.ipcc-nggip.iges.or.jp/public/gl/invs1.htm>

<sup>2</sup> This course will not include the module on land use, land-use change and forestry sector (LULUCF) until the year 2006.

<sup>3</sup> Starting in 2006, the LULUCF module will be integrated with the basic course.

<sup>4</sup> Experts with experience in the preparation of good practice guidance for land use, land-use change and forestry will be selected as instructors for this course.

#### **D. Handling confidential information**

**Description:** This course teaches procedures to protect any confidential information in the inventory review process<sup>5</sup>

**Preparation:** 2004

**Implementation:** 2005 and 2006

**Target audience:** Lead reviewers and all reviewers who handle confidential information

**Type of course:** E-learning, without instructor. A short seminar will be provided by the secretariat in association with a lead reviewers' meeting, centralized review or in-country review

**Examination requirements:** Self-check electronic examination

*Note:* More information on general characteristics of the training programme can be found in document FCCC/SBSTA/2003/3.

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<sup>5</sup> This course will make available for reference, when relevant and feasible, information on national procedures for handling confidential information of Parties that report confidential information in their inventory submissions.

ANNEX II

**CODE OF PRACTICE FOR THE TREATMENT OF CONFIDENTIAL INFORMATION IN  
THE TECHNICAL REVIEW OF GREENHOUSE GAS INVENTORIES FROM PARTIES  
INCLUDED IN ANNEX I TO THE CONVENTION**

1. Pursuant to Article 12, paragraph 9, of the Convention, a Party has a right to designate information as confidential, in accordance with criteria to be established by the Conference of the Parties, and request that this information be aggregated by the secretariat to protect its confidentiality before being made available to any of the bodies involved in the communication and review of information. Should a Party included in Annex I to the Convention (Annex I Party) voluntarily allow access to inventory information other than that required by Article 12, the provisions in this code of practice shall apply.
2. Prior to the provision of specific national greenhouse gas inventory information that an Annex I Party wishes to be considered as confidential, that Party may assert a confidentiality claim by submitting a notification, signed by the appropriate focal point (national or inventory), indicating that the information is considered confidential and requesting that it be protected according to the procedures in this code of practice. The assertion of confidentiality shall be accompanied by documentation of the Party's basis for such protection, including applicable laws and regulations.
3. The secretariat shall confirm receipt of an assertion of confidentiality and provide a written assurance to the Party that the information will be protected in accordance with these procedures.
4. Any confidential information shall be submitted separately from other inventory information, and in hard copy only, and shall be clearly designated as confidential by the Party.
5. The secretariat shall ensure that any inventory information it receives in the course of the inventory reporting and review process, which has been designated as confidential by the Party in accordance with paragraphs 2–4 above, is protected in accordance with these procedures.
6. Information designated as confidential shall be stored in a secure, locked location. Only authorized staff and review team members shall be given access to this information, in accordance with procedures to be established.
7. All review team members shall be required to sign an agreement for expert review services, which shall include provisions for protection of confidential information. The obligation of a review team member to protect confidential information shall continue after completion of his or her services.
8. Expert reviewers shall not be given access to information designated as confidential if a known potential conflict of interest with regard to that information has been disclosed in accordance with the agreement for expert review services.
9. The secretariat shall ensure that any expert with a known potential conflict of interest relating to specific confidential information submitted by the reviewed Party is excluded from participating in the review of the Party concerned.
10. Information designated as confidential shall not be distributed or disclosed to non-authorized individuals and/or organizations and shall not be distributed beyond the secretariat's control.
11. Secretariat staff with a need to handle information designated as confidential shall be instructed in responsibilities and trained in procedures to protect the confidentiality of such information.

12. Expert review team members with a need to handle information designated as confidential shall be instructed in responsibilities and trained in procedures to protect the confidentiality of such information.
13. The secretariat shall ensure that review experts are made aware of their personal liability and of the potential consequences, including legal consequences, that may arise from disclosure by them of confidential information.
14. When an Annex I Party, in accordance with Article 12, paragraph 9, of the Convention, gives an expert review team access to confidential information during an in-country review visit, access to the information would be under the supervision of the Party and in accordance with the Party's own procedures. In such a case, the members of expert review teams shall still be obliged to protect confidential information, in accordance with the agreement for expert review services.
15. Any internal documentation developed by the secretariat or by the review team which contains information designated as confidential shall also be considered confidential and shall be handled in accordance with the above procedures. Confidential information shall not be included in review reports.
16. The secretariat shall make publicly available information on its policies and procedures to protect confidential information, including this code of practice.

### ANNEX III

#### **ELEMENTS FOR INCLUSION IN THE AGREEMENT FOR EXPERT REVIEW SERVICES**

1. Each expert shall work in his or her personal capacity and perform duties in an objective, neutral and professional manner.
2. Each expert shall disclose any potential conflict of interest relating to review activities.
3. Each expert shall participate in scheduled review activities and comply with the procedures and deadlines for inventory review as set out in the inventory review guidelines, under the direction of the UNFCCC secretariat
4. Information provided by Parties under review and by the secretariat is provided for the sole purpose of the inventory review and shall not be used by expert review team members for purposes other than the inventory review. In particular:
  - (a) Experts shall not disclose any information acquired during the review before finalization and publication of the inventory review report;
  - (b) Experts shall not disclose any non-published information acquired during the review without the express agreement of the Party concerned and the secretariat.
5. Experts shall not disclose information about the review, including any findings, or the status of internal procedures, to anyone except the Party concerned, the secretariat, members of the review team and, as necessary, other lead reviewers, while the review is being conducted.
6. Each expert will be advised of the time requirements and deadlines for the review process, and will do everything in his or her power to meet these deadlines.
7. If, due to unforeseen circumstances, an expert is not able to perform his or her duties in the time frame allotted for them, he or she shall notify the secretariat, lead reviewers of the team and other members of the team as soon as possible.
8. Each expert agrees to use UNFCCC reporting guidelines and IPCC methodologies and good practice guidance as the bases for the technical review of inventories.
9. Each expert has an obligation to protect confidential information both during and after terms of service. Experts authorized to handle confidential information will adhere to agreed procedures for treatment of confidential information.
10. Each expert authorized to handle confidential information shall disclose any potential conflicts of interest relating to specific confidential information submitted by the Party being reviewed before the information is viewed.
11. Each expert will work cooperatively with other review team members, in particular lead reviewers and other experts working in the same subsector, with a view to achieving consensus in decision-making within their expert review team.
12. If, under exceptional circumstances, consensus cannot be reached within an expert review team, lead reviewers from other expert review teams will work cooperatively with the team to assist it in achieving consensus.

## Decision 13/CP.9

### **Good practice guidance for land use, land-use change and forestry in the preparation of national greenhouse gas inventories under the Convention**

*The Conference of the Parties,*

*Recalling*, in particular, Article 4, paragraphs 1 (a) and 2 (c), Article 10, paragraph 2, and Article 12, paragraphs 1(a), 7 and 9, of the Convention,

*Recalling also* its decisions 11/CP.7, 17/CP.8 and 18/CP.8,

*Reaffirming* that anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol should be reported in a transparent, consistent, comparable, complete and accurate way,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Welcomes* the report of the Intergovernmental Panel on Climate Change entitled *Good Practice Guidance for Land Use, Land-Use Change and Forestry* (hereinafter referred to as the Intergovernmental Panel on Climate Change good practice guidance for land use, land-use change and forestry), as accepted by the twenty-first session of the Intergovernmental Panel on Climate Change held in Vienna, Austria, from 3 to 7 November 2003, as an elaboration of the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories*;

2. *Decides* that Parties included in Annex I to the Convention (Annex I Parties) should use the Intergovernmental Panel on Climate Change good practice guidance for land use, land-use change and forestry for preparing annual inventories under the Convention, due in 2005 and beyond, with an exception of any guidance relating to the preparation and reporting of greenhouse gas inventories for land use, land-use change and forestry under the Kyoto Protocol until further consideration and a decision on this matter by the Conference by Parties at its tenth session;

3. *Decides* to use, for a trial period covering inventory submissions due in 2005, the tables of the common reporting format for the land use, land-use change and forestry categories contained in annex I to this decision and a table contained in annex III to this decision,<sup>1</sup> with the aim of making them part of the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories" (hereinafter referred to as the UNFCCC reporting guidelines on annual inventories) adopted by decision 18/CP.8;

4. *Invites* Parties to submit to the secretariat, by 15 May 2005, their views on the tables of the common reporting format for land use, land-use change and forestry under the Convention and the experiences on their use, and requests the secretariat to synthesize the views of Parties for consideration by the Subsidiary Body for Scientific and Technological Advice at its twenty-third session;

5. *Encourages* Parties not included in Annex I to the Convention to apply good practice guidance for land use, land-use change and forestry, as appropriate and to the extent possible, in the preparation of greenhouse gas inventories to be included in national communications;

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<sup>1</sup> The common reporting format is a standardized format to be used by Annex I Parties for electronic reporting of estimates of greenhouse gas emissions and removals and any other relevant information. For technical reasons, the layout of the printed version of the tables of common reporting format for land use, land-use change and forestry in this document (e.g. size of tables and fonts) cannot be standardized.

6. *Decides* to use the technical modifications contained in Annex II to this decision in the trial period referred to in paragraph 3 above;

7. *Requests* the secretariat to incorporate in the UNFCCC reporting guidelines on annual inventories, adopted by decision 18/CP.8, the tables of the common reporting format for land use, land-use change and forestry categories contained in annex I to this decision, and the technical modifications described in annex II to this decision, and to replace table 7 in annex II of the guidelines on annual inventories with the table contained in annex III to this decision, and to prepare, by July 2004, a single document containing updated UNFCCC reporting guidelines on annual inventories to facilitate the preparation and reporting of greenhouse gas inventories for land use, land-use change and forestry by Annex I Parties;

8. *Requests* the secretariat to integrate the tables included in annex I and annex III to this decision in the new reporting software currently under development, in order to facilitate the submission of inventories from Annex I Parties due by 15 April 2005;

9. *Requests* the secretariat, in consultation with the Intergovernmental Panel on Climate Change and other organizations, to use appropriate means to encourage the translation, wide dissemination and use of the good practice guidance for land use, land-use change and forestry;

10. *Recommends* that the Intergovernmental Panel on Climate Change good practice guidance for land use, land-use change and forestry be included as an element in relevant capacity-building activities, particularly of United Nations organizations.

*8<sup>th</sup> plenary meeting  
12 December 2003*

Tables of the common reporting format for the land use, land-use change and forestry categories for reporting under the Convention\*

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Net CO <sub>2</sub> emissions/ removals <sup>(1),(2)</sup>	CH <sub>4</sub>	N <sub>2</sub> O	NO <sub>x</sub>	CO
	(Gg)				
<b>5. Total Land-Use Categories</b>					
<b>5.A. Forest Land</b>					
5.A.1. Forest Land remaining Forest Land					
5.A.2. Land converted to Forest Land					
<b>5.B. Cropland</b>					
5.B.1. Cropland remaining Cropland					
5.B.2. Land converted to Cropland					
<b>5.C. Grassland</b>					
5.C.1. Grassland remaining Grassland					
5.C.2. Land converted to Grassland					
<b>5.D. Wetlands<sup>(3)</sup></b>					
5.D.1. Wetlands remaining Wetlands					
5.D.2. Land converted to Wetlands					
<b>5.E. Settlements<sup>(3)</sup></b>					
5.E.1. Settlements remaining Settlements					
5.E.2. Land converted to Settlements					
<b>5.F. Other Land<sup>(4)</sup></b>					
5.F.1. Other Land remaining Other Land					
5.F.2. Land converted to Other Land					
<b>5.G. Other (please specify)<sup>(5)</sup></b>					
<i>Harvested Wood Products<sup>(6)</sup></i>					
<b>Information items<sup>(7)</sup></b>					
Forest Land converted to Other Land-Use Categories					
Grassland converted to Other Land-Use Categories					

<sup>(1)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and by changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

<sup>(2)</sup> CO<sub>2</sub> emissions from liming and biomass burning are included in this column.

<sup>(3)</sup> Parties do not have to prepare estimates for categories contained in appendices 3a.2, 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish and report in this row.

<sup>(4)</sup> Parties do not have to prepare estimates for this category contained in Chapter 3.7 of the IPCC good practice guidance for LULUCF, although they may do so if they wish and report in this row. This land-use category is to allow the total of identified land area to match the national area.

<sup>(5)</sup> May include other non-specified sources and sinks.

<sup>(6)</sup> Parties do not have to prepare estimates for this category contained in appendix 3a.1 of the IPCC good practice guidance for LULUCF, although they may do so if they wish and report in this row.

<sup>(7)</sup> These items are listed for information only and will not be added to the totals, because they are already included in subcategories 5.A.2 to 5.F.2.

**Documentation box:**

- Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.
- If estimates are reported under "5.G Other", use this documentation box to provide information regarding activities covered under this category and to provide reference to the section in the NIR where background information can be found.

\* NOTE: For the sake of consistency across the CRF, some editorial changes may need to be introduced while incorporating the tables of the CRF for the LULUCF categories in the UNFCCC reporting guidelines for annual inventories (see para 7 of this decision).



TABLE 5.A SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Forest Land  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS					EMISSIONS/REMOVALS				
Land-Use Category	Sub-division <sup>(1)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(2,3)</sup>			Net carbon stock change in dead organic matter per area <sup>(3)</sup>	Net carbon stock change in soils per area <sup>(3)</sup>	Carbon stock change in living biomass <sup>(2,3)</sup>			Net carbon stock change in dead organic matter <sup>(3)</sup>	Net carbon stock change in soils <sup>(3)</sup>
			Increase	Decrease	Net change			Increase	Decrease	Net change		
			(Mg C/ha)					(Gg C)				
<b>5.A Total Forest Land</b>												
5.A.1. Forest Land remaining Forest Land												
5.A.2. Land converted to Forest Land <sup>(4)</sup>												
5.A.2.1 Cropland converted to Forest Land												
5.A.2.2 Grassland converted to Forest Land												
5.A.2.3 Wetlands converted to Forest Land												
5.A.2.4 Settlements converted to Forest Land												
5.A.2.5 Other Land converted to Forest Land												

<sup>(1)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(2)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(3)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(4)</sup> A Party may report aggregate estimates for all conversions of land to forest land when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for grassland conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5.B SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Country

Cropland

Year

(Sheet 1 of 1)

Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS				EMISSIONS/REMOVALS					
Land-Use Category	Sub-division <sup>(1)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(2)</sup> <sub>(3)</sub>			Net carbon stock change in dead organic matter per area <sup>(3)</sup>	Net carbon stock change in soils per area <sup>(3)</sup>	Carbon stock change in living biomass <sup>(2),(3),(4)</sup>			Net carbon stock change in dead organic matter <sup>(3,5)</sup>	Net carbon stock change in soils <sup>(3)</sup>
			Increase	Decrease	Net change			Increase	Decrease	Net change		
			(Mg C/ha)			(Gg C)						
<b>5.B Total Cropland</b>												
5.B.1. Cropland remaining Cropland												
5.B.2. Land converted to Cropland <sup>(6)</sup>												
5.B.2.1 Forest Land converted to Cropland												
5.B.2.2 Grassland converted to Cropland												
5.B.2.3. Wetlands converted to Cropland												
5.B.2.4 Settlements converted to Cropland												
5.B.2.5 Other Land converted to Cropland												

<sup>(1)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(2)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(3)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(4)</sup> For category 5.B.1 Cropland remaining Cropland this column only includes changes in perennial woody biomass.

<sup>(5)</sup> No reporting on dead organic matter pools is required for category 5.B.1. Cropland remaining Cropland.

<sup>(6)</sup> A Party may report aggregate estimates for all land conversions to cropland, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest and grassland conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5.C SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Grassland  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS				EMISSIONS/REMOVALS					
Land-Use Category	Sub-division <sup>(1)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(2),(3)</sup>			Net carbon stock change in dead organic matter per area <sup>(2)</sup>	Net carbon stock change in soils per area <sup>(2)</sup>	Carbon stock change in living biomass <sup>(2),(3),(4)</sup>			Net carbon stock change in dead organic matter <sup>(2),(5)</sup>	Net carbon stock change in soils <sup>(2)</sup>
			Increase	Decrease	Net change			Increase	Decrease	Net change		
							(Mg C/ha)					
							(Gg C)					
<b>5.C Total Grassland</b>												
5.C.1. Grassland remaining Grassland												
5.C.2. Land converted to Grassland <sup>(6)</sup>												
5.C.2.1 Forest Land converted to Grassland												
5.C.2.2 Cropland converted to Grassland												
5.C.2.3. Wetlands converted to Grassland												
5.C.2.4 Settlements converted to Grassland												
5.C.2.5 Other Land converted to Grassland												

<sup>(1)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(2)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(3)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(4)</sup> For category 5.C.1 Grassland remaining Grassland this column only includes changes in perennial woody biomass.

<sup>(5)</sup> No reporting on dead organic matter pools is required for category 5.C.1 Grassland remaining Grassland.

<sup>(6)</sup> A Party may report aggregate estimates for all land conversions to grassland, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5.D SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Wetlands <sup>(1)</sup>  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS				EMISSIONS/REMOVALS					
Land-Use Category	Sub-division <sup>(2)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(3), (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in living biomass <sup>(3), (4)</sup>			Net carbon stock change in dead organic matter <sup>(4)</sup>	Net carbon stock change in soils <sup>(4)</sup>
			Increase	Decrease	Net change			Increase	Decrease	Net change		
			(Mg C/ha)			(Gg C)						
<b>5.D Total Wetlands</b>												
5.D.1. Wetlands remaining Wetlands												
5.D.2. Land converted to Wetlands <sup>(5)</sup>												
5.D.2.1 Forest Land converted to Wetlands												
5.D.2.2 Cropland converted to Wetlands												
5.D.2.3. Grassland converted to Wetlands												
5.D.2.4 Settlements converted to Wetlands												
5.D.2.5 Other Land converted to Wetlands												

<sup>(1)</sup> Parties do not have to prepare estimates for categories contained in appendices 3a.2, 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.

<sup>(2)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(3)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(4)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(5)</sup> A Party may report aggregate estimates for all land conversions to wetlands, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest and grassland conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5.E SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Settlements<sup>(1)</sup>  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS				EMISSIONS/REMOVALS					
Land-Use Category	Sub-division <sup>(2)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(3), (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in living biomass <sup>(3), (4) (5)</sup>			Net carbon stock change in dead organic matter <sup>(4)</sup>	Net carbon stock change in soils <sup>(4)</sup>
			Increase	Decrease	Net change (Mg C/ha)			Increase	Decrease	Net change (Gg C)		
<b>5.E Total Settlements</b>												
5.E.1. Settlements remaining Settlements												
5.E.2. Land converted to Settlements <sup>(6)</sup>												
5.E.2.1 Forest Land converted to Settlements												
5.E.2.2 Cropland converted to Settlements												
5.E.2.3. Grassland converted to Settlements												
5.E.2.4 Wetlands converted to Settlements												
5.E.2.5 Other Land converted to Settlements												

<sup>(1)</sup> Parties do not have to prepare estimates for categories contained in appendices 3a.2, 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.

<sup>(2)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(3)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(4)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(5)</sup> For category 5.E.1 Settlements remaining Settlements this column only includes changes in perennial woody biomass.

<sup>(6)</sup> A Party may report aggregate estimates for all land conversions to settlements, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest and grassland conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5.F. SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Other land<sup>(1)</sup>  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS				EMISSIONS/REMOVALS					
Land-Use Category	Sub-division <sup>(2)</sup>	Total area (kha)	Carbon stock change in living biomass per area <sup>(3),(4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in living biomass <sup>(3),(4)</sup>			Net carbon stock change in dead organic matter <sup>(4)</sup>	Net carbon stock change in soils <sup>(4)</sup>
			Increase	Decrease	Net change (Mg C/ha)			Increase	Decrease	Net change (Gg C)		
<b>5.F Total Other Land</b>												
5.F.1. Other Land remaining Other Land												
5.F.2. Land converted to Other Land <sup>(5)</sup>												
5.F.2.1 Forest Land converted to Other Land												
5.F.2.2 Cropland converted to Other Land												
5.F.2.3. Grassland converted to Other Land												
5.F.2.4 Wetlands converted to Other Land												
5.F.2.5 Settlements converted to Other Land												

<sup>(1)</sup> Parties do not have to prepare estimates for this category contained in Chapter 3.7 of the IPCC good practice guidance for LULUCF, although they may do so if they wish. This land-use category is to allow the total of identified land area to match the national area.

<sup>(2)</sup> Land categories may be further divided according to climate zones, management system, soil type, vegetation type, tree species, ecological zones or national land classification.

<sup>(3)</sup> CO<sub>2</sub> emissions and removals (carbon stock increase and decrease) should be listed separately except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

<sup>(4)</sup> The signs for estimates of increases in carbon stocks are positive (+) and of decreases in carbon stocks are negative (-).

<sup>(5)</sup> A Party may report aggregate estimates for all land conversions to other land, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest and grassland conversion should be provided in Table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (I) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

Country

**Direct N<sub>2</sub>O emissions from N fertilization** <sup>(1)</sup>

Year

(Sheet 1 of 1)

Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS
Land-Use Category <sup>(2)</sup>	Total amount of fertilizer applied	N <sub>2</sub> O-N emissions per unit of fertilizer	N <sub>2</sub> O
	(Gg N/yr)	(kg N <sub>2</sub> O-N/kg N) <sup>(3)</sup>	(Gg)
<b>Total for all Land Use Categories</b>			
<b>5.A Forest Land</b> <sup>(4), (5)</sup>			
5.A.1. Forest Land remaining Forest Land			
5.A.2. Land converted to Forest Land			
<b>5.G Other</b> ( <i>please specify</i> )			

<sup>(1)</sup> Direct N<sub>2</sub>O emissions from fertilization are estimated using equations 3.2.17 and 3.2.18 of the IPCC good practice guidance for LULUCF based on the amount of fertilizers applied to forest land. The indirect N<sub>2</sub>O emissions from forest land are estimated as part of the total indirect emissions (Agriculture sector and Forest land) in the Agriculture sector based on the total fertilizers used in the country.

<sup>(2)</sup> N<sub>2</sub>O emissions from N fertilization of cropland and grassland are reported in the Agriculture sector; therefore only forest land is included in this table.

<sup>(3)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

<sup>(4)</sup> If a Party is not able to separate the fertilizer applied to forest land from that applied to agriculture, it may report all N<sub>2</sub>O emissions from fertilization in the Agriculture sector. This should be explicitly indicated in the documentation box.

<sup>(5)</sup> A Party may report aggregate estimates for all N fertilization on forest land when data are not available to report forest land remaining forest land and land conversion to forest land separately.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (II) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**N<sub>2</sub>O emissions from drainage of soils <sup>(1)</sup>**  
**(Sheet 1 of 1)**

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS
Land-Use Category <sup>(2)</sup>	Sub-division <sup>(3)</sup>	Area of drained soils	N <sub>2</sub> O-N per area drained <sup>(4)</sup>	N <sub>2</sub> O
		(kha)	(kg N <sub>2</sub> O-N/ha)	(Gg)
<b>Total all Land-Use Categories</b>				
<b>5.A Forest Land</b>				
Organic Soil				
Mineral Soil				
<b>5.D Wetlands</b>				
Organic Soil				
Mineral Soil				
<b>5.G. Other (please specify)</b>				

<sup>(1)</sup> Methodologies for estimating N<sub>2</sub>O emissions from drainage of soils are not addressed in the Revised 1996 IPCC Guidelines, but are addressed for forest soils in Appendix 3a.2 of the IPCC good practice guidance for LULUCF (equation 3a.2.1) and for wetland soils in appendix 3a.3.

<sup>(2)</sup> N<sub>2</sub>O emissions from drained cropland and grassland soils are covered in the Agriculture tables of the CRF under Cultivation of histosols.

<sup>(3)</sup> A Party should report further disaggregations of drained soils corresponding to the methods used. Tier 1 disaggregates soils into "nutrient rich" and "nutrient poor" areas, whereas higher-tier methods can further disaggregate into different peatland types, soil fertility or tree species.

<sup>(4)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.



**TABLE 5 (III) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**N<sub>2</sub>O emissions from disturbance associated with land-use conversion to cropland <sup>(1)</sup>**  
 (Sheet 1 of 1)

Country  
 Year  
 Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS
Land-Use Category <sup>(2)</sup>	Land area converted	N <sub>2</sub> O-N emissions per area converted <sup>(3)</sup>	N <sub>2</sub> O
	(kha)	(kg N <sub>2</sub> O-N/ha)	(Gg)
<b>Total all Land-Use Categories <sup>(4)</sup></b>			
<b>5.B Cropland</b>			
5.B.2. Lands converted to Cropland <sup>(5)</sup>			
Organic Soils			
Mineral Soils			
5.B.2.1 Forest Land converted to Cropland			
Organic Soils			
Mineral Soils			
5.B.2.2 Grassland converted to Cropland			
Organic Soils			
Mineral Soils			
5.B.2.3 Wetlands converted to Cropland <sup>(6)</sup>			
Organic Soils			
Mineral Soils			
5.B.2.5 Other Land converted to Cropland			
Organic Soils			
Mineral Soils			
<b>5.G. Other (please specify)</b>			

<sup>(1)</sup> Methodologies for N<sub>2</sub>O emissions from disturbance associated with land-use conversion are based on equations 3.3.14 and 3.3.15 of the IPCC good practice guidance for LULUCF. N<sub>2</sub>O emissions from fertilization in the preceding land use and new land use should not be reported.

<sup>(2)</sup> According to the IPCC good practice guidance for LULUCF N<sub>2</sub>O emissions from disturbance of soils are only relevant for land conversions to cropland. N<sub>2</sub>O emissions from cropland remaining cropland are included in the Agriculture sector of the good practice guidance. The good practice guidance provides methodologies only for mineral soils.

<sup>(3)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

<sup>(4)</sup> Parties can separate between organic and mineral soils, if they have data available.

<sup>(5)</sup> If activity data cannot be disaggregated to all initial land uses, Parties may report some initial land uses aggregated under other lands converted to cropland (indicate in the documentation box what this category includes).

<sup>(6)</sup> Parties should avoid double counting with N<sub>2</sub>O emissions from drainage and from cultivation of organic soils reported in Agriculture under Cultivation of histosols.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF Sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (IV) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**Carbon emissions from agricultural lime application** <sup>(1)</sup>  
 (Sheet 1 of 1)

Country  
 Year  
 Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS
Land-Use Category	Total amount of lime applied	Carbon emissions per unit of lime	Carbon
	(Mg/yr)	(Mg C/Mg)	(Gg)
<b>Total all Land-Use Categories</b> <sup>(2), (3), (4)</sup>			
<b>5.B Cropland</b> <sup>(4)</sup>			
Limestone CaCO <sub>3</sub>			
Dolomite CaMg(CO <sub>3</sub> ) <sub>2</sub>			
<b>5.C Grassland</b> <sup>(4)</sup>			
Limestone CaCO <sub>3</sub>			
Dolomite CaMg(CO <sub>3</sub> ) <sub>2</sub>			
<b>5.G Other (please specify)</b> <sup>(4, 5)</sup>			
Limestone CaCO <sub>3</sub>			
Dolomite CaMg(CO <sub>3</sub> ) <sub>2</sub>			

- <sup>(1)</sup> Carbon emissions from agricultural lime application are addressed in equation 3.3.6 and 3.4.11 of the IPCC good practice guidance for LULUCF.
- <sup>(2)</sup> If Parties are not able to separate liming application for different land use categories, they should include liming for all land use categories in the total.
- <sup>(3)</sup> Parties that are able to provide data for lime application to forest land should provide this information under 5.G Other and specify in the documentation box that forest land application is included in this category.
- <sup>(4)</sup> A Party may report aggregate estimates for total lime applications when data are not available for limestone and dolomite.
- <sup>(5)</sup> If a Party has data broken down to limestone and dolomite at national level, it can report these data under 5.G Other.

**Documentation box:**  
 Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

TABLE 5 (V) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY

Biomass Burning <sup>(1)</sup>  
(Sheet 1 of 1)

Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA			IMPLIED EMISSION FACTOR			EMISSIONS		
	Description <sup>(5)</sup>	Unit (ha or kg dm)	Values	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> <sup>(4)</sup>	CH <sub>4</sub>	N <sub>2</sub> O
<b>Land-Use Category<sup>(2)</sup></b>									
<b>Total for Land-Use Categories</b>									
<b>5.A. Forest Land</b>									
5.A.1. Forest land remaining Forest Land									
Controlled Burning									
Wildfires									
5.A.2. Land converted to Forest Land									
Controlled Burning									
Wildfires									
<b>5.B. Cropland</b>									
5.B.1. Cropland remaining Cropland <sup>(5)</sup>									
Controlled Burning									
Wildfires									
5.B.2. Land converted to Cropland									
Controlled Burning									
Wildfires									
5.B.2.1. Forest Land converted to Cropland									
Controlled Burning									
Wildfires									
<b>5.C. Grassland</b>									
5.C.1. Grassland remaining grassland <sup>(6)</sup>									
Controlled Burning									
Wildfires									
5.C.2. Land converted to Grassland									
Controlled Burning									
Wildfires									
5.C.2.1. Forest Land converted to Grassland									
Controlled Burning									
Wildfires									
<b>5.D. Wetlands<sup>(7)</sup></b>									
5.D.1. Wetlands remaining Wetlands									
Controlled Burning									
Wildfires									
5.D.2. Land converted to Wetlands									
Controlled Burning									
Wildfires									
5.D.2.1. Forest Land converted to Wetlands									
Controlled Burning									
Wildfires									
<b>5.E. Settlements<sup>(7)</sup></b>									
<b>5.F. Other Land<sup>(8)</sup></b>									
<b>5.G. Other (please specify)</b>									

<sup>(1)</sup> Methodological guidance on burning can be found in sections 3.2.1.4 and 3.4.1.3 of the IPCC good practice guidance for LULUCF.

<sup>(2)</sup> Parties should report both Controlled/Prescribed Burning and Wildfires emissions, where appropriate, in a separate manner.

<sup>(3)</sup> For each category activity data should be selected between area burned or biomass burned. Units for area will be ha and for biomass burned kg dm. The implied emission factor will refer to the selected activity data with an automatic change in the units.

<sup>(4)</sup> If CO<sub>2</sub> emissions from biomass burning are not already included in tables 5.A - 5.F, they should be reported here. This should be clearly documented in the documentation box and in the NIR. Double counting should be avoided. Parties that include all carbon stock changes in the carbon stock tables (5.A, 5.B, 5.C, 5.D, 5.E and 5.F), should report IE (included elsewhere) in this column.

<sup>(5)</sup> Biomass burning on cropland remaining cropland is reported in the Agriculture sector.

<sup>(6)</sup> Only includes emissions from controlled biomass burning on grasslands outside the tropics (prescribed savanna burning is reported under the Agriculture sector).

<sup>(7)</sup> Parties do not have to prepare estimates for categories contained in appendices 3a.2, 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.

<sup>(8)</sup> Parties do not have to prepare estimates for this category contained in Chapter 3.7 of the IPCC good practice guidance for LULUCF, although they may do so if they wish. This land-use category is to allow the total of identified land area to match the national area.

**Documentation box:**

Parties should provide detailed explanations on the land use, land-use change and forestry sector in Chapter 7: Land use, land-use change and forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

## ANNEX II

**TECHNICAL MODIFICATIONS TO UNFCCC REPORTING GUIDELINES ON ANNUAL INVENTORIES FOR ANNEX I PARTIES ADOPTED BY DECISION 18/CP.8<sup>1</sup>**

1. In the text of the guidelines and their annexes, including in tables, replace the term: “land-use change and forestry” with the term “land use, land-use change and forestry”. In the text of the guidelines and their annexes, including in tables, replace the term LUCF with the term LULUCF.

2. In the text of the guidelines and their annexes, including in tables, as appropriate, replace the terms:

- 5.A Changes in Forest and other Woody Biomass Stocks
- 5.B Forest and Grassland Conversion
- 5.C Abandonment of Managed Lands
- 5.D CO<sub>2</sub> Emissions and Removals from Soils

with the terms:

- 5.A Forest land
- 5.B Cropland
- 5.C Grassland
- 5.D Wetlands
- 5.E Settlements
- 5.F Other Land

3. Replace the terms “key source category” and “key source” with the term “key category” throughout the document, including in tables as appropriate, unless otherwise noted in this annex. Replace the terms “key source categories” and “key sources” with the term “key categories” throughout the document, including in tables as appropriate, unless otherwise noted in this annex (see paragraph 15 below).

4. Shade the CO<sub>2</sub> cell(s) in the following common reporting format (CRF) tables:

- Summary 1A (line 4D)
- Summary 1B (line 4)
- Summary 2 (line 4D)
- Summary 3 (line 4D)
- Table 8a (line 4D)

5. Shade line 4D of Table 10.

6. Revise shading on other tables as appropriate; for example, on table 8a due to the introduction of the new LULUCF categories.

7. Delete footnote 2 to Table 4 Sectoral report for agriculture (sheet 2 of 2).

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<sup>1</sup> Based on the IPCC good practice guidance for LULUCF. This title will not be used after the preparation of the single document referred to in paragraph 7 of decision 13/CP.9.

8. Delete tables 5, 5.A, 5.B, 5.C, 5.D in annex II of the guidelines (CRF), and replace them with tables 5, 5.A, 5.B, 5.C, 5.D, 5.E, 5.F, 5(I), 5(II), 5(III), 5(IV), 5(V) contained in annex I to decision 13/CP.9.
9. In Annex II of the guidelines (CRF) replace table 7 with the new table “Summary Overview for Key Categories” contained in annex III to decision 13/CP.9.
10. Delete footnote 4 in Summary 1A; footnote 3 in Summary 1B; footnote 4 in table 8a; and footnote 2 in table 10 of annex II of the guidelines.
11. In tables Summary 1A, Summary 1B, Summary 2 of annex II of the guidelines, replace the columns “CO<sub>2</sub> emissions” and “CO<sub>2</sub> removals” with a column entitled “Net CO<sub>2</sub> emissions/removals”. Insert in Summary 1A, Summary 1B, Summary 2, on line 4D Agricultural soils, the following footnote: Parties which previously reported CO<sub>2</sub> for soils in the Agriculture sector should note this in the NIR.
12. Paragraph 4 Delete the second sentence of footnote 1. In the last line of the third paragraph, before the footnote, add “and *Good Practice Guidance for Land Use, Land-Use Change and Forestry*”.
13. Paragraph 11 Delete the word “source” twice in the first line. Insert a footnote to the term “key categories” in line 1 to read: “The term “key categories” refers both to the key source categories as addressed in *IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* and to the key categories as addressed in *IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry*.”
14. Paragraph 14 In line 5, replace the words “those sources” with the word “categories”.
15. Paragraph 17 In line 4, delete the word “source”.
16. Paragraph 30 Make changes as indicated: “Annex I Parties shall estimate and report the individual and cumulative percentage contributions from key ~~source~~ categories to their national total, with respect to both ~~emission~~ level and ~~emission~~ trend. The emissions should be expressed in terms of CO<sub>2</sub> equivalents using the methods provided in the IPCC good practice guidance. As indicated in paragraphs 41 and 47 below, this information should be included in table 7 of the CRF as well as the NIR using tables 7.A1 – 7.A3 of the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* and tables 5.4.1 – 5.4.3 of the *Good Practice Guidance for Land Use, Land-Use Change and Forestry* adapted to the level of category disaggregation that the Annex I Party used for determining its key ~~sources~~ **categories**.”
17. Paragraph 30 Insert footnote at the end of the paragraph to read: “Table 7.1 IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* and table 5.4.1 of the *Good Practice Guidance for Land Use, Land-Use Change and Forestry*, should be used as the basis for preparing key category analyses but do not need to be reported in the NIR.” Replace references to 7.A1–7.A3 with 7.1–7.3.
18. Paragraph 32 Make the changes indicated: “Annex I Parties shall report, in the NIR, uncertainties estimated as indicated in paragraph 14 above, as well as methods used and underlying assumptions, with the purpose of helping to prioritize efforts to improve the accuracy of national inventories in the future and guide decisions on methodological choice. This information should be presented using tables 6.1 and 6.2 of the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* **adding the lines for the relevant LULUCF categories as indicated in section 5.2.5 of the *Good Practice Guidance for Land Use, Land-Use Change and Forestry*. In these tables, the term “national total” refers to the absolute value of emissions by sources minus the magnitude of removals by sinks.** In addition, Annex I Parties should indicate in these tables those ~~categories~~ ~~sources~~ that have been identified as key ~~sources~~ **categories** in their

inventory. If the methods used to estimate the level of uncertainty depart from the IPCC good practice guidance, these methods should be described.”

19. Paragraph 41 (c) (ii) Replace with “Whether CO<sub>2</sub> from biomass burning has been estimated and where it has been accounted for in the sectoral background tables of the CRF (Tables 5.A–5.F, and table 5(V))”.

20. Paragraph 41 Delete paragraph 41 (d) and footnote 11, and renumber subsequent paragraphs and footnotes.

21. Annex I, chapter 7 (LUCF) Insert the following: “*In addition, the LULUCF information should include the following:*”

- *Information on approaches used for representing land areas and on land-use databases used for the inventory preparation*
- *Land-use definitions and the classification systems used and their correspondence to the LULUCF categories.”*

22. Annex I, Appendix A Delete second bullet under the heading *Agricultural soils*, in *Agriculture*.

23. Annex I, Appendix A Insert the following at the end of the *Agriculture* section:

**“Land-use, land-use change and forestry**

**More specific information than is required in the CRF for each land use category and for subcategories could be provided, for example:**

- When providing estimates by subdivisions, additional information on disaggregation and related data in the NIR
- Separate reporting of CO<sub>2</sub> emissions from biomass burning, including wildfires and controlled burning
- For those Parties choosing to report harvested wood products, detailed information on CO<sub>2</sub> emissions and removals from harvested wood products, including information by product type and disposal
- Information on how double counting and omissions between the *Agriculture* and *LULUCF* sectors have been avoided.”

24. Annex II, Paragraph 10 Delete and renumber subsequent paragraphs.

25. Annex II Insert two new paragraphs after current paragraph 13:

“13. CO<sub>2</sub> emissions and removals (carbon increase and decrease) should be listed separately in the *LULUCF* sectoral background tables except in cases where, due to the methods used, it may be technically impossible to separate information on increases and decreases.

14. If a Party does not provide information in new CRF tables for *LULUCF* for all years, and has not recalculated the estimates for *LULUCF* for these years, it should provide information on mapping categories provided in the IPCC good practice guidance for *LULUCF* to the *LUCF* categories (5.A to 5.E) used in the 1996 IPCC Guidelines and should include information on how it calculated totals for forest and grassland conversion. The information provided in the NIR should be cross-referenced to information in the CRF and vice versa.”

Replacement for table 7 in annex II of the guidelines on annual inventories

**TABLE 7 SUMMARY OVERVIEW FOR KEY CATEGORIES**  
(Sheet 1 of 1)

Country  
Year  
Submission

KEY CATEGORIES OF EMISSIONS AND REMOVALS	GAS	CRITERIA USED FOR KEY CATEGORY IDENTIFICATION			Key category excluding LULUCF <sup>(1)</sup>	Key category including LULUCF <sup>(1)</sup>	COMMENTS <sup>(1)</sup>
		L	T	Q			
Specify key categories according to the national level of disaggregation used:							
<i>For example: 4.B Manure management</i>	<i>CH<sub>4</sub></i>	X			X		

**Note:** L = Level assessment; T = Trend assessment; Q = Qualitative assessment.

<sup>(1)</sup> The term “key categories” refers to both the key source categories as addressed in IPCC *Good Practice Guidance on Uncertainty Management in National Greenhouse Gas Inventories* and the key categories as addressed in IPCC *Good Practice Guidance for Land Use, Land-Use Change and Forestry*.

<sup>(2)</sup> For estimating key categories Parties may chose the disaggregation level presented as an example in Table 7.1 of the IPCC *Good Practice Guidance on Uncertainty Management in National Greenhouse Gas Inventories* (page 7.6) and table 5.4.1 (page 5.31) of the IPCC *Good Practice Guidance for Land Use, Land-Use Change and Forestry*, the level used in Table Summary 1A of the common reporting format or any other disaggregation level that the Party used to determine its key categories.

**Documentation box:**

Parties should provide the full information on methodologies used for identifying key categories and the quantitative results from the level and trend assessments (according to tables 7.1 – 7.3 of the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* and tables 5.4.1 – 5.4.3 of the *Good Practice Guidance for Land Use, Land-Use Change and Forestry*) in Annex 1 to the NIR.

## Decision 14/CP.9

### **Date and venue of the tenth session of the Conference of the Parties**

*The Conference of the Parties,*

*Recalling* Article 7, paragraph 4, of the Convention,

*Recalling* United Nations General Assembly resolution 40/243 of 18 December 1985 on the pattern of conferences,

*Recalling* rule 22, paragraph 1, of the draft rules of procedure being applied,<sup>1</sup> regarding the rotation of the office of President among the five regional groups,

1. *Decides* that the tenth session of the Conference of the Parties shall be held from 29 November to 10 December 2004;

2. *Notes* with appreciation the expression of interest by the Government of Argentina in hosting the tenth session of the Conference of the Parties and that it will provide further information on its expression of interest by 30 January 2004;

3. *Requests* the Executive Secretary to continue consultations with the Government of Argentina, to initiate a fact-finding mission of the secretariat to Argentina and to report to the Bureau not later than 15 February 2004 on whether the tenth session of the Conference of the Parties could be held in Argentina, in conformity with General Assembly resolution 40/243;

4. *Requests* the Bureau to decide on the venue of the tenth session of the Conference of the Parties by 28 February 2004;

5. *Requests* the secretariat to take the necessary action to implement the decision of the Bureau on the venue of the tenth session of the Conference of the Parties.

*9<sup>th</sup> plenary meeting  
12 December 2003*

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<sup>1</sup> FCCC/CP/1996/2



**Decision 15/CP.9**

**Income and budget performance in the biennium 2002–2003 and  
arrangements for administrative support to the Convention**

*The Conference of the Parties,*

*Having considered* the report of the Subsidiary Body for Implementation on its work on administrative and financial matters at its eighteenth and nineteenth sessions,

*Having considered also* secretariat documents on related subjects,<sup>1</sup>

1. *Takes note* of the interim financial statements as at 31 December 2002;
2. *Takes note also* of income and budget performance in the biennium 2002–2003 as at 30 June 2003, as well as the status of contributions as at 31 October 2003;
3. *Expresses* its appreciation to the Parties that made their contributions to the core budget in a timely manner, as well as to those that made additional voluntary contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities of the UNFCCC;
4. *Expresses* its appreciation also to the Government of Germany for its special contribution to cover costs of events held in Germany (the Bonn Fund);
5. *Expresses* concern at the continuing trend towards late payment of contributions;
6. *Encourages* all Parties that have not yet paid their contributions to do so without further delay.

*8<sup>th</sup> plenary meeting  
12 December 2003*

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<sup>1</sup> FCCC/SBI/2003/12, FCCC/SBI/2003/INF.13, FCCC/SBI/2003/INF.18.

**Decision 16/CP.9****Programme budget for the biennium 2004–2005**

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change,<sup>1</sup>

*Having considered* the proposed budget for the biennium 2004–2005 submitted by the Executive Secretary,<sup>2</sup>

1. *Approves* the programme budget for the biennium 2004–2005, amounting to US\$ 34,807,326, for the purposes specified in table 1 below;
2. *Notes with appreciation* the annual contribution of the host Government, 766,938 euro, which offsets planned expenditures;
3. *Adopts* the indicative scale of contributions for the programme budget for 2004 and 2005 contained in annex I to this decision;
4. *Approves* the staffing table for the programme budget, contained in table 2 below;
5. *Notes* that the Kyoto Protocol may enter into force during the 2004–2005 biennium, that the programme budget thus contains elements relating to the Convention as well as elements relating to preparatory activities under the Kyoto Protocol, and that Kyoto Protocol elements expressly reflected in the core budget, the interim allocation and the Trust Fund for Supplementary Activities together constitute the portion of the overall resource requirements relating to the Kyoto Protocol;
6. *Approves* an interim allocation amounting to US\$ 5,455,793 to carry out activities relating to the Kyoto Protocol (see table 3 below) to be added to the programme budget for 2005 if the Kyoto Protocol has entered into force by 1 January 2005, or a pro-rata amount if it enters into force later in 2005;
7. *Approves* the staffing table for the interim allocation for the Kyoto Protocol, contained in table 4 below;
8. *Adopts* the indicative scale of contributions for 2005 contained in annex II to this decision to determine contributions to the amount indicated in paragraph 6 above by Parties to the Kyoto Protocol;
9. *Authorizes* the Executive Secretary to notify Parties of their contributions to the interim allocation according to the indicative scale referred to in paragraph 8 above if the Kyoto Protocol has entered into force by 1 January 2005, or of a pro-rata amount if it enters into force later in 2005;
10. *Also authorizes* the Executive Secretary to raise voluntary contributions to cover resources required for the purpose described in paragraph 6 above;
11. *Notes* that in the programme budget for the biennium 2004–2005, approval of activities relating to the Protocol is without prejudice to decisions to be taken on budgetary matters relating to the Protocol by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

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<sup>1</sup> FCCC/CP/1995/7/Add.1, decision 15/CP.1, annex I.

<sup>2</sup> FCCC/SBI/2003/5 and Add.1, and FCCC/SBI/2003/15 and Add.1.

12. *Approves* a contingency budget for conference servicing, amounting to US\$ 5,960,100, to be added to the programme budget for the biennium 2004–2005 if the United Nations General Assembly decides not to provide resources for these activities in the United Nations regular budget for the biennium 2004–2005 (see table 5 below);
13. *Invites* the United Nations General Assembly, at its fifty-eighth session, to decide on the issue of meeting the conference-servicing expenses from its regular budget;
14. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation on the implementation of paragraph 12 above, as necessary;
15. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of total estimated expenditures for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;
16. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;
17. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures, and to pay promptly and in full, for each of the years 2004 and 2005, the contributions required to finance expenditures approved under paragraph 1 above, as offset by the contribution noted in paragraph 2 above, and any contributions required to finance the expenditures arising from the decisions referred to in paragraphs 6 and 12 above;
18. *Takes note* of the funding estimates for the Trust Fund for Participation in the UNFCCC Process specified by the Executive Secretary (US\$ 3,356,200 for the biennium 2004–2005), and invites Parties to contribute generously so that at least one participant from all eligible Parties and two from eligible least developed countries and small island developing States shall be provided with financial support to participate in the Convention Process (see table 6 below);
19. *Takes note* of the funding estimates for the Trust Fund for Supplementary Activities specified by the Executive Secretary (US\$ 17,990,200 for the biennium 2004–2005), and invites Parties to make contributions to this fund (see table 7 below);
20. *Requests* the Executive Secretary, in accordance with the provisions of rule 15 of the draft rules of procedure being applied, to provide Parties with an indication of the administrative and budgetary implications of decisions to be referred by the Subsidiary Body for Scientific and Technological Advice and/or the Subsidiary Body for Implementation for adoption by the Conference of the Parties, which may have administrative and budgetary implications that cannot be met from existing resources within the core budget;
21. *Requests* the Executive Secretary to report to the Conference of the Parties at its tenth session on income and budget performance, and to propose any adjustments that might be needed in the programme budget for the biennium 2004–2005;
22. *Further requests* the Executive Secretary to specify how decisions of the Conference of the Parties relating to Article 4.8 are reflected in the work programme for the biennium 2004–2005;

23. *Also requests* the Executive Secretary to undertake, if necessary with relevant United Nations assistance, an internal review to evaluate the activities carried out by the secretariat and to report on findings to the Conference of the Parties at its eleventh session.

*9<sup>th</sup> plenary meeting*

*12 December 2003*

**Table 1. Programme budget for the biennium 2004–2005**  
(United States dollars)

	2004	2005	Total biennium
<b>Expenditure</b>			
<b>A. Programme appropriations</b>			
Executive Direction and Management	1 253 233	1 253 232	2 506 465
Administrative Services <sup>a</sup>	--	--	--
Information Services	2 307 268	2 402 120	4 709 388
Intergovernmental and Conference Affairs	1 949 551	1 949 620	3 899 171
Cooperative Mechanisms	803 245	746 565	1 549 810
Implementation	2 599 754	2 543 756	5 143 510
Methods, Inventories and Science	3 119 943	3 036 450	6 156 393
Sustainable Development	1 574 313	1 578 313	3 152 626
<b>B. Secretariat-wide operating costs <sup>b</sup></b>	<b>1 810 000</b>	<b>1 810,280</b>	<b>3 620,280</b>
<b>Programme expenditures (A+B)</b>	<b>15 417 307</b>	<b>15 320 336</b>	<b>30 737 643</b>
<b>C. Programme support costs (overhead) <sup>c</sup></b>	<b>2 004 250</b>	<b>1 991 644</b>	<b>3 995 894</b>
<b>D. Working capital reserve <sup>d</sup></b>	<b>73 789</b>	<b>0</b>	<b>73 789</b>
<b>TOTAL BUDGET (lines A+B+C+D)</b>	<b>17 495 346</b>	<b>17 311 980</b>	<b>34 807 326</b>
<b>Income</b>			
Contribution from the host Government <sup>e</sup>	831 820	831 820	1 663 640
Indicative contributions (annex I)	16 663 526	16 480 160	33 143 686
<b>TOTAL INCOME</b>	<b>17 495 346</b>	<b>17 311 980</b>	<b>34 807 326</b>

<sup>a</sup> Administrative Services is funded by overheads.

<sup>b</sup> Managed by Administrative Services.

<sup>c</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>d</sup> In accordance with the financial procedures (decision 15/CP.1, annex I, paragraph 14). The working capital reserve will be brought up to US\$ 1,445,989 in 2004 and will be kept at this level for 2005.

<sup>e</sup> Equivalent to 766,938 euro, based on the United Nations rate of exchange prevailing in September 2003.

**Table 2. Secretariat-wide staffing from the core budget**

	2004	2005
<b>Professional category and above</b>		
ASG	1	1
D-2	4	4
D-1	6	6
P-5	8	8
P-4	18	18
P-3	25	25
P-2	9	9
<b>Total Professional category and above</b>	<b>71</b>	<b>71</b>
<b>Total General Service category</b>	<b>39.5</b>	<b>39.5</b>
<b>TOTAL</b>	<b>110.5</b>	<b>110.5</b>

**Table 3. Resource requirements for the interim allocation of the Kyoto Protocol in 2005**  
(United States dollars)

<b>Expenditure</b>	
<b>A. Programme appropriations</b>	
Executive Direction and Management	426 200
Cooperative Mechanisms	3 292 750
Methods, Inventories and Science	278 400
Intergovernmental and Conference Affairs	117 712
Information Services	230 850
Sustainable Development	112 200
<b>Proposed programme expenditures</b>	<b>4 458 112</b>
<b>B. Programme support costs (overhead) <sup>a</sup></b>	<b>579 555</b>
<b>C. Working capital reserve <sup>b</sup></b>	<b>418 126</b>
<b>TOTAL BUDGET (lines A+B+C)</b>	<b>5 455 793</b>

<sup>a</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>b</sup> In accordance with decision 15/CP.1, annex I, paragraph 14.

**Table 4. Staffing requirements for the interim allocation of the Kyoto Protocol in 2005**

<b>Professional category and above</b>	
D-2	1
P-5	2
P-4	4
P-3	9
P-2	1
<b>Total Professional category and above</b>	<b>17</b>
<b>Total General Service category</b>	<b>7</b>
<b>TOTAL</b>	<b>24</b>

<sup>a</sup> Five of the posts listed are also included in the main staffing table (table 2), but are frozen until resources from the interim allocation become available.

**Table 5. Resource requirements for the conference services contingency**  
(thousands of United States dollars)

	2004	2005	Total biennium
Interpretation <sup>a</sup>	859.5	885.3	1 744.8
Documentation <sup>b</sup>			
Translation	1 067.9	1 100.0	2 167.9
Reproduction and distribution	368.7	379.8	748.5
Meetings services support <sup>c</sup>	197.1	202.9	400.0
<b>Subtotal</b>	<b>2 493.2</b>	<b>2 568.0</b>	<b>5 061.3</b>
Programme support costs (overhead) <sup>d</sup>	324.2	333.8	658.0
Working capital reserve <sup>e</sup>	233.8	7.1	240.9
<b>TOTAL</b>	<b>3 051.2</b>	<b>2 908.9</b>	<b>5 960.1</b>

*Note:* Assumptions used for calculating the conference services contingency budget include the following:

- The expected number of meetings with interpretation does not exceed 40 per session;
- The expected documentation volume is based on average output in the period 1997–2002, assuming about 1,400 pages annually for translation and revision, and about 4,500 pages annually for reproduction and distribution; the number of copies produced per page is assumed to be about 2,000.
- Meetings services support includes staff normally provided by United Nations Office at Geneva conference services for in-session coordination and support of interpretation, translation and reproduction services.

Overall, the figures used are conservative and have been applied on the assumption that there will be no major increase in requirements during the biennium.

<sup>a</sup> Includes salaries, travel and Daily Subsistence Allowance for interpreters.

<sup>b</sup> Includes all costs relating to the processing of pre-, in- and post-session documentation; translation costs include revision and typing of documents.

<sup>c</sup> Includes salaries, travel and Daily Subsistence Allowance for meetings services support staff and costs for shipment and telecommunications.

<sup>d</sup> Standard 13 per cent applied by the United Nations for administrative support.

<sup>e</sup> In accordance with paragraph 14 of the financial procedures. The 2004 amount has been calculated as 8.3 per cent of the subtotal and the overhead charge; the 2005 amount has been calculated as the amount required to bring the carried-over 2004 reserve to 8.3 per cent of the subtotal and overhead charge for 2005.

**Table 6. Resource requirements for the Trust Fund for Participation in the UNFCCC Process**  
(thousands of United States dollars)

Object of expenditure	2004	2005
Support for eligible Parties to participate in one two-week session of the subsidiary bodies	630.0	630.0
Support for eligible Parties to participate in one two-week session of the Conference of the Parties and its subsidiary bodies <sup>a</sup>	855.0	855.0
<b>Subtotal</b>	<b>1 485.0</b>	<b>1 485.0</b>
Programme support costs (overheads) <sup>b</sup>	193.1	193.1
<b>TOTAL</b>	<b>1 678.1</b>	<b>1 678.1</b>

<sup>a</sup> Includes funding for a second delegate from least developed countries and small island developing States, in accordance with the practice followed at all meetings of the Conference of the Parties to date.

<sup>b</sup> Standard 13 per cent applied by the United Nations for administrative support.

**Table 7. Resources requirements for the Trust Fund for Supplementary Activities for activities to be undertaken by the secretariat in 2004–2005**  
(thousands of United States dollars)

	<b>Cost</b>
<b><u>Convention</u></b>	
16 workshops at an average cost of US\$ 150,000 each <sup>a</sup>	2 400.0
Information support and products	405.0
Support for the production of reports on implementation	200.0
Support and facilitation of efforts by non-Annex I Parties to implement the Convention, including technical assistance to Consultative Group of Experts meetings and workshops	300.0
Support to the national communications information system, network and training	200.0
Methodological work on impacts, vulnerability and adaptation	110.0
Cooperation with scientific organizations and methodological work relating to research and systematic observation	110.0
Development of improved software to facilitate inventory preparation by non-Annex I Parties and integration into a common database	110.0
Training of greenhouse gas inventories review experts	227.6
Maintenance of the greenhouse gas information system and its further development, including software, consultants and P-3 programme officer	490.0
Support for implementation of good practice guidance on land use, land-use change and forestry, technical review of land use, land-use change and forestry data and methodological work (harvested wood products, projections)	125.0
Support for the implementation of capacity-building activities and Article 6 of the Convention	730.0
Support for the implementation of Article 4.5 of the Convention	300.0
Support to the Least Developed Countries Expert Group and the preparation and implementation of national adaptation programmes of action	770.0
<b>Subtotal I</b>	<b>6 477.6</b>
<b><u>Protocol</u></b>	
4 workshops at an average cost of US\$ 150,000 each <sup>a</sup>	600.0
Information support and products	45.0
Support for the functioning of the Executive Board of the clean development mechanism	3 735.0
Support for the functioning of the Kyoto Protocol Article 6 Supervisory Committee	1 300.0
Preparing for and setting up the Compliance Committee (draft rules of procedure, draft work plan)	68.0
Support of registries and the development, testing and operation of the transaction log	2 687.0
Support for the development of methods/adjustments, guidelines and work on submitted land use, land-use change and forestry data	100.0
Training of greenhouse gas inventories review experts	64.4
<b>Subtotal II</b>	<b>8 599.4</b>
<b>Total direct expenditure (I+II)</b>	<b>15 077.0</b>
Programme support charge (13 per cent)	<b>1 960.0</b>
<b>Working capital reserve <sup>b</sup></b>	<b>953.2</b>
<b>TOTAL</b>	<b>17 990.2</b>

<sup>a</sup> The total estimated number of workshops (20) proposed for the 2004–2005 biennium is based on the average number of mandated workshops under the previous and current bienniums. These workshops cover various issues such as Article 6 of the Convention, national communications of non-Annex I Parties, technology transfer, capacity-building relating to project-based mechanisms, and Article 4.8 and 4.9.

<sup>b</sup> In accordance with United Nations rules, the working capital reserve represents 15 per cent of one year's average expenditure, less the amount accumulated so far for the same purpose.



## ANNEX I

**Indicative scales of contributions for the programme budget for 2004 and 2005**

<b>Name of Party</b>	<b>United Nations scale of assessment for 2003</b>	<b>UNFCCC adjusted scale for 2004</b>	<b>UNFCCC adjusted scale for 2005</b>
Afghanistan	0.001	0.001	0.001
Albania	0.003	0.003	0.003
Algeria	0.070	0.068	0.068
Angola	0.002	0.002	0.002
Antigua and Barbuda	0.002	0.002	0.002
Argentina	0.969	0.940	0.940
Armenia	0.002	0.002	0.002
Australia	1.627	1.579	1.579
Austria	0.947	0.919	0.919
Azerbaijan	0.004	0.004	0.004
Bahamas	0.012	0.012	0.012
Bahrain	0.018	0.017	0.017
Bangladesh	0.010	0.010	0.010
Barbados	0.009	0.009	0.009
Belarus	0.019	0.018	0.018
Belgium	1.129	1.096	1.096
Belize	0.001	0.001	0.001
Benin	0.002	0.002	0.002
Bhutan	0.001	0.001	0.001
Bolivia	0.008	0.008	0.008
Bosnia and Herzegovina	0.004	0.004	0.004
Botswana	0.010	0.010	0.010
Brazil	2.390	2.319	2.319
Bulgaria	0.013	0.013	0.013
Burkina Faso	0.002	0.002	0.002
Burundi	0.001	0.001	0.001
Cambodia	0.002	0.002	0.002
Cameroon	0.009	0.009	0.009
Canada	2.558	2.482	2.482
Cape Verde	0.001	0.001	0.001
Central African Republic	0.001	0.001	0.001
Chad	0.001	0.001	0.001
Chile	0.212	0.206	0.206
China	1.532	1.487	1.487
Colombia	0.201	0.195	0.195
Comoros	0.001	0.001	0.001
Congo	0.001	0.001	0.001
Cook Islands	0.001	0.001	0.001
Costa Rica	0.020	0.019	0.019
Côte d'Ivoire	0.009	0.009	0.009
Croatia	0.039	0.038	0.038
Cuba	0.030	0.029	0.029

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2004	UNFCCC adjusted scale for 2005
Cyprus	0.038	0.037	0.037
Czech Republic	0.203	0.197	0.197
Democratic People's Republic of Korea	0.009	0.009	0.009
Democratic Republic of the Congo	0.004	0.004	0.004
Denmark	0.749	0.727	0.727
Djibouti	0.001	0.001	0.001
Dominica	0.001	0.001	0.001
Dominican Republic	0.023	0.022	0.022
Ecuador	0.025	0.024	0.024
Egypt	0.081	0.079	0.079
El Salvador	0.018	0.017	0.017
Equatorial Guinea	0.001	0.001	0.001
Eritrea	0.001	0.001	0.001
Estonia	0.010	0.010	0.010
Ethiopia	0.004	0.004	0.004
European Community	2.500	2.500	2.500
Fiji	0.004	0.004	0.004
Finland	0.522	0.507	0.507
France	6.466	6.275	6.275
Gabon	0.014	0.014	0.014
Gambia	0.001	0.001	0.001
Georgia	0.005	0.005	0.005
Germany	9.769	9.480	9.480
Ghana	0.005	0.005	0.005
Greece	0.539	0.523	0.523
Grenada	0.001	0.001	0.001
Guatemala	0.027	0.026	0.026
Guinea	0.003	0.003	0.003
Guinea-Bissau	0.001	0.001	0.001
Guyana	0.001	0.001	0.001
Haiti	0.002	0.002	0.002
Honduras	0.005	0.005	0.005
Hungary	0.120	0.116	0.116
Iceland	0.033	0.032	0.032
India	0.341	0.331	0.331
Indonesia	0.200	0.194	0.194
Iran (Islamic Republic of)	0.272	0.264	0.264
Ireland	0.294	0.285	0.285
Israel	0.415	0.403	0.403
Italy	5.065	4.915	4.915
Jamaica	0.004	0.004	0.004
Japan	19.516	18.938	18.938
Jordan	0.008	0.008	0.008
Kazakhstan	0.028	0.027	0.027
Kenya	0.008	0.008	0.008
Kiribati	0.001	0.001	0.001

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2004	UNFCCC adjusted scale for 2005
Kuwait	0.147	0.143	0.143
Kyrgyzstan	0.001	0.001	0.001
Lao People's Democratic Republic	0.001	0.001	0.001
Latvia	0.010	0.010	0.010
Lebanon	0.012	0.012	0.012
Lesotho	0.001	0.001	0.001
Liberia	0.001	0.001	0.001
Libyan Arab Jamahiriya	0.067	0.065	0.065
Liechtenstein	0.006	0.006	0.006
Lithuania	0.017	0.016	0.016
Luxembourg	0.080	0.078	0.078
Madagascar	0.003	0.003	0.003
Malawi	0.002	0.002	0.002
Malaysia	0.235	0.228	0.228
Maldives	0.001	0.001	0.001
Mali	0.002	0.002	0.002
Malta	0.015	0.015	0.015
Marshall Islands	0.001	0.001	0.001
Mauritania	0.001	0.001	0.001
Mauritius	0.011	0.011	0.011
Mexico	1.086	1.054	1.054
Micronesia (Federated States of)	0.001	0.001	0.001
Monaco	0.004	0.004	0.004
Mongolia	0.001	0.001	0.001
Morocco	0.044	0.043	0.043
Mozambique	0.001	0.001	0.001
Myanmar	0.010	0.010	0.010
Namibia	0.007	0.007	0.007
Nauru	0.001	0.001	0.001
Nepal	0.004	0.004	0.004
Netherlands	1.738	1.687	1.687
New Zealand	0.241	0.234	0.234
Nicaragua	0.001	0.001	0.001
Niger	0.001	0.001	0.001
Nigeria	0.068	0.066	0.066
Niue	0.001	0.001	0.001
Norway	0.646	0.627	0.627
Oman	0.061	0.059	0.059
Pakistan	0.061	0.059	0.059
Palau	0.001	0.001	0.001
Panama	0.018	0.017	0.017
Papua New Guinea	0.006	0.006	0.006
Paraguay	0.016	0.016	0.016
Peru	0.118	0.115	0.115
Philippines	0.100	0.097	0.097
Poland	0.378	0.367	0.367

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2004	UNFCCC adjusted scale for 2005
Portugal	0.462	0.448	0.448
Qatar	0.034	0.033	0.033
Republic of Korea	1.851	1.796	1.796
Republic of Moldova	0.002	0.002	0.002
Romania	0.058	0.056	0.056
Russian Federation	1.200	1.164	1.164
Rwanda	0.001	0.001	0.001
Saint Kitts and Nevis	0.001	0.001	0.001
Saint Lucia	0.002	0.002	0.002
Saint Vincent and the Grenadines	0.001	0.001	0.001
Samoa	0.001	0.001	0.001
San Marino	0.002	0.002	0.002
São Tomé and Príncipe	0.001	0.001	0.001
Saudi Arabia	0.554	0.538	0.538
Senegal	0.005	0.005	0.005
Serbia and Montenegro	0.020	0.019	0.019
Seychelles	0.002	0.002	0.002
Sierra Leone	0.001	0.001	0.001
Singapore	0.393	0.381	0.381
Slovakia	0.043	0.042	0.042
Slovenia	0.081	0.079	0.079
Solomon Islands	0.001	0.001	0.001
South Africa	0.408	0.396	0.396
Spain	2.519	2.444	2.444
Sri Lanka	0.016	0.016	0.016
Sudan	0.006	0.006	0.006
Suriname	0.002	0.002	0.002
Swaziland	0.002	0.002	0.002
Sweden	1.027	0.996	0.996
Switzerland	1.274	1.236	1.236
Syrian Arab Republic	0.080	0.078	0.078
Tajikistan	0.001	0.001	0.001
Thailand	0.294	0.285	0.285
The former Yugoslav Republic of Macedonia	0.006	0.006	0.006
Togo	0.001	0.001	0.001
Tonga	0.001	0.001	0.001
Trinidad and Tobago	0.016	0.016	0.016
Tunisia	0.030	0.029	0.029
Turkmenistan	0.003	0.003	0.003
Tuvalu	0.001	0.001	0.001
Uganda	0.005	0.005	0.005
Ukraine	0.053	0.051	0.051
United Arab Emirates	0.202	0.196	0.196
United Kingdom of Great Britain and Northern Ireland	5.536	5.372	5.372
United Republic of Tanzania	0.004	0.004	0.004
United States of America *	22.000	21.349	21.349

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2004	UNFCCC adjusted scale for 2005
Uruguay	0.080	0.078	0.078
Uzbekistan	0.011	0.011	0.011
Vanuatu	0.001	0.001	0.001
Venezuela	0.208	0.202	0.202
Viet Nam	0.016	0.016	0.016
Yemen	0.006	0.006	0.006
Zambia	0.002	0.002	0.002
Zimbabwe	0.008	0.008	0.008
<b>TOTAL</b>	<b>102.974</b>	<b>100.000</b>	<b>100.000</b>

\* The secretariat has taken note of the position of the United States that its contributions to the core budget for the 2004–2005 biennium will be at the level of the UNFCCC indicative scale for the United States, minus its proportionate share of the preparatory activities relating to the entry into force of the Kyoto Protocol, as indicated in the table below.

**Estimated costs in 2004–2005 for preparatory activities relating to the Kyoto Protocol**  
(United States dollars)

<b>Programme</b>	
<b>A. Cooperative Mechanisms (COOP)</b>	<b>1 309 660</b>
<b>B. Other technical work</b>	
Implementation (IMP)	191 000
Methods, Inventories and Science (MIS)	321 990
Sustainable Development (SD)	153 500
<b>TOTAL B</b>	<b>666 490</b>
<b>C. Services and other activities</b>	
Executive Direction and Management (EDM)	161 143
Intergovernmental and Conference Affairs (ICA)	250 681
Information Support (IS)	302 449
Secretariat-wide operating costs	232 751
<b>TOTAL C</b>	<b>947 024</b>
<b>D. Total (A+B+C)</b>	<b>2 923 174</b>
Programme support costs (overhead)	<b>380 013</b>
Working capital reserve	<b>7 017</b>
<b>E. GRAND TOTAL PREPARATORY ACTIVITIES</b>	<b>3 310 204</b>
<b>F. TOTAL PROGRAMME BUDGET</b>	<b>34 807 326</b>
<b>Percentage of E for Kyoto Protocol preparatory activities</b>	<b>9.51%</b>

## ANNEX II

**Indicative scale of contributions for 2005 for the interim allocation to the Kyoto Protocol <sup>a</sup>**

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2005
Antigua and Barbuda	0.002	0.003
Argentina	0.969	1.383
Armenia	0.002	0.003
Austria	0.947	1.352
Azerbaijan	0.004	0.006
Bahamas	0.012	0.017
Bangladesh	0.010	0.014
Barbados	0.009	0.013
Belgium	1.129	1.612
Belize	0.001	0.001
Benin	0.002	0.003
Bhutan	0.001	0.001
Bolivia	0.008	0.011
Botswana	0.010	0.014
Brazil	2.390	3.412
Bulgaria	0.013	0.019
Burundi	0.001	0.001
Cambodia	0.002	0.003
Cameroon	0.009	0.013
Canada	2.558	3.651
Chile	0.212	0.303
China	1.532	2.187
Colombia	0.201	0.287
Cook Islands	0.001	0.001
Costa Rica	0.020	0.029
Cuba	0.030	0.043
Cyprus	0.038	0.054
Czech Republic	0.203	0.290
Denmark	0.749	1.069
Djibouti	0.001	0.001
Dominican Republic	0.023	0.033
Ecuador	0.025	0.036
El Salvador	0.018	0.026
Equatorial Guinea	0.001	0.001
Estonia	0.010	0.014
European Community	2.500	2.500
Fiji	0.004	0.006
Finland	0.522	0.745
France	6.466	9.230
Gambia	0.001	0.001
Georgia	0.005	0.007

<sup>a</sup> Will be updated to reflect new ratifications of the Kyoto Protocol in conformity with standard procedures.

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2005
Germany	9.769	13.945
Ghana	0.005	0.007
Greece	0.539	0.769
Grenada	0.001	0.001
Guatemala	0.027	0.039
Guinea	0.003	0.004
Guyana	0.001	0.001
Honduras	0.005	0.007
Hungary	0.120	0.171
Iceland	0.033	0.047
India	0.341	0.487
Ireland	0.294	0.420
Italy	5.065	7.230
Jamaica	0.004	0.006
Japan	19.516	22.000
Jordan	0.008	0.011
Kiribati	0.001	0.001
Kyrgyzstan	0.001	0.001
Lao People's Democratic Republic	0.001	0.001
Latvia	0.010	0.014
Lesotho	0.001	0.001
Liberia	0.001	0.001
Lithuania	0.017	0.024
Luxembourg	0.080	0.114
Madagascar	0.003	0.004
Malawi	0.002	0.003
Malaysia	0.235	0.335
Maldives	0.001	0.001
Mali	0.002	0.003
Malta	0.015	0.021
Marshall Islands	0.001	0.001
Mauritius	0.011	0.016
Mexico	1.086	1.550
Micronesia (Federated States of)	0.001	0.001
Mongolia	0.001	0.001
Morocco	0.044	0.063
Myanmar	0.010	0.014
Namibia	0.007	0.010
Nauru	0.001	0.001
Netherlands	1.738	2.481
New Zealand	0.241	0.344
Nicaragua	0.001	0.001
Niue	0.001	0.001
Norway	0.646	0.922
Palau	0.001	0.001
Panama	0.018	0.026
Papua New Guinea	0.006	0.009

Name of Party	United Nations scale of assessment for 2003	UNFCCC adjusted scale for 2005
Paraguay	0.016	0.023
Peru	0.118	0.168
Philippines	0.100	0.143
Poland	0.378	0.540
Portugal	0.462	0.659
Republic of Korea	1.851	2.642
Republic of Moldova	0.002	0.003
Romania	0.058	0.083
Saint Lucia	0.002	0.003
Samoa	0.001	0.001
Senegal	0.005	0.007
Seychelles	0.002	0.003
Slovakia	0.043	0.061
Slovenia	0.081	0.116
Solomon Islands	0.001	0.001
South Africa	0.408	0.582
Spain	2.519	3.595
Sri Lanka	0.016	0.023
Sweden	1.027	1.466
Switzerland	1.274	1.819
Thailand	0.294	0.420
Trinidad and Tobago	0.016	0.023
Tunisia	0.030	0.043
Turkmenistan	0.003	0.004
Tuvalu	0.001	0.001
Uganda	0.005	0.007
United Kingdom of Great Britain and Northern Ireland	5.536	7.902
United Republic of Tanzania	0.004	0.006
Uruguay	0.080	0.114
Uzbekistan	0.011	0.016
Vanuatu	0.001	0.001
Viet Nam	0.016	0.023
<b>TOTAL</b>	<b>75.131</b>	<b>100.000</b>

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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES  
ON ITS NINTH SESSION, HELD AT MILAN  
FROM 1 TO 12 DECEMBER 2003

Addendum

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

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**II. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES**

**Resolution**

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### **Decision 17/CP.9**

#### **Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

*The Conference of the Parties,*

*Taking note of* Articles 13 and 15 of the Kyoto Protocol,

*Recalling* its decision 8/CP.4,

*Having considered* the relevant recommendations of the Subsidiary Body for Implementation at its eighteenth session,

1. *Requests* the Subsidiary Body for Implementation, at its session after the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, to review the arrangements made for convening the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in conjunction with the session of the Conference of the Parties and to make recommendations to the Conference of the Parties on arrangements for future sessions;

2. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
12 December 2003*

### **Decision -/CMP.1**

#### **Arrangements for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* Articles 13 and 15 of the Kyoto Protocol,

1. *Requests* the Subsidiary Body for Implementation, at its next session, to review the arrangements made for convening the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in conjunction with the session of the Conference of the Parties and to make recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on arrangements for future sessions;

2. *Decides* that when applying the draft rules of procedure of the Conference of the Parties being applied,<sup>1</sup> pursuant to Article 13, paragraph 5, of the Kyoto Protocol, it should be understood:

(a) That with respect to draft rules 22–26 the term of office of any replacement officer elected by and from among Parties to the Kyoto Protocol in accordance with Article 13, paragraph 3, and Article 15, paragraph 3, of the Kyoto Protocol would expire at the same time as that of the officer being replaced;

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<sup>1</sup> See FCCC/CP/1996/2.

- (b) That with respect to draft rules 17–21:
  - (i) Credentials from Parties to the Kyoto Protocol would apply for the participation of their representatives in sessions of the Conference of the Parties and of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
  - (ii) A single report on credentials would be submitted for approval, following established procedures, by the Bureau of the Conference of the Parties to the Conference of the Parties and to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
- (c) That with respect to draft rules 6 and 7:
  - (i) Organizations admitted as observers to previous sessions of the Conference of the Parties would be admitted to the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
  - (ii) A single process would be used for the admission of observer organizations to sessions of the Conference of the Parties and of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, with decisions on admission of observer organizations being taken by the Conference of the Parties.

## Decision 18/CP.9

### Guidance to the Executive Board of the clean development mechanism

*The Conference of the Parties,*

*Recalling* its decisions 15/CP.7, 17/CP.7 and its annex, and 21/CP.8,

*Noting* with appreciation the second report of the Executive Board of the clean development mechanism and its addendum,

*Noting* a concern expressed with respect to the interpretation of rules 26 and 27 of the rules of procedure of the Executive Board of the clean development mechanism,

*Encouraging* the Executive Board to continue to report on its activities,

*Being aware* of the need to clarify the wording of paragraph 13 of decision 17/CP.7, which inadvertently excluded the possibility for projects starting between the date of adoption of decision 17/CP.7 and the date of the first registration of a clean development mechanism project activity to be able to earn certified emission reductions for this period,

*Bearing in mind* the need to ensure continuity of work by the Executive Board, in particular with regard to the Chair and Vice-Chair being in office in the period between the election of new members and alternates and the first meeting of the Executive Board in a calendar year,

*Recalling* provisions in decision 2/CP.7 regarding the identification of capacity-building needs,

*Further recalling* that in accordance with paragraph 4 (b) of the modalities and procedures for a clean development mechanism, contained in the annex to decision 17/CP.7, it shall review the regional and subregional distribution of designated operational entities and take appropriate decisions to promote accreditation of such entities from developing country Parties,

*Recognizing* measures already taken by the Board to facilitate the application for accreditation of operational entities located in developing country Parties,

*Recognizing* the need for the Board to work further on the implementation of the provisions in appendix C to the modalities and procedures for a clean development mechanism and to further facilitate the development of baseline and monitoring methodologies on the basis of experience gained,

1. *Decides:*

(a) To commend the Executive Board for the successful operationalization of the prompt start of the clean development mechanism, in particular through the progress made on accreditation and the approval of methodologies, and for its efforts relating to the implementation of rules 26 and 27 of the rules of procedure by providing for dialogue with constituencies and the exchange of information with the public;

(b) To further commend the Executive Board and the secretariat for the continuous provision of up-to-date public information on the operational requirements of the clean development mechanism, such as the accreditation procedures for operational entities, the procedure for proposing new methodologies for baselines and monitoring, the registration of clean development mechanism project activities, and the list of designated national authorities;

(c) That a clean development mechanism project activity starting between the date of adoption of decision 17/CP.7 and the date of the first registration of a clean development mechanism

project activity may, if the project activity is submitted for registration before 31 December 2005, use a crediting period starting before the date of its registration;

(d) To adopt the amendments to rules 4 and 12 of the rules of procedure of the Executive Board contained in annex I to this decision;

(e) To encourage the Executive Board to keep its rules of procedure under review and, if necessary, make recommendations, in accordance with paragraph 5 (b) of the annex to decision 17/CP.7, on any amendments or additions aimed at safeguarding its efficient, cost-effective and transparent functioning;

(f) To remind Parties wishing to participate in clean development mechanism project activities of the need to identify a designated national authority and of the possibility of making pertinent information on this authority publicly available through the UNFCCC CDM web site;

(g) To reiterate the request, contained in paragraph 14 of decision 17/CP.7, to Parties included in Annex I to the Convention to continue with measures to assist Parties not included in Annex I to the Convention, in particular the least developed countries and small island developing States among them, with building capacity in order to facilitate their participation in the clean development mechanism, taking into account relevant decisions by the Conference of the Parties on capacity-building and on the financial mechanism of the Convention;

(h) To request Parties, within the framework of decision 2/CP.7, to promote capacity-building with a specific view to obtaining more applications for accreditation as designated operational entities from entities located in Parties not included in Annex I to the Convention and invite intergovernmental organizations and non-governmental organizations to contribute to this effort;

(i) To encourage the Executive Board, where appropriate, to intensify its work on methodologies and to provide further guidance for the development of methodologies which have a broader applicability;

(j) To adopt the procedures for review as referred to in paragraph 41 of the modalities and procedures for a clean development mechanism, contained in annex II to this decision;

(k) To express its deep appreciation to Parties which have generously contributed in 2002–2003 to funding administrative expenses of the clean development mechanism;

(l) To invite Parties to urgently make contributions to the UNFCCC Trust Fund for Supplementary Activities for funding the administrative expenses for operating the clean development mechanism in the biennium 2004–2005 which allow the Board and secretariat to carry out their mandates in a sustainable manner;

2. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*8<sup>th</sup> plenary meeting  
12 December 2003*

**Draft decision -/CMP.1**

**Guidance to the Executive Board of the clean development mechanism**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms) and -/CMP.1 (Article 12),*

*Cognizant of decisions 15/CP.7, 17/CP.7 and its annex, and 21/CP.8,*

1. *Decides to confirm and give full effect to any actions taken pursuant to decision 18/CP.9.*

ANNEX I

**Amendments to the rules of procedure of the Executive Board of the clean development mechanism**

1. Replace the text of rule 4, paragraph 2, with the following text: “The term of service of a member, or an alternate member, shall start at the first meeting of the Executive Board in the calendar year following his/her election and shall end immediately before the first meeting of the Executive Board in the calendar year in which the term ends”.
2. Add the following text after rule 12, paragraph 2: “The secretary of the Board shall preside over the opening of the first Executive Board meeting of a calendar year and conduct the election of the new Chair and Vice-Chair.”



## ANNEX II

### **Procedures for review as referred to in paragraph 41 of the modalities and procedures for a clean development mechanism**

#### **A. Background**

1. In accordance with paragraph 5 (o) of the modalities and procedures for a clean development mechanism (CDM modalities and procedures), the Executive Board shall elaborate and recommend to the Conference of the Parties (Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol), for adoption at its next session, procedures for conducting the reviews referred to in paragraphs 41 and 65 of the CDM modalities and procedures including procedures to facilitate consideration of information from Parties, stakeholders and UNFCCC accredited observers.
2. Paragraph 41 of the CDM modalities and procedures stipulates that the registration by the Executive Board shall be deemed final eight weeks after the date of receipt by the Executive Board of the request for registration, unless a Party involved in the project activity or at least three members of the Executive Board request a review of the proposed CDM project activity. The review by the Executive Board shall be made in accordance with the following provisions:
  - (a) It shall be related to issues associated with the validation requirements;
  - (b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.
3. The draft procedures for review proposed below aim at elaborating on the provisions in paragraph 41, in particular by specifying detailed provisions for requesting a review, the scope of review, modalities for communicating with project participants and the designated operational entity (DOE) in question, possible outcomes of a review, and the coverage of costs relating to the review.

#### **B. Request for review**

4. A request for review by a Party involved in the proposed project activity shall be sent by the relevant designated national authority to the Executive Board, through the secretariat, using official means of communication (such as recognized official letterhead and signature or an official dedicated e-mail account). The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the Executive Board via the listserv.
5. A request for review by a member of the Executive Board shall be made by notifying the Executive Board through the secretariat. The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the Executive Board via the listserv.
6. In accordance with paragraph 41 of the CDM modalities and procedures, a review shall be related to issues associated with the validation requirements and a request for review shall, therefore, be specific in this regard.
7. A request for review shall:
  - (a) Include the CDM project activity registration review form (F-CDM-RR) contained in the appendix to these procedures;<sup>1</sup>
  - (b) Provide reasons for the request for review and any supporting documentation.

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<sup>1</sup> This form can be downloaded from the section on "References/procedures" on the UNFCCC CDM web site (<http://cdm.unfccc.int/Reference/Procedures>) and/or obtained electronically from the UNFCCC secretariat.

8. A request for review shall be considered to be received by the Executive Board on the date it has been received by the secretariat. A request for review will not be considered by the Executive Board if it is received after 17:00 GMT of the last day of the eight-week period after the receipt of the request for registration.

9. As soon as a Party involved in a proposed CDM project activity or three Executive Board members request a review of a proposed project activity, the following action shall be taken:

(a) The consideration of a review of the proposed project activity shall be included in the proposed agenda of the next Executive Board meeting;

(b) The Executive Board shall notify the project participants and the DOE which validated the proposed project activity that a review has been requested. The project participants and the DOE shall be informed about the date and venue of the next and the subsequent Executive Board meetings at which the request for review shall be considered. Stakeholders interested in the review process shall also be given an opportunity to attend the next or the subsequent Executive Board meeting;

(c) The project participants and the DOE shall each provide a contact person for the review process, including for a conference call, in case the Executive Board wishes to address questions to them during the consideration of a review at its meeting;

(d) The proposed project activity shall be marked as being "under review" on the UNFCCC CDM web site and a notification shall be sent through the UNFCCC CDM News facility.

#### **C. Scope and modalities of review**

10. The Executive Board shall consider, at its next meeting, a request for review, and either decide to undertake a review of the proposed project activity or register it as a CDM project activity.

11. If the Executive Board agrees to undertake a review of a proposed project activity, it shall, at the same meeting, decide on:

(a) The scope of the review relating to issues associated with validation requirements, based on the consideration in the request for a review;

(b) The composition of a review team. The review team shall consist of two Board members, who will be responsible for supervising the review, and outside experts, as appropriate.

12. The review team, under the guidance of the Board members responsible for supervising the review, shall provide inputs, prepare requests for clarification and further information to the DOE and project participants, and analyse information received during the review.

#### **D. Review process**

13. The decision by the Board on the scope of the review shall be made publicly available as part of the report of its meeting.

14. Project participants and the DOE which validated the proposed project activity shall be notified of the decision by the Executive Board.

15. Requests for clarification and further information may be sent to the DOE and the project participants. Answers shall be submitted to the review team, through the secretariat, within five working days after the receipt of the request for clarification. The secretariat shall acknowledge the receipt of the answers and forward them to the review team.

16. The two Board members supervising the review shall be responsible for compiling inputs and comments and preparing the recommendation to be forwarded to the Executive Board via listserv at least two weeks before the next Executive Board meeting.

**E. Review decision**

17. In accordance with paragraph 41 of the CDM modalities and procedures, the review by the Board shall be finalized no later than at the second meeting following a request for review.

18. Taking into consideration recommendations by the two Board members responsible for the review, the Board shall decide on whether:

- (a) To register the proposed project activity;
- (b) To request the DOE and project participants to make corrections based on the findings from the review before proceeding with registration; or
- (c) To reject the proposed project activity.


19. In accordance with paragraph 41, the Board shall communicate the decision to the project participants, the DOE that validated the proposed project activity and the public.

20. If the review indicates any issues relating to performance of the DOE, the Board shall consider whether or not to trigger a spot-check of the DOE, in accordance with the procedures for accrediting operational entities.

**F. Coverage of costs of the request for review**

21. The Executive Board shall bear the costs for reviewing a proposed project activity. If the Executive Board decides to reject the registration of a proposed project activity and if a DOE is found to be in the situation of malfeasance or incompetence, the DOE shall reimburse the Board for the expenses incurred as a result of the review. This provision is subject to review as experience accrues.

APPENDIX

 <b>CDM project activity registration review form (F-CDM-RR)</b> <i>(By submitting this form, a Party involved (through the designated national authority) or an Executive Board member may request that a review is undertaken)</i>	
<b>Designated national authority/Executive Board member submitting this form</b>	
<b>Title of the proposed CDM project activity submitted for registration</b>	
<p><b>Please indicate, in accordance with paragraphs 37 and 40 of the CDM modalities and procedures, which validation requirement(s) may require review. A list of requirements is provided below. Please provide reasons in support of the request for review, including any supporting documentation.</b></p>	
<p><input type="checkbox"/> <i>The following are requirements derived from paragraph 37 of the CDM modalities and procedures:</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> The participation requirements as set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied;</li> <li><input type="checkbox"/> Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the designated operational entity (DOE) on how due account was taken of any comments has been received;</li> <li><input type="checkbox"/> Project participants have submitted to the DOE documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party;</li> <li><input type="checkbox"/> The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 43 to 52 of the CDM modalities and procedures;</li> <li><input type="checkbox"/> The baseline and monitoring methodologies comply with requirements pertaining to methodologies previously approved by the Executive Board;</li> <li><input type="checkbox"/> Provisions for monitoring, verification and reporting are in accordance with decision 17/CP.7, the CDM modalities and procedures and relevant decisions of the COP/MOP;</li> <li><input type="checkbox"/> The project activity conforms to all other requirements for CDM project activities in decision 17/CP.7, the CDM modalities and procedures and relevant decisions by the COP/MOP and the Executive Board.</li> </ul> <p><input type="checkbox"/> <i>The following are requirements derived from paragraph 40 of the CDM modalities and procedures:</i></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> The DOE shall, prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development;</li> <li><input type="checkbox"/> In accordance with provisions on confidentiality contained in paragraph 27 (h) of the CDM modalities and procedures, the DOE shall make publicly available the project design document;</li> <li><input type="checkbox"/> The DOE shall receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available;</li> <li><input type="checkbox"/> After the deadline for receipt of comments, the DOE shall make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated;</li> <li><input type="checkbox"/> The DOE shall inform project participants of its determination on the validation of the project activity. Notification to the project participants will include confirmation of validation and the date of submission of the validation report to the Executive Board;</li> <li><input type="checkbox"/> The DOE shall submit to the Executive Board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party and an explanation of how it has taken due account of comments received.</li> </ul>	
<b>Section below to be filled in by UNFCCC secretariat</b>	
Date received at UNFCCC secretariat	

**Decision 19/CP.9****Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decisions 11/CP.7, 15/CP.7, 17/CP.7 and its annex, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7, 21/CP.8 and 22/CP.8,

*Cognizant* of its decisions 13/CP.9 and 18/CP.9 and its annex II,

*Affirming* the principles in the preamble to draft decision -/CMP.1 (*Land use, land-use change and forestry*), recommended by decision 11/CP.7,

*Reiterating* that decision 17/CP.7 applies *mutatis mutandis* to afforestation and reforestation project activities under the clean development mechanism,

*Taking into account* the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, associated with afforestation and reforestation project activities under the clean development mechanism,

*Cognizant* of relevant provisions of international agreements that may apply to afforestation and reforestation project activities under the clean development mechanism,

*Reiterating* that the treatment of land use, land-use change and forestry project activities under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period,

*Recognizing* that host Parties evaluate, in accordance with their national laws, risks associated with the use of potentially invasive alien species by afforestation and reforestation project activities and that Parties included in Annex I evaluate, in accordance with their national laws, the use of temporary certified emission reductions and/or long-term certified emission reductions generated from afforestation and reforestation project activities that make use of potentially invasive alien species,

*Recognizing* that host Parties evaluate, in accordance with their national laws, potential risks associated with the use of genetically modified organisms by afforestation and reforestation project activities and that Parties included in Annex I evaluate, in accordance with their national laws, the use of temporary certified emission reductions and/or long-term certified emission reductions generated from afforestation and reforestation project activities that make use of genetically modified organisms,

1. *Decides* to adopt the modalities and procedures for afforestation and reforestation project activities under the clean development mechanism contained in the annex to this decision, for the first commitment period of the Kyoto Protocol;

2. *Encourages* project participants to use, as appropriate and to the extent possible, the *Intergovernmental Panel on Climate Change Good Practice Guidance for Land Use, Land-Use Change and Forestry* and any relevant decisions of the Conference of the Parties or the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol with respect to good practice guidance for land use, land-use change and forestry, in the design and implementation of afforestation and reforestation project activities under the clean development mechanism;

3. *Invites* Parties and accredited observers to submit to the secretariat, by 28 February 2004, their views on simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism;

4. *Invites* Parties and accredited observers to submit to the secretariat, by 28 February 2004, their views on how to facilitate the implementation of small-scale afforestation and reforestation project activities under the clean development mechanism;

5. *Requests* the secretariat to prepare a technical paper on simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism, taking into account submissions referred to in paragraph 3 above and relevant work by the Executive Board, to be considered by the Subsidiary Body for Scientific and Technological Advice at its twentieth session;

6. *Requests* the Subsidiary Body for Scientific and Technological Advice:

(a) To recommend a draft decision on simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism, taking into account the submissions referred to in paragraph 3 above and the technical paper referred to in paragraph 5 above, for adoption by the Conference of the Parties at its tenth session;

(b) To recommend a draft decision on measures to facilitate the implementation of small-scale afforestation and reforestation project activities under the clean development mechanism, taking into account submissions referred to in paragraph 4 above, for adoption by the Conference of the Parties at its tenth session;

7. *Further requests* the Subsidiary Body for Scientific and Technological Advice, when elaborating, in accordance with paragraph 4 of decision 22/CP.8, a draft decision to be considered by the Conference of the Parties at its tenth session, and then to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, to ensure that the modalities and procedures specified in the annex to this decision are incorporated into the guidelines pertaining to Articles 7 and 8 of the Kyoto Protocol;

8. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopts the draft decision below.

*8<sup>th</sup> plenary meeting  
12 December 2003*

#### **Draft decision -/CMP.1**

##### **Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms), -/CMP.1 (Article 12), -/CMP.1 (Land use, land-use change and forestry), -/CMP.1 (Good practice guidance for land use, land-use change and forestry in the preparation of national greenhouse gas inventories under the Convention), -/CMP.1 (Modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol), -/CMP.1 (Guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol), -/CMP.1 (Good practice guidance and adjustments under Article 5 paragraph 2, of the Kyoto Protocol), -/CMP.1 (Guidance for the preparation of the information required under Article 7 of the Kyoto Protocol), and -/CMP.1 (Guidelines for review under Article 8 of the Kyoto Protocol),*

*Cognizant* of decisions 11/CP.7, 15/CP.7, 17/CP.7, 19/CP.7, 20/CP.7, 21/CP.7, 22/CP.7, 23/CP.7, 21/CP.8, 22/CP.8, 13/CP.9, 18/CP.9 and its annex II, and 19/CP.9,

1. *Decides* to confirm and give full effect to any actions taken pursuant to decision 19/CP.9;
2. *Adopts* the modalities and procedures for afforestation and reforestation project activities under the clean development mechanism contained in the annex to this decision, for the first commitment period of the Kyoto Protocol;
3. *Decides* that the treatment of land use, land-use change and forestry project activities under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period and that any revision of the decision shall not affect afforestation and reforestation project activities under the clean development mechanism registered prior the end of the first commitment period;
4. *Decides* to periodically review the modalities and procedures for afforestation and reforestation project activities under the clean development mechanism, and that the first review shall be carried out no later than one year before the end of the first commitment period, based on recommendations by the Executive Board of the clean development mechanism and by the Subsidiary Body for Implementation, drawing on technical advice from the Subsidiary Body for Scientific and Technological Advice, as needed.

## ANNEX

### **Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism**

#### **A. Definitions**

1. For the purpose of this annex, the definitions in paragraph 1 of the annex to decision 17/CP.7 and the definitions of forest, reforestation and afforestation in paragraph 1 of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), shall apply. In addition:

(a) “Carbon pools” are those carbon pools referred to in paragraph 21 of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*) and are: above-ground biomass, below-ground biomass, litter, dead wood and soil organic carbon;

(b) The “project boundary” geographically delineates the afforestation or reforestation project activity under the control of the project participants. The project activity may contain more than one discrete area of land;

(c) “Baseline net greenhouse gas removals by sinks” is the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the afforestation or reforestation project activity under the clean development mechanism (CDM);

(d) “Actual net greenhouse gas removals by sinks” is the sum of the verifiable changes in carbon stocks in the carbon pools within the project boundary, minus the increase in emissions of the greenhouse gases measured in CO<sub>2</sub> equivalents by the sources that are increased as a result of the implementation of the afforestation or reforestation project activity, while avoiding double counting, within the project boundary, attributable to the afforestation or reforestation project activity under the CDM;

(e) “Leakage” is the increase in greenhouse gas emissions by sources which occurs outside the boundary of an afforestation or reforestation project activity under the CDM which is measurable and attributable to the afforestation or reforestation project activity;

(f) “Net anthropogenic greenhouse gas removals by sinks” is the actual net greenhouse gas removals by sinks minus the baseline net greenhouse gas removals by sinks minus leakage;

(g) “Temporary CER” or “tCER” is a CER issued for an afforestation or reforestation project activity under the CDM which, subject to the provisions of section K below, expires at the end of the commitment period following the one during which it was issued;

(h) “Long-term CER” or “lCER” is a CER issued for an afforestation or reforestation project activity under the CDM which, subject to the provisions in section K below, expires at the end of the crediting period of the afforestation or reforestation project activity under the CDM for which it was issued;

(i) “Small-scale afforestation and reforestation project activities under the CDM” are those that are expected to result in net anthropogenic greenhouse gas removals by sinks of less than 8 kilotonnes of CO<sub>2</sub> per year and are developed or implemented by low-income communities and individuals as determined by the host Party. If a small-scale afforestation or reforestation project activity under the CDM results in net anthropogenic greenhouse gas removals by sinks greater than 8 kilotonnes of CO<sub>2</sub> per year, the excess removals will not be eligible for the issuance of tCERs or lCERs.



2. For the purposes of this annex, in the CDM modalities and procedures contained in the annex to decision 17/CP.7, where it reads CER, it should instead read tCER and/or lCER.

**B. Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

3. All provisions of section B of the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply mutatis mutandis to afforestation and reforestation project activities under the CDM.

**C. Executive Board**

4. All provisions of section C of the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply mutatis mutandis to afforestation and reforestation project activities under the CDM with the exception of provisions under paragraph 5 (e) on recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) relating to simplified modalities, procedures and definitions for small-scale project activities.

**D. Accreditation and designation of operational entities**

5. All provisions of section D of the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply mutatis mutandis to afforestation and reforestation project activities under the CDM.

**E. Designated operational entities**

6. All provisions of section E of the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply mutatis mutandis to afforestation and reforestation project activities under the CDM. In the case of afforestation and reforestation project activities under the CDM, a designated operational entity shall verify and certify net anthropogenic greenhouse gas removals by sinks.

**F. Participation requirements**

7. All provisions of section F of the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply mutatis mutandis to afforestation and reforestation project activities under the CDM.

8. A Party not included in Annex I may host an afforestation or reforestation project activity under the CDM if it has selected and reported to the Executive Board through its designated national authority for the CDM:

- (a) A single minimum tree crown cover value between 10 and 30 per cent; and
- (b) A single minimum land area value between 0.05 and 1 hectare; and
- (c) A single minimum tree height value between 2 and 5 metres.

9. The selected values referred to in paragraph 8 (a)–(c) above shall be fixed for all afforestation and reforestation project activities under the CDM registered prior to the end of the first commitment period.

**G. Validation and registration**

10. Validation is the process of independent evaluation of a proposed afforestation or reforestation project activity under the CDM by a designated operational entity (DOE) against the requirements of afforestation and reforestation project activities under the CDM as set out in decision 19/CP.9, the

present annex and relevant decisions of the COP/MOP, on the basis of the project design document, as outlined in appendix B below.

11. Registration is the formal acceptance by the Executive Board of a validated project as an afforestation or reforestation project activity under the CDM. Registration is the prerequisite for the verification, certification and issuance of tCERs or ICERs relating to that project activity.

12. The DOE selected by project participants to validate a proposed afforestation or reforestation project activity under the CDM, being under a contractual arrangement with them, shall review the project design document and any supporting documentation to confirm that the following requirements have been met:

(a) The participation requirements set out in paragraphs 28–30 of the annex to decision 17/CP.7 and paragraphs 8 and 9 above are satisfied;

(b) Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the DOE on how due account was taken of any comments has been received;

(c) Project participants have submitted to the DOE documentation on the analysis of the socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary of the proposed afforestation or reforestation project activity under the CDM. If any negative impact is considered significant by the project participants or the host Party, project participants have undertaken a socio-economic impact assessment and/or an environmental impact assessment in accordance with the procedures required by the host Party. Project participants shall submit a statement that confirms that they have undertaken such an assessment in accordance with the procedures required by the host Party and include a description of the planned monitoring and remedial measures to address them;

(d) The proposed afforestation or reforestation project activity under the CDM is additional if the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered CDM afforestation or reforestation project activity, in accordance with paragraphs 18–24 below;

(e) Management activities, including harvesting cycles, and verifications are chosen such that a systematic coincidence of verification and peaks in carbon stocks is avoided;

(f) Project participants have specified the approach proposed to address non-permanence in accordance with paragraph 38 below;

(g) The baseline and monitoring methodologies selected by project participants comply with requirements pertaining to:

(i) Methodologies previously approved by the Executive Board; or

(ii) Modalities and procedures for establishing a new methodology, as set out in paragraph 13 below;

(h) Provisions for monitoring, verification and reporting are in accordance with decision 19/CP.9, the present annex and relevant decisions of the COP/MOP;

(i) The proposed project activity conforms to all other requirements for afforestation and reforestation project activities under the CDM in decision 19/CP.9, the present annex and relevant decisions by the COP/MOP and the Executive Board.

13. If the DOE determines that the proposed afforestation or reforestation project activity under the CDM intends to use a new baseline or new monitoring methodology, as referred to in paragraph 12 (g) (ii) above, it shall, prior to a submission for registration of this project activity, forward the proposed baseline or monitoring methodology, together with the draft project design document, including a description of the project and identification of the project participants, to the Executive Board for review. The Executive Board shall expeditiously, if possible at its next meeting but not more than four months later, review the proposed new baseline or monitoring methodology in accordance with the modalities and procedures of the present annex. Once the Executive Board has approved the new baseline or monitoring methodology, it shall make it publicly available, together with any relevant guidance and the DOE may proceed with the validation of the proposed afforestation or reforestation project activity under the CDM. In the event that the COP/MOP requests the revision of an approved methodology, no afforestation or reforestation project activity under the CDM may use this methodology. The project participants shall revise the methodology, as appropriate, taking into consideration any guidance received.

14. A revision of a methodology shall be carried out in accordance with the modalities and procedures for establishing new methodologies as set out in paragraph 13 above. Any revision to an approved methodology shall be applicable only to project activities registered subsequent to the date of revision and shall not affect existing registered project activities during their crediting periods.

15. The DOE shall:

(a) Prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the proposed afforestation or reforestation project activity under the CDM assists it in achieving sustainable development;

(b) In accordance with provisions on confidentiality contained in paragraph 27 (h) of the annex to decision 17/CP.7, make the project design document publicly available;

(c) Receive, within 45 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available;

(d) After the deadline for receipt of comments, make a determination as to whether, on the basis of the information provided and taking into account the comments received, the proposed afforestation or reforestation project activity under the CDM should be validated;

(e) Inform project participants of its determination on the validation of the project activity. The notification to the project participants will include a confirmation of validation and the date of submission of the validation report to the Executive Board, or an explanation of reasons for non-acceptance if the proposed afforestation or reforestation project activity under the CDM, as documented, is judged not to fulfil the requirements for validation;

(f) Submit to the Executive Board, if it determines the proposed afforestation or reforestation project activity under the CDM to be valid, a request for registration in the form of a validation report including the project design document, the written approval of voluntary participation from the designated national authority of each Party involved, as referred to in paragraph 15 (a) above, and an explanation of how it has taken due account of comments received;

(g) Make this validation report publicly available upon transmission to the Executive Board.

16. The registration by the Executive Board shall be deemed final eight weeks after the date of receipt by the Executive Board of the request for registration, unless a Party involved in the proposed

afforestation or reforestation project activity under the CDM, or at least three members of the Executive Board, request a review of the proposed afforestation or reforestation project activity under the CDM. The review by the Executive Board shall be made in accordance with the following provisions:

(a) It shall be related to issues associated with the validation requirements;

(b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.

17. A proposed afforestation or reforestation project activity under the CDM that is not accepted may be reconsidered for validation and subsequent registration after appropriate revisions, provided that this afforestation or reforestation project activity follows the procedures and meets the requirements for validation and registration, including those relating to public comments.

18. An afforestation or reforestation project activity under the CDM is additional if the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered CDM afforestation or reforestation project activity.

19. The baseline for a proposed afforestation or reforestation project activity under the CDM is the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the proposed project activity. A baseline shall be deemed to reasonably represent the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the proposed afforestation or reforestation project activity under the CDM if it is derived using a baseline methodology referred to in paragraphs 12 and 13 above.

20. The baseline net greenhouse gas removals by sinks for a proposed afforestation or reforestation project under the CDM shall be established:

(a) By project participants in accordance with provisions for the use of approved and new baseline methodologies, contained in decision 19/CP.9, the present annex and relevant decisions of the COP/MOP;

(b) In a transparent and conservative manner regarding the choice of approaches, assumptions, methodologies, parameters, data sources, key factors and additionality, and taking into account uncertainty;

(c) On a project-specific basis;

(d) In the case of small-scale afforestation and reforestation project activities under the CDM, in accordance with simplified modalities and procedures developed for such activities;

(e) Taking into account relevant national and/or sectoral policies and circumstances, such as historical land uses, practices and economic trends.

21. In calculating the baseline net greenhouse gas removals by sinks and/or actual net greenhouse gas removals by sinks, project participants may choose not to account for one or more carbon pools, and/or emissions of the greenhouse gases measured in CO<sub>2</sub> equivalents, while avoiding double counting. This is subject to the provision of transparent and verifiable information that the choice will not increase the expected net anthropogenic greenhouse gas removals by sinks. Project participants shall otherwise account for all significant changes in carbon pools and/or emissions of the greenhouse gases measured in CO<sub>2</sub> equivalents by the sources that are increased as a result of the implementation of the afforestation or reforestation project activity, while avoiding double counting.

22. In choosing a baseline methodology for an afforestation or reforestation project activity under the CDM, project participants shall select from among the following approaches the one deemed most appropriate for the project activity, taking into account any guidance by the Executive Board, and justify the appropriateness of their choice:

(a) Existing or historical, as applicable, changes in carbon stocks in the carbon pools within the project boundary;

(b) Changes in carbon stocks in the carbon pools within the project boundary from a land use that represents an economically attractive course of action, taking into account barriers to investment;

(c) Changes in carbon stocks in the pools within the project boundary from the most likely land use at the time the project starts.

23. The crediting period shall begin at the start of the afforestation or reforestation project activity under the CDM. The crediting period for a proposed afforestation or reforestation project activity under the CDM shall be either:

(a) A maximum of 20 years which may be renewed at most two times, provided that, for each renewal, a DOE determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable; or

(b) A maximum of 30 years.

24. An afforestation or reforestation project activity under the CDM shall be designed in such a manner as to minimize leakage.

#### **H. Monitoring**

25. Project participants shall include, as part of the project design document, a monitoring plan that provides for:

(a) The collection and archiving of all relevant data necessary for estimating or measuring the actual net greenhouse gas removals by sinks during the crediting period. The monitoring plan shall specify techniques and methods for sampling and measuring individual carbon pools and greenhouse gas emissions by sources included in the actual net greenhouse gas removals by sinks, that reflect commonly accepted principles and criteria concerning forest inventory;

(b) The collection and archiving of all relevant data necessary for determining the baseline net greenhouse gas removals by sinks during the crediting period. If the project uses control plots for determining the baseline, the monitoring plan shall specify techniques and methods for sampling and measuring individual carbon pools and greenhouse gas emissions by sources;

(c) The identification of all potential sources of, and the collection and archiving of data on, leakage during the crediting period;

(d) The collection and archiving of information relating to the planned monitoring and remedial measures referred to in paragraph 12 (c) above;

(e) Collection of transparent and verifiable information to demonstrate that any choice made in paragraph 21 above does not increase the net anthropogenic greenhouse gas removals by sinks;

(f) Changes in circumstances within the project boundary that affect legal title to the land or rights of access to the carbon pools;

(g) Quality assurance and control procedures for the monitoring process;

(h) Procedures for the periodic calculation of the net anthropogenic greenhouse gas removals by sinks due to the afforestation or reforestation project activity and documentation of all steps involved in those calculations, and for the periodic review of implementation of activities and measures to minimize leakage.

26. A monitoring plan for a proposed afforestation or reforestation project activity under the CDM shall be based on a previously approved monitoring methodology or a new methodology appropriate to the afforestation or reforestation project activity, in accordance with paragraphs 12 and 13 above, that:

(a) Is determined by the DOE as appropriate to the circumstances of the proposed afforestation or reforestation project activity;

(b) Reflects good monitoring practice appropriate to the type of afforestation or reforestation project activity;

(c) Takes into account uncertainties by appropriate choice of monitoring methods, such as number of samples, to achieve reliable estimates of net anthropogenic greenhouse gas removals by sinks;

(d) In the case of small-scale afforestation and reforestation project activities under the CDM, is in accordance with simplified modalities and procedures developed for such activities.

27. Project participants shall implement the monitoring plan contained in the registered project design document.

28. Revisions, if any, to the monitoring plan to improve the accuracy and/or completeness of information shall be justified by project participants and shall be submitted for validation to a DOE.

29. The implementation of the registered monitoring plan and its revisions, as applicable, shall be a condition for verification, certification and the issuance of tCERs or lCERs.

30. The project participants shall provide to the DOE contracted by the project participants to perform the verification, a monitoring report in accordance with the registered monitoring plan set out in paragraph 25 above for the purpose of verification and certification.

#### **I. Verification and certification**

31. Verification is the periodic independent review and ex post determination by the DOE of the net anthropogenic greenhouse gas removals by sinks achieved, since the start of the project, by an afforestation or reforestation project activity under the CDM. Certification is the written assurance by a DOE that an afforestation or reforestation project activity under the CDM achieved the net anthropogenic greenhouse gas removals by sinks since the start of the project, as verified.

32. The initial verification and certification of an afforestation or reforestation project activity under the CDM may be undertaken at a time selected by the project participants. Thereafter, verification and certification shall be carried out every five years until the end of the crediting period.

33. In the case of afforestation or reforestation project activities under the CDM for which lCERs are issued, the CDM registry administrator shall record the date at which each certification report is received. The CDM registry administrator shall notify the Executive Board of cases where a certification report has not been provided within five years of the last certification, as required in paragraph 32 above. Upon receipt of such notification, the Executive Board shall forthwith notify the project participants of the requirement to provide the outstanding certification report. If the overdue certification report is not received within 120 days after receipt of the notification by the project participants, the Executive Board shall proceed in accordance with paragraph 50 below.

34. In accordance with the provisions on confidentiality in paragraph 27 (h) of the annex to decision 17/CP.7, the DOE contracted by the project participants to perform the verification shall make the monitoring report publicly available, and shall:

- (a) Determine whether the project documentation provided is in accordance with the requirements of the registered project design document and relevant provisions of decision 19/CP.9, the present annex and relevant decisions of the COP/MOP;
- (b) Conduct on-site inspections, as appropriate, that may comprise, inter alia, a review of performance records, interviews with project participants and local stakeholders, collection of measurements, observation of established practices and testing of the accuracy of monitoring equipment;
- (c) Determine whether the socio-economic and environmental impacts were monitored in accordance with the monitoring plan;
- (d) Determine whether there have been any changes in circumstances within the project boundary that affect legal title to the land or rights of access to the carbon pools;
- (e) Review the management activities, including harvesting cycles, and the use of sample plots to determine whether the following have been avoided:
  - (i) A systematic coincidence of verification and peaks in carbon stocks; and
  - (ii) A major systematic error in data collection;
- (f) If appropriate, use additional data from other sources;
- (g) Review monitoring results and verify that the monitoring methodologies have been applied correctly and that their documentation is complete and transparent;
- (h) Recommend to the project participants appropriate changes to the monitoring plan;
- (i) Determine the net anthropogenic greenhouse gas removals by sinks, using monitored or other data referred to in paragraph 34 (a), (b), (f) and (g) above, as appropriate, and calculation procedures as contained in the registered project design document;
- (j) Identify and inform the project participants of any concerns relating to the conformity of the actual afforestation or reforestation project activity under the CDM and its operation with the registered project design document. Project participants shall address the concerns and supply relevant additional information;
- (k) Provide a verification report to the project participants, the Parties involved and the Executive Board. The report shall be made publicly available.

35. The DOE shall, based on its verification report, certify in writing that, since its start, the afforestation or reforestation project activity under the CDM has achieved the net anthropogenic greenhouse gas removals by sinks. It shall inform the project participants, Parties involved and the Executive Board of its certification decision in writing immediately upon completion of the certification process, and make the certification report publicly available.

#### **J. Issuance of tCERs and ICERs**

36. The certification report shall constitute:

- (a) Where project participants have chosen the tCER approach to account for non-permanence, a request to the Executive Board for issuance of tCERs equal to the verified amount of net

anthropogenic greenhouse gas removals by sinks achieved by the afforestation or reforestation project activity under the CDM since the start of the project activity;

(b) Where project participants have chosen the ICER approach to account for non-permanence and:

- (i) Net anthropogenic greenhouse gas removals by sinks have increased since the previous certification report, a request to the Executive Board for issuance of ICERs equal to the verified amount of net anthropogenic greenhouse gas removals by sinks achieved by the afforestation or reforestation project activity under the CDM since the previous certification;
- (ii) Net anthropogenic greenhouse gas removals by sinks have decreased since the previous certification report, a notification to the Executive Board of the reversal of net anthropogenic greenhouse gas removals by sinks that has occurred at the afforestation or reforestation project activity under the CDM since the previous certification.

37. The issuance of tCERs or ICERs for afforestation and reforestation project activities under the CDM shall be subject to the provisions of paragraphs 65 and 66 of the CDM modalities and procedures, contained in the annex to decision 17/CP.7.

#### **K. Addressing non-permanence of afforestation and reforestation project activities under the CDM**

38. The project participants shall select one of the following approaches to addressing non-permanence of an afforestation or reforestation project activity under the CDM:

(a) Issuance of tCERs for the net anthropogenic greenhouse gas removals by sinks achieved by the project activity since the project start date in accordance with paragraphs 41–44 below; or

(b) Issuance of ICERs for the net anthropogenic greenhouse gas removals by sinks achieved by the project activity during each verification period, in accordance with paragraphs 45–50 below.

39. The approach chosen to address non-permanence shall remain fixed for the crediting period including any renewals.

40. All provisions of decision 18/CP.7, draft decision -/CMP.1 (*Article 17*) and its annex, decision 19/CP.7, draft decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and its annex, decision 20/CP.7, draft decision -/CMP.1 (*Article 5.1*) and its annex, decision 22/CP.7, the annex to draft decision -/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*) and its annex, decision 23/CP.7 and its annex, draft decision -/CMP.1 (*Guidelines for review under Article 8 of the Kyoto Protocol*) and its annex, and decision 22/CP.8 and its annexes I–III, that pertain to CERs shall also apply to tCERs and ICERs, unless otherwise stated in this annex.

##### 1. Provisions governing tCERs

41. A Party included in Annex I may use tCERs towards meeting its commitment for the commitment period for which they were issued. tCERs may not be carried over to a subsequent commitment period.

42. Each tCER shall expire at the end of the commitment period subsequent to the commitment period for which it was issued. The expiry date shall be included as an additional element in its serial number. An expired tCER may not be further transferred.



43. Each national registry shall include a tCER replacement account for each commitment period in order to cancel AAUs, CERs, ERUs, RMUs and/or tCERs for the purposes of replacing tCERs prior to expiry.

44. A tCER that has been transferred to the retirement account or the tCER replacement account of a Party included in Annex I shall be replaced before its expiry date. To this end, for each such tCER, the concerned Party shall transfer one AAU, CER, ERU, RMU or tCER to the tCER replacement account of the current commitment period.

## 2. Provisions governing ICERs

45. A Party included in Annex I may use ICERs towards meeting its commitment for the commitment period for which they were issued. ICERs may not be carried over to a subsequent commitment period.

46. Each ICER shall expire at the end of the crediting period or, where a renewable crediting period is chosen in accordance with paragraph 23 (a) above, at the end of the last crediting period of the project activity. The expiry date shall be included as an additional element in its serial number. An expired ICER may not be further transferred.

47. Each national registry shall include an ICER replacement account for each commitment period in order to cancel AAUs, CERs, ICERs, ERUs and/or RMUs in accordance with paragraphs 48–50 below for the purposes of:

- (a) Replacing ICERs prior to their expiry date;
- (b) Replacing ICERs where the certification report of the DOE indicates a reversal of net anthropogenic greenhouse gas removals by sinks since the previous certification;
- (c) Replacing ICERs where the certification report has not been provided in accordance with paragraph 33 above.

48. An ICER that has been transferred to the retirement account of a Party included in Annex I shall be replaced before its expiry date. To this end, for each such ICER, the concerned Party shall transfer one AAU, CER, ERU or RMU to the ICER replacement account for the current commitment period.

49. Where the certification report of the DOE indicates a reversal of net anthropogenic greenhouse gas removals by sinks since the previous certification, an equivalent quantity of ICERs shall be replaced. To this end, the Executive Board shall:

(a) Request the transaction log administrator to identify the quantity of ICERs issued for the project activity held in each registry not yet replaced or transferred to the ICER replacement account, distinguishing those held in retirement accounts for the current and previous commitment periods and in holding accounts;

(b) Immediately notify the transaction log that, in accordance with these modalities, the ICERs identified in paragraph 49 (a) above as being in holding accounts are ineligible for transfer to holding or retirement accounts. When a Party has completed replacement of the required ICERs in accordance with paragraph 49 (d) below, the ICERs in the holding accounts of that Party are again eligible for transfer.

(c) Calculate the proportion of ICERs from the project activity to be replaced by dividing the amount specified in the request for replacement by the amount identified in paragraph 49 (a) above;

(d) Notify each Party concerned of the requirement to replace a quantity of ICERs equal to the proportion, as calculated in paragraph 49 (c) above, of the ICERs identified in paragraph 49 (a) above of that Party. To replace an ICER a Party shall transfer one AAU, CER, ERU, RMU or ICER from the same project activity to the ICER replacement account for the current commitment period within 30 days. If the requirement to replace involves a fraction of a unit that fraction of a unit shall be replaced by one AAU, CER, ERU, RMU or ICER from the same project activity.

50. Where the certification report has not been provided in accordance with paragraph 33 above, the ICERs issued for the project activity shall be replaced. To this end, the Executive Board shall:

(a) Request the transaction log administrator to identify the quantity of ICERs issued for the project activity held in each registry not yet replaced or transferred to the ICER replacement account, distinguishing those held in retirement accounts for the current and previous commitment periods and in holding accounts;

(b) Immediately notify the transaction log that, in accordance with these modalities, the ICERs identified in paragraph 50 (a) above as being in holding accounts are ineligible for transfer to holding or retirement accounts;

(c) Notify the Parties concerned of the requirement to replace the ICERs identified in paragraph 50 (a) above. To replace an ICER a Party shall transfer one AAU, CER, ERU, RMU or ICER from the same project activity to the ICER replacement account for the current commitment period within 30 days.

### 3. The transaction log

51. Each Party included in Annex I shall ensure that its net acquisitions of tCERs and ICERs do not exceed the limits established for that Party as set out in paragraph 14 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*).

52. tCERs and ICERs may not be transferred to cancellation accounts of Annex I Parties referred to in paragraph 21 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for accounting of assigned amounts*) or, where excess CERs were issued, to the cancellation account of the CDM registry referred to in paragraph 3 (c) of appendix D to the annex to decision 17/CP.7.

53. Expired tCERs and ICERs held in holding accounts of registries, or the pending account of the CDM Registry, shall be transferred to a cancellation account.

54. The transaction log shall verify that there is no discrepancy with regard to the requirements of paragraphs 41 to 53 above as part of its automated checks set out in -/CMP.1 (*Modalities for the accounting of assigned amounts*).

55. The transaction log shall, one month prior to the expiry of each tCER or ICER in a retirement or in a replacement account, notify the Party included in Annex I concerned that a replacement of the tCER or ICER has to occur in accordance with paragraphs 44 or 48 above.

56. Where a Party included in Annex I does not replace tCERs or ICERs in accordance with paragraphs 44, 48, 49 and 50 above, the transaction log shall forward a record of non-replacement to the secretariat, for consideration as part of the review process for the relevant Party, under Article 8, to the Executive Board and to the Party concerned. The Executive Board shall make this information publicly available and include it in its reports to the COP/MOP.

### 4. Reporting and review

57. Each Party included in Annex I shall include the following information in its report referred to in

paragraph 2, section I.E, of the annex to decision -CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*):

- (a) The quantity of expired tCERs in its retirement account and tCER replacement account;
- (b) The quantity of expired ICERs in its retirement account;
- (c) The quantities of AAUs, CERs, ERUs, RMUs and tCERs transferred to the tCER replacement account;
- (d) The quantities of AAUs, CERs, ERUs, RMUs and ICERs transferred to the ICER replacement account.

58. The annual review referred to in paragraph 5, part III of the annex to decision -/CMP.1 (*Guidelines for review under Article 8 of the Kyoto Protocol*) shall include the assessment of whether tCERs and ICERs have been replaced, cancelled, retired or carried over in accordance with this annex.

59. The review upon expiration of the additional period for fulfilling commitments shall include an assessment of whether:

- (a) The quantity of AAUs, CERs, ERUs, RMUs and tCERs transferred into the tCER replacement account for the commitment period is equal to the quantity of tCERs that were retired or transferred to the tCER replacement account for the previous commitment period;
- (b) The quantity of AAUs, CERs, ERUs, RMUs and ICERs transferred into the ICER replacement account for the commitment period is equal to the quantity of ICERs that had to be replaced during that commitment period.

60. In its compilation and accounting database referred to in paragraph 50 of the annex to draft decision -/CMP.1 (*Modalities for accounting of assigned amounts*), the secretariat shall annually record for each Party included in Annex I the following information for the previous calendar year and to date for the commitment period, following completion of the annual review under Article 8, including the application of any corrections, and resolution of any relevant questions of implementation:

- (a) The quantity of tCERs retired, including information on their expiry dates;
- (b) The quantity of tCERs cancelled, including information on their expiry dates;
- (c) The quantity of tCERs that expired in the retirement account or the tCER replacement account for the previous commitment period, including information on their expiry dates;
- (d) The quantity of AAUs, CERs, ERUs, RMUs and tCERs transferred to the tCER replacement account to replace expiring tCERs, including information on the dates of expiry and cancellation;
- (e) The quantity of ICERs retired, including information on their expiry dates;
- (f) The quantity of ICERs cancelled, including information on their expiry dates;
- (g) The quantity of ICERs that expired in the retirement account for previous commitment periods, including information on their expiry dates;
- (h) The quantity of AAUs, CERs, ERUs, RMUs and ICERs transferred to the ICER replacement account to replace ICERs, including information on the dates of expiry and cancellation.

## APPENDIX A

### **Standards for the accreditation of operational entities in relation to afforestation and reforestation project activities under the CDM**

1. Paragraphs 1 and 2 of appendix A of the annex to decision 17/CP.7 on standards for the accreditation of operational entities shall apply, with the following changes:

(a) Paragraph 1 (f) (ii) is replaced with “Issues, in particular environmental and socio-economic, relevant to validation, verification and certification of afforestation and reforestation project activities under the CDM, as appropriate”;

(b) Paragraph 1 (f) (iii) is replaced with “The technical aspects of afforestation and reforestation project activities under the CDM relevant to environmental and socio-economic issues, including expertise in the setting of baseline net greenhouse gas removals by sinks and monitoring of emissions and removals”;

(c) Paragraph 1 (f) (v) is replaced with “Methodologies for accounting of greenhouse gas emissions by sources and removals by sinks”.

## APPENDIX B

### **Project design document for afforestation and reforestation project activities under the CDM**

1. The provisions of this appendix shall be interpreted in accordance with the present annex on modalities and procedures for afforestation and reforestation project activities under the CDM.

2. The purpose of this appendix is to outline the information required in the project design document. A project activity shall be described in detail in a project design document, taking into account the provisions for afforestation and reforestation project activities under the CDM as set out in the present annex, in particular, section G on validation and registration and section H on monitoring. The description shall include the following:

(a) A description of the afforestation or reforestation project activity comprising the project purpose; a technical description of the project activity, including species and varieties selected and how technology and know-how will be transferred, if appropriate; a description of the physical location and boundaries of the project activity; specification of the gases whose emissions will be part of the project activity;

(b) A description of the present environmental conditions of the area including a description of climate, hydrology, soils, ecosystems, and the possible presence of rare or endangered species and their habitats;

(c) A description of legal title to the land, rights of access to the sequestered carbon, current land tenure and land use;

(d) Carbon pools selected, as well as transparent and verifiable information, in accordance with paragraph 21 of the present annex;

(e) A proposed baseline methodology in accordance with the present annex, including:

(i) In the case of the application of an approved methodology:

– A statement of which approved methodology has been selected;

- A description of how the approved methodology will be applied in the context of the proposed project activity.
- (ii) In the case of the application of a new methodology:
- A description of the baseline methodology and justification of choice, including an assessment of strengths and weaknesses of the methodology;
  - A description of key parameters, data sources and assumptions used in the baseline estimate, and assessment of uncertainties;
  - Projections of the baseline net greenhouse gas removals by sinks for a proposed project activity;
  - Potential sources of leakage attributable to the project activity.
- (iii) Other considerations, such as a description of how national and/or sectoral policies and circumstances have been taken into account and an explanation of how the baseline was established in a transparent and conservative manner.
- (f) Measures to be implemented to minimize potential leakage;
- (g) Start date for the project activity, with justification, and the choice of crediting periods during which the project activity is expected to result in net anthropogenic greenhouse gas removals by sinks;
- (h) Statement of which approach for addressing non-permanence was selected in accordance with paragraph 38 of the present annex;
- (i) Description of how the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered CDM afforestation or reforestation project activity;
- (j) Environmental impacts of the project activity:
- (i) Documentation on the analysis of the environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary of the proposed afforestation or reforestation project activity under the CDM. This analysis should include, where applicable, information on, inter alia, hydrology, soils, risk of fires, pests and diseases;
  - (ii) If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken an environmental impact assessment, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation.
- (k) Socio-economic impacts of the project activity:
- (i) Documentation on the analysis of the socio-economic impacts, including impacts outside the project boundary of the proposed afforestation or reforestation project activity under the CDM. This analysis should include, where applicable, information on, inter alia, local communities, indigenous peoples, land tenure,

local employment, food production, cultural and religious sites, and access to fuelwood and other forest products;

- (ii) If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken a socio-economic impact assessment, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation.

(l) A description of planned monitoring and remedial measures to address significant impacts referred to in paragraph 2 (j) (ii) and (k) (ii) above;

(m) Information on sources of public funding for the project activity from Annex I Parties which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties;

(n) Stakeholder comments, including a brief description of the process, a summary of the comments received, and a report on how due account was taken of any comments received;

(o) A monitoring plan that meets the requirements of paragraph 25 of the present annex:

- (i) Identification of data needs and data quality with regard to accuracy, comparability, completeness and validity;
- (ii) Methodologies to be used for data collection and monitoring, including quality assurance and quality control provisions for monitoring, collecting, reporting, and assurance that verification does not coincide with peaks in carbon stocks;
- (iii) In the case of a new monitoring methodology, a description of the methodology, including an assessment of strengths and weaknesses of the methodology and whether or not it has been applied successfully elsewhere;
- (iv) Collection of other information as required to comply with paragraph 25 of the present annex.

(p) Calculations, including a discussion of how uncertainties have been addressed:

- (i) A description of formulae used to estimate the baseline net greenhouse gas removals by sinks for the project activity;
- (ii) A description of formulae used to estimate leakage;
- (iii) A description of formulae used to calculate the actual net greenhouse gas removals by sinks;
- (iv) A description of formulae used to calculate the net anthropogenic greenhouse gas removals by sinks;
- (v) References to support the above, if any.

## APPENDIX C

### **Terms of reference for establishing guidelines on baselines and monitoring methodologies for afforestation and reforestation project activities under the CDM**

1. All provisions of appendix C to the CDM modalities and procedures, contained in the annex to decision 17/CP.7, shall apply to afforestation and reforestation project activities.

## APPENDIX D

### **Additional requirements for the CDM registry to address afforestation and reforestation project activities**

1. The CDM registry established and maintained by the Executive Board shall be used to ensure the accurate accounting of the issuance, holding, transfer, acquisition and cancellation of tCERs and ICERs from afforestation and reforestation project activities under the CDM.
2. All provisions of appendix D to the annex to decision 17/CP.7 that apply to CERs shall also apply to tCERs and ICERs, unless stated otherwise in this appendix.
3. In addition to the registry accounts specified in paragraph 3 of appendix D to the annex of decision 17/CP.7, the CDM registry shall have a cancellation account to which tCERs and ICERs that have expired in a holding account of the CDM registry, and ICERs that have become ineligible in accordance with paragraphs 49 and 50 of the present annex, are transferred.
4. Each tCER and ICER shall have an expiry date, specifying day, month and year, as an additional element in its serial number.
5. The CDM registry administrator will record the date in which each certification report for an afforestation or reforestation project activity under the CDM is received. The CDM registry administrator shall notify the Executive Board of cases where a certification report for an afforestation or reforestation project activity for which ICER are issued, has not been provided within five years of the last certification.
6. All information referred to in paragraphs 9 to 12 of appendix D to the annex to decision 17/CP.7 that applies to tCERs and ICERs shall include, as an additional element, the expiry date of each such tCER and ICER.

## Decision 20/CP.9

### **Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling its decision 21/CP.7,*

*Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,*

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) below;

2. *Requests* the secretariat to establish a process to enable expert review teams to gain experience with the methods for adjustments during the inventory review process in the period 2003–2005 using real inventory data of Parties, subject to the consent of the Party concerned.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## Draft decision -/CMP.1

### **Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Having considered decisions 21/CP.7, 23/CP.7 and 20/CP.9,*

1. *Adopts* the technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol contained in document FCCC/SBSTA/2003/10/Add.2, pages 11–27 (hereinafter referred to as technical guidance) and decides to incorporate it in the annex of the draft decision -/CMP.1 (*Good practice guidance and adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) attached to decision 21/CP.7;<sup>1</sup>

2. *Requests* that lead reviewers, as defined in paragraphs 36–42 of the guidelines for review under Article 8 of the Kyoto Protocol (decision 23/CP.7), collectively consider and make recommendations on:

(a) Means to improve the consistent application, by expert review teams, of the technical guidance, especially the approaches to ensure conservativeness of adjusted estimates;

(b) The development and regular update of the information in the inventory review resources listed in annex I to the technical guidance;

(c) Means to ensure a common approach in applying the provisions of paragraph 52 of the technical guidance and to limit the flexibility given to the expert review teams in this regard, if considered necessary;

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<sup>1</sup> The texts referred to in this paragraph will be issued as a consolidated text.



(d) Updating, as appropriate, the table of conservativeness factors included in annex III to the technical guidance, including the underlying construction and structure of the uncertainty bands of that table;

3. *Requests* the secretariat to include any recommendations from the collective consideration of the lead reviewers in their annual report, referred to in paragraph 40 of the guidelines under Article 8 of the Kyoto Protocol, to the Subsidiary Body for Scientific and Technological Advice for its consideration;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice, following the consideration of the report referred to in paragraph 3 above, to take any appropriate action pursuant to the recommendations from lead reviewers referred to in paragraph 2 (c) and (d) above;

5. *Requests* the secretariat, following the collective recommendation of lead reviewers, to regularly update the information in the inventory review resources listed in annex I to the technical guidance;

6. *Requests* the secretariat to archive information on adjustments contained in review reports and other relevant information, and make it available and easily accessible for expert review teams;

7. *Decides* that with respect to any adjustments applied retroactively in accordance with paragraph 11 of the technical guidance, only the adjustment applied for the inventory year under review shall be relevant for the eligibility requirement laid out in paragraph 3 (e) of draft decision -/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*) attached to decision 22/CP.7.

## Decision 21/CP.9

### **Issues relating to the implementation of Article 8 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* its decision 23/CP.7,

*Having* considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session adopt draft decision -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol*) below;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to further consider, at its twentieth session, ways to ensure access to confidential data by review experts in those periods of the inventory review in which experts are neither present in the country under review nor at the office of the secretariat, recognizing that decision 20/CP.9 is without prejudice to any additional provision relating to the application of adjustments in the case of confidential information arising from these considerations;

3. *Invites* Parties to consider possible ways to ensure access to confidential information during the periods mentioned in paragraph 2 above, taking into account their domestic legislation, and to submit to the secretariat, by 15 February 2004, their views on this issue;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice also to consider, at its twentieth session, the possible application of the code of practice for the treatment of confidential information to the review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, of the Kyoto Protocol, emission reduction units, certified emission reductions, assigned amount units and removal units, and, to facilitate this consideration, invites Parties to include views on this matter in their submissions referred to in paragraph 3 above.

*8<sup>th</sup> plenary meeting  
12 December 2003*

## Draft decision -/CMP.1

### **Issues relating to the implementation of Article 8 of the Kyoto Protocol**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Having* considered decisions 23/CP.7, 23/CP.8 and 21/CP.9,

1. *Requests* the secretariat, subject to the availability of resources, to develop and implement the training programme for members of expert review teams participating in the initial reviews under Article 8 of the Kyoto Protocol, in accordance with the provisions in annex I to this decision, including requirements for testing of experts, and to give priority to implementation of a final seminar for the course on application of adjustments;

2. *Encourages* Parties included in Annex II to the Convention that are Parties to the Kyoto Protocol to provide financial support for implementation of the training programme;

3. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its first session in 2006, to assess the results of the training programme and to make recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on the further development and implementation of the training programme for members of expert review teams participating in reviews under Article 8 of the Kyoto Protocol;

4. *Requests* the secretariat to prepare a report on information on the training programme, in particular on examination procedures and the selection of trainees and instructors, to be provided to the Subsidiary Body for Scientific and Technological Advice for the assessment mentioned in paragraph 3 above;

5. *Decides* to apply and give full effect to the code of practice for the treatment of confidential information, as contained in annex II to decision 12/CP.9, for the reviews of inventories under Article 8 of the Kyoto Protocol;

6. *Decides* that all members of expert review teams participating in the reviews under Article 8 of the Kyoto Protocol shall be required to sign an agreement for expert review services, in accordance with paragraph 6 of decision 12/CP.9;

7. *Adopts* the criteria for selection of lead reviewers contained in annex II to this decision;

8. *Requests* the secretariat, in organizing reviews:

(a) To apply the provisions resulting from paragraphs 5, 6 and 7 above;

(b) To ensure that an inventory submission by a Party included in Annex I to the Convention is not reviewed by the same lead reviewers in two successive years.

## ANNEX I

### **Training programme for members of expert review teams for the initial review under the guidelines for review under article 8 of the Kyoto Protocol**

#### **I. PREMISES OF THE TRAINING PROGRAMME**

1. All courses will be available, without instructor, to reviewers all year round. At the request of a Party, the courses will also be made available for others interested in the review process, provided this does not require additional resources.
2. All courses will include an examination. For courses which have a final seminar, the examination will generally take place during the seminar. In exceptional circumstances, other arrangements for examination will be made, provided that the examinations take place under the supervision of the secretariat. For other courses the examination will take place on-line.
3. Experts who do not pass an examination for a course at the first attempt may re-take the examination one additional time, provided that the expert has fulfilled all the tasks assigned to the trainees in the course in a timely manner, and that the re-take does not require the secretariat to incur additional costs.
4. Examination procedures should be standardized, objective and transparent.
5. All courses will be available on-line. The courses will be distributed on CD-ROM to trainees without easy access to the Internet; in such cases, and for courses that are facilitated by an instructor, trainees will communicate with the instructor by e-mail.
6. Final seminars for courses may be offered in conjunction with lead reviewers' meetings to complete the training for lead reviewers.
7. The development and implementation of the courses of this training programme depend on the availability of resources.
8. Experts with relevant expertise will be selected as instructors for courses of the training programme, in such a way that their skills cover the subjects addressed in each course. The secretariat will seek geographic balance among the instructors participating in the training programme.

#### **II. COURSES OF THE TRAINING PROGRAMME**

##### **A. National systems**

**Description:** This course covers guidelines for review of national systems under Article 5.1 and related parts of guidelines under Articles 7 and 8 of the Kyoto Protocol

**Preparation:** 2004 or 2005

**Implementation:** 2005 and 2006

**Target audience:** 50 experienced reviewers and reviewers who have successfully completed the basic course for review of greenhouse gas inventories, and lead reviewers

**Type of course:** E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

**Examination requirements:** All reviewers who will review national systems or serve as lead reviewers must pass the examination

## **B. Application of adjustments**

**Description:** This course covers decisions by the Conference of the Parties and technical guidance on methodologies for adjustments under Article 5.2 and related parts of guidelines under Articles 7 and 8 of the Kyoto Protocol

**Preparation:** 2004 or 2005

**Implementation:** 2005 and 2006

**Target audience:** 50 experienced inventory reviewers per year, and lead reviewers

**Type of course:** E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

**Examination requirements:** Any reviewers who may apply adjustments or will serve as lead reviewers must pass the examination

## **C. Modalities for the accounting of assigned amounts under Article 7.4**

**Description:** The exact content of this course will be determined following completion of the work on technical standards for data exchange between registry systems, as required by decision 24/CP.8

**Preparation:** 2004 or 2005

**Implementation:** 2005 and 2006

**Target audience:** Reviewers of national registries and assigned amount information, and lead reviewers

**Type of course:** E-learning, facilitated by an instructor, with a final seminar, subject to the availability of resources, that could be held jointly for the three courses of this programme

**Examination requirements:** Any reviewers who will review information relating to accounting of assigned amounts or serve as lead reviewers must pass the examination

*Note:* More information on general characteristics of the training programme can be found in document FCCC/SBSTA/2003/3

## ANNEX II

### Criteria for Selection of Lead Reviewers

1. Experts selected as lead reviewers:
  - (a) Shall have extensive experience in the preparation of greenhouse gas inventories (of emissions by sources and removals by sinks) and/or the management of national institutional arrangements for greenhouse gas inventory preparation;
  - (b) Shall have previously participated in at least two different review activities, including one in-country review;<sup>1</sup>
  - (c) Shall have a strong general understanding of the overall process for the development and compilation of the entire inventory and, preferably, strong technical expertise in at least one of the Intergovernmental Panel on Climate Change (IPCC) sectors;
  - (d) Shall have proficiency in the use of the guidelines developed under the Convention and the Kyoto Protocol and procedures for reporting and review of inventories and assigned amount information, specifically:
    - (i) The guidelines for review under Article 8 of the Kyoto Protocol and the UNFCCC guidelines for the technical review of greenhouse gas inventories under the Convention;
    - (ii) The guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol and the UNFCCC reporting guidelines on annual inventories;
    - (iii) The modalities for the accounting of assigned amounts under Article 7, paragraph 4, including the requirements for national registries, and the technical standards for data exchange between registry systems under the Kyoto Protocol;
  - (e) Shall have knowledge of methodologies and technical guidance relating to the preparation and review of inventories, specifically:
    - (i) The Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories, the IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories, and any other good practice guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP);
    - (ii) The technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol;
    - (iii) Other relevant technical guidance adopted by the COP/MOP;
  - (f) Shall have sufficient fluency in English to communicate with other members of the team and Party representatives;
  - (g) Shall have successfully completed any specific training and required examination as requested by the COP/MOP, and laid out in annex I to decision -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol*);

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<sup>1</sup> Such review activities could have been conducted under the Convention or the Kyoto Protocol.

(h) Shall have completed any specific training as requested by the Conference of the Parties and laid out in annex I to decision 12/CP.9, i.e. handling of confidential information and improving communication and facilitating consensus in expert review teams.

2. Other desirable criteria for lead reviewers include:

(a) Experience in a management role;

(b) Knowledge of any other technical guidance and related review activities under the Convention and the Kyoto Protocol adopted by the COP and/or the COP/MOP.

**Decision 22/CP.9**

**Forest management activities under Article 3, paragraph 4, of the Kyoto Protocol: Croatia**

*The Conference of the Parties,*

*Recalling* its decision 11/CP.7, in particular paragraphs 10 and 11 of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*) attached thereto,

*Having considered* submissions by Croatia<sup>1</sup> with regard to the value for this Party in the appendix to the above-mentioned annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*),

*Decides* that, for the first commitment period, additions to and subtractions from the assigned amount of Croatia, resulting from forest management under Article 3, paragraph 4, of the Kyoto Protocol, after the application of paragraph 10 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*), and resulting from forest management project activities under Article 6, shall not exceed 0.265 megatonnes of carbon per year, times five.

*8<sup>th</sup> plenary meeting  
12 December 2003*

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<sup>1</sup> FCCC/CP/2001/MISC.6/Add.2 and FCCC/SBI/2003/MISC.6.



## II. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

### Resolution 1/CP.9

#### **Expression of gratitude to the Government of the Italian Republic and people of the city of Milan**

*The Conference of the Parties,*

*Having met* in Milan from 1 to 12 December 2003 at the invitation of the Government of the Italian Republic,

1. *Expresses its profound gratitude* to the Government of the Italian Republic for having made it possible for the ninth session of the Conference of the Parties to be held in Milan;
2. *Requests* the Government of the Italian Republic to convey to the city and the people of Milan the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

*9<sup>th</sup> plenary meeting  
12 December 2003*

### **III. OTHER ACTIONS TAKEN BY THE CONFERENCE OF THE PARTIES**

#### **Calendar of meetings of Convention bodies, 2004–2008**

The Conference of the Parties at its ninth session adopted the dates for the 2008 sessional periods. The calendar of meetings of Convention bodies for 2004–2008 is reproduced below for ease of reference.

- First sessional period in 2004: from 14 to 25 June
- Second sessional period in 2004: from 29 November to 10 December
- First sessional period in 2005: from 16 to 27 May
- Second sessional period in 2005: from 7 to 18 November
- First sessional period in 2006: from 15 to 26 May
- Second sessional period in 2006: from 6 to 17 November
- First sessional period in 2007: from 7 to 18 May
- Second sessional period in 2007: from 5 to 16 November
- First sessional period in 2008: from 2 to 13 June
- Second sessional period in 2008: from 1 to 12 December

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CONFERENCE OF THE PARTIES

**Report of the Conference of the Parties  
on its tenth session, held at Buenos Aires  
from 6 to 18 December 2004**

**Addendum**

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

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## Decision 1/CP.10

### Buenos Aires programme of work on adaptation and response measures

*The Conference of the Parties,*

*Recalling* its decision 5/CP.7 and 10/CP.9,

*Welcoming* the progress made in the implementation of decision 5/CP.7,

*Acknowledging* that there is a need to further implement decision 5/CP.7 in order to address the gaps in implementation that remain,

*Having considered* the reports on the workshops referred to in paragraphs 32–37 of decision 5/CP.7,<sup>1</sup>

*Having considered* submissions from Parties on this subject,<sup>2</sup>

#### I. Adverse effects of climate change

1. *Invites* developing country Parties to make use of the strategic priorities on adaptation and capacity-building funded by the Global Environment Facility, in response to existing guidance from the Conference of the Parties, and of the funding recently pledged to the Special Climate Change Fund;
2. *Requests* the entities identified in decision 5/CP.7, paragraphs 7 and 8, to make available further financial and technical resources to implement the actions therein;
3. *Urges* Parties included in Annex II to the Convention (Annex II Parties) to contribute to the Special Climate Change Fund and other multilateral and bilateral sources, to support, as a top priority, adaptation activities to address the adverse impacts of climate change;
4. *Insists* that action relating to adaptation follow an assessment and evaluation process, based on national communications and/or other relevant information, so as to prevent maladaptation and to ensure that adaptation actions are environmentally sound and will produce real benefits in support of sustainable development;
5. *Decides* to further the implementation of actions under decision 5/CP.7, paragraph 7, including through:
  - (a) **Information and methodologies**
    - (i) Improving data collection and information gathering, and the analysis, interpretation and dissemination of such data and information to end-users, under decision 5/CP.7, paragraph 7 (a) (i), within and by Parties not included in Annex I to the Convention (non-Annex I Parties) which are vulnerable to the adverse effects of climate change, including through the enhancement of systematic observation and monitoring networks in countries with observation stations that feed into the Global Climate Observing System and through increased data sharing between Parties, particularly among Parties included in Annex I to the Convention (Annex I Parties) and among non-Annex I Parties;

<sup>1</sup> FCCC/SBI/2002/9, FCCC/SBI/2003/11, FCCC/SBI/2003/18, FCCC/SB/2003/1, FCCC/SBI/2003/INF.2.

<sup>2</sup> FCCC/SBI/2004/MISC.2 and Add.1–2, and FCCC/SBI/2002/MISC.3 and Add.1, FCCC/SBSTA/2004/MISC.12 and Add.1, FCCC/SBSTA/2004/MISC.6, FCCC/SBSTA/2003/MISC.11.

- (ii) Strengthening in-country capacity-building for generating, managing, processing and analysing data sets, for improving the quality of analytical tools, and for disseminating the results of these efforts in sectors that can contribute to climate change impact analysis, including through the development and strengthening of in-country modelling tools to assess the adverse effects of climate change and drivers of regional climate trends;
  - (iii) Providing additional training in each specialized field relevant to adaptation identified in decision 5/CP.7, paragraph 7 (a) (iii), in order to create and sustain in-country capacity, including through overseas training, scholarship programmes and workshops, according to needs identified by Parties;
  - (iv) Improving the availability of General Circulation Models, including their outputs and results, and providing training and financial and technical assistance to non-Annex I Parties for the development and application of downscaling tools at regional and national levels;
  - (v) Strengthening institutions and centres through targeted research programmes under decision 5/CP.7, paragraph 7 (a) (v) and (vi), to address the adverse effects of climate change in vulnerable sectors;
  - (vi) Supporting education and training in, and public awareness of, issues relating to climate change under decision 5/CP.7, paragraph 7 (a) (vii), as well as stakeholder participation in key sectors;
- (b) **Vulnerability and adaptation**
- (i) Carrying out pilot and demonstration projects under decision 5/CP.7, paragraph 7 (b) (v), in particular to take forward adaptation projects identified in national communications and other relevant sources, including activities that strengthen adaptive capacity;
  - (ii) Enhancing technical training for integrated climate change impact and vulnerability assessment across all relevant sectors, and for environmental management relating to climate change under decision 5/CP.7, paragraph 7 (b) (ii);
  - (iii) Promoting the transfer of technologies for adaptation under decision 5/CP.7, paragraph 7 (b) (iv), on an urgent basis in priority sectors, including agriculture and water resources, for example through the exchange of experiences and lessons learned in enhancing resilience to the adverse effects of climate change in key sectors;
  - (iv) Building capacity, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change, including contingency planning, in particular for droughts and floods and extreme weather events, in accordance with decision 5/CP.7, paragraphs 7 (b) (vi) and 8 (c);

6. *Requests* the Global Environment Facility to report to the Conference of the Parties at its eleventh session (November–December 2005) and subsequent sessions on how the above-mentioned activities have been supported, and the barriers, obstacles and opportunities presented, through:

- (a) The strategic priority “Piloting an Operational Approach to Adaptation”

- (b) The small grants programme
- (c) Efforts to address adaptation in the climate change focal area and to mainstream it into other focal areas of the Global Environment Facility
- (d) The Least Developed Countries Fund and efforts to finance the preparation of national adaptation programmes of action
- (e) The Special Climate Change Fund;

7. *Requests* the Global Environment Facility to expand support for the elaboration of adaptation strategies as part of the national communication process in non-Annex I Parties;

8. *Requests* the secretariat to organize the following, before the thirteenth session of the Conference of the Parties (November 2007), as outlined in decision 5/CP.7, paragraph 32, in order to facilitate information exchange and integrated assessments to assist in identifying specific adaptation needs and concerns:

- (a) Three regional workshops, reflecting regional priorities
- (b) One expert meeting for small island developing States, reflecting issues of priority identified by that group;

9. *Further requests* the secretariat to prepare reports on the outcome of these workshops and meetings in order for the Subsidiary Body for Implementation to consider what further actions may be required by the Conference of the Parties at its thirteenth session;

### **Modelling**

10. *Encourages* the Intergovernmental Panel on Climate Change to incorporate, to the extent possible, region-specific modelling information on the adverse effects of climate change into its Fourth Assessment Report, and to engage developing country researchers in the assessment process;

11. *Stresses* the importance of involving experts from developing countries in improving data collection and information gathering relating to the adverse effects of climate change, as well as in the analysis, interpretation and dissemination of such data and information;

### **Reporting**

12. *Requests* Annex II Parties to provide detailed information, including in their national communications, on progress made on support programmes to meet the specific needs and circumstances of developing country Parties arising from the adverse effects of climate change;

13. *Encourages* non-Annex I Parties to provide information, including in their national communications and/or other reports, on their specific needs and concerns arising from the adverse effects of climate change, including any gaps they identify in the implementation of decision 5/CP.7;

14. *Requests* the Subsidiary Body for Implementation at its twenty-seventh session (November 2007) to consider available compilation and synthesis reports of national communications of both Annex I Parties and non-Annex I Parties and other relevant reports in relation to the adverse effects of climate change;

## II. Impact of the implementation of response measures

### Progress on implementation

15. *Recalls* paragraph 19 of decision 5/CP.7 that mandated support for the implementation of activities included in paragraphs 22–29 through the Global Environment Facility (in accordance with decision 6/CP.7), the Special Climate Change Fund (in accordance with decision 7/CP.7), and other bilateral and multilateral sources;

### Modelling and economic diversification

16. *Requests* the secretariat to organize two pre-session expert meetings in conjunction with sessions of the Subsidiary Body for Implementation:

- (a) The first, in conjunction with the twenty-third session of the Subsidiary Body for Implementation (November–December 2005), to consider the outcomes of the workshops held in response to decision 5/CP.7, paragraphs 33 and 35, and exchange information on tools and methodologies to achieve resilience to possible impacts of response measures, including the assessment of the role of financial risk management strategies, as well as modelling for socio-economic impacts
- (b) The second, in conjunction with the twenty-fourth session of the Subsidiary Body for Implementation (May 2006), to consider how economic diversification might be integrated into, and support sustainable development strategies and to discuss what technical assistance may be needed to develop structural and institutional capacity for facilitating efforts to achieve economic diversification, as well as how foreign and domestic private sector investments in these areas may be encouraged;

17. *Decides* that the outcome of these meetings be reported to the Subsidiary Body for Implementation at its twenty-fifth session (November 2006), to consider what further actions may be required by the Conference of the Parties at its thirteenth session;

### Reporting

18. *Requests* Annex II Parties to provide detailed information, including in their national communications, on progress made on support programmes to meet the specific needs and circumstances of developing country Parties arising from the impact of the implementation of response measures;

19. *Encourages* non-Annex I Parties to provide information, in their national communications and/or other relevant reports, on their specific needs and concerns arising from the impacts of the implementation of response measures, including any gaps they identify on the implementation of decision 5/CP.7;

20. *Requests* the Subsidiary Body for Implementation at its twenty-seventh session (November 2007) to consider available compilation and synthesis reports of national communications of both Annex I and non-Annex I Parties in relation to the impacts of response measures and the implementation of decision 5/CP.7;

21. *Invites* the Global Environment Facility and other bilateral and multilateral sources to provide feedback to the Conference of the Parties, at its twelfth session (November 2006), on activities undertaken in response to decision 5/CP.7, paragraphs 22–29 (in accordance with decisions 6/CP.7 and 7/CP.7), with a view to the Conference of the Parties adopting a decision on further action at its thirteenth session;

### **III. Further multilateral work relating to activities under decision 5/CP.7**

22. *Decides* to assess, at its fourteenth session (December 2008), the status of implementation of Article 4, paragraph 8, of the Convention, decision 5/CP.7 and this decision, and to consider further action thereon;

### **IV. Subsidiary Body for Scientific and Technological Advice programme of work on impacts, vulnerability and adaptation to climate change**

23. *Requests* the Subsidiary Body for Scientific and Technological Advice to develop a structured five-year programme of work on the scientific, technical and socio-economic aspects of impacts, vulnerability and adaptation to climate change, which would address the following issues: methodologies, data and modelling; vulnerability assessments; adaptation planning, measures and actions; and integration into sustainable development, in the context of the terms of reference of the Subsidiary Body for Scientific and Technological Advice as referred to in Article 9 of the Convention;

24. *Requests* the secretariat, under the guidance of the Chair of the Subsidiary Body for Scientific and Technological Advice, to organize an in-session workshop during the twenty-second session of the Subsidiary Body for Scientific and Technological Advice (May 2005) to facilitate the development of the programme referred to in paragraph 23 above;

25. *Invites* Parties to submit to the secretariat, by 31 March 2005, their views on the work programme;

26. *Requests* the secretariat to compile the views submitted in accordance with paragraph 25 above into a miscellaneous document for consideration by the Subsidiary Body for Scientific and Technological Advice at the twenty-second session.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*



## Decision 2/CP.10

### Capacity-building for developing countries (non-Annex I Parties)

*The Conference of the Parties,*

*Recalling* its decision 2/CP.7 to conduct a comprehensive review of the implementation of the framework for capacity-building in developing countries, and decision 9/CP.9 to complete the review at its tenth session and to conduct further comprehensive reviews every five years thereafter,

*Reaffirming* that decision 2/CP.7 should continue to be the basis for and guide the implementation of capacity-building activities in developing countries, and that it remains effective,

*Reaffirming also* that the guiding principles, the approaches and initial scope for the capacity-building framework, as contained in the annex to decision 2/CP.7, are still valid and important in advancing the purpose of the capacity-building framework for developing countries and in contributing to the objective of the Convention,

*Noting* that whereas a range of the priority issues identified in the capacity-building framework are being addressed by the Global Environment Facility and its implementing agencies, as well as other multilateral and bilateral agencies, significant gaps still remain to be filled and access to financial resources remains an issue to be addressed,

*Noting also* that the preparation of national communications and of national adaptation programmes of action in least developed countries and of a range of other activities has contributed to the development of individual level capacity within and across institutions and has trained individuals from different sectors, including non-governmental actors,

*Noting* that Parties, in general, continue to involve different stakeholders, such as non-governmental organizations, academic institutions, and, in some cases, the private sector, in implementing capacity-building activities,

*Acknowledging* that activities, projects and programmes implemented should continue to put emphasis on defining realistic results, identifying programme beneficiaries, monitoring the progress made towards expected results, identifying and managing risks and providing information on results achieved,

*Welcoming* the strategic approach of the Global Environment Facility towards enhancing capacity-building with the aim of providing adequate support for nationally determined and prioritized capacity-building needs,

*Having taken note* of the terms of reference of the first comprehensive review of the implementation of the framework for capacity-building in developing countries, contained in annex III to the report of the Subsidiary Body for Implementation at its eighteenth session,

*Acknowledging* all inputs into the comprehensive review, such as national communications and submissions from Parties, multilateral organizations and the secretariat, as well as from the various assessments, document FCCC/SBI/2004/9 as well as the meeting of capacity-building practitioners held on 3 December 2004 in Buenos Aires, Argentina,

1. *Decides* that the scope of capacity-building needs, as contained in the framework for capacity-building in developing countries, annexed to decision 2/CP.7, is still relevant and that the

following are key factors that should be taken into account and could assist in the further implementation of decision 2/CP.7:

- (a) To make institutional capacity-building a priority for the creation and strengthening of basic institutional infrastructure
- (b) To raise awareness at various levels on climate change issues and increase the involvement of national governmental organizations in capacity-building activities
- (c) To develop and, where appropriate, promote exchange of best practices, experiences, and information on capacity-building activities undertaken by various Parties, including financial resources, case studies and tools for capacity-building
- (d) To ensure effectiveness of capacity-building activities so that:
  - (i) They enhance the ability of developing country Parties to implement the Convention and to participate effectively in the Kyoto Protocol process
  - (ii) Initial and subsequent national communications and national adaptation programmes of action provide a good measure of successful capacity-building as it relates to the implementation of the Convention
  - (iii) Capacity-building is integrated as a priority by policy and decision makers
  - (iv) Long-term sustainability of capacity-building activities is achieved through integration in planning processes
- (e) Financial and technical resources should be made available, through an operating entity of the financial mechanism and, as appropriate, through multilateral and bilateral agencies and the private sector, to assist developing countries, in particular least developed countries and small island developing States among them, in the implementation of this framework
- (f) To further apply learning-by-doing approaches for capacity-building by supporting various types of capacity-building activities, projects and programmes at the national and local levels
- (g) To continue to improve international donor coordination in the provision of financial resources, and to harmonize donor support in alignment with national priorities, plans and strategies
- (h) To ensure that resources are made available for the implementation of capacity-building activities
- (i) To strengthen institutional arrangements at the national level to coordinate implementation consistent with decision 2/CP.7 as a way of promoting integration of climate change issues into the national planning processes so as to increase effectiveness and sustainability of outcomes;

2. *Encourages* Parties to further improve the implementation of capacity-building activities by taking into account key factors identified in paragraph 1 above, and to report on the effectiveness and sustainability of capacity-building programmes in their national communications and other relevant documents;

3. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to take into account the key factors identified in paragraph 1 of this decision in the context of the projects of the operating entity of the financial mechanism, when supporting capacity-building activities in developing countries in accordance with decisions 2/CP.7 and 4/CP.9 and as defined in the Strategic Approach to Enhance Capacity-Building;<sup>1</sup>

4. *Invites* Parties included in Annex II to the Convention, multilateral, bilateral and international agencies and the private sector that are in a position to do so, to continue providing financial resources to support the capacity-building framework, as annexed to decision 2/CP.7;

5. *Invites* relevant intergovernmental and non-governmental organizations, and in particular the United Nations Development Programme, the World Bank and the United Nations Environment Programme, to incorporate into their own work programmes, scope of needs identified in the capacity-building framework, taking into account the key factors identified in paragraph 1 above, and to cooperate with each other, with the support and facilitation of the secretariat, in order to ensure efficient and coordinated support to capacity-building efforts by developing country Parties;

6. *Requests* the Global Environment Facility to include in its report to the Conference of Parties, at its eleventh session (November–December 2005), information on how it is responding to this decision;

7. *Decides* to initiate a second comprehensive review of the implementation of the capacity-building framework in developing countries, based on paragraph 8 of this decision and information provided by Parties, the Global Environment Facility and its implementing agencies, and bilateral, multilateral and other international organizations, at the twenty-eighth session of the Subsidiary Body for Implementation (June 2008) with a view to completing it at the fifteenth session of the Conference of the Parties (November–December 2009);

8. *Invites* Parties to submit to the secretariat, by 15 February 2006, their views on steps to be taken by the Subsidiary Body for Implementation to monitor regularly capacity-building activities undertaken pursuant to decision 2/CP.7, for consideration at the twenty-fourth session of the Subsidiary Body for Implementation (May 2006);

9. *Requests* the secretariat:

- (a) To continue to cooperate with the operating entity of the financial mechanism of the Convention, its implementing agencies, and bilateral and other multilateral and international organizations to facilitate the implementation of the capacity-building framework;
- (b) To continue to cooperate with the secretariats of the Convention on Biological Diversity and the United Nations Convention to Combat Desertification, and other pertinent United Nations Conventions to maximize synergy in implementing capacity-building activities through, for example, sharing information, knowledge, experiences and lessons learned in implementation of the respective Conventions;
- (c) To prepare a synthesis report on the steps to be taken to monitor regularly capacity-building activities pursuant to decision 2/CP.7 based on views from Parties as indicated in paragraph 8 and taking into account the work of the Global Environment Facility on capacity-building performance indicators for the climate change focal area

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<sup>1</sup> GEF/C.22/8 at <<http://www.gefweb.org>>.

consistent with decision 4/CP.9 and make this report available to the Subsidiary Body for Implementation at its twenty-fourth session;

- (d) To prepare reports, based on inputs from Parties, the Global Environment Facility and its implementing agencies, as well as from other relevant organizations and institutions, for consideration by the Subsidiary Body for Implementation at its thirty-first session (November–December 2009), to allow the Conference of Parties to complete its second comprehensive review of the capacity-building framework;
- (e) To disseminate, in cooperation with the Global Environment Facility and its implementing agencies, an information document on best practices, lessons learned in capacity-building projects and programmes, and to facilitate its publication through the UNFCCC web site.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

## Decision 3/CP.10

### Capacity-building for countries with economies in transition

*The Conference of the Parties,*

*Recalling* the provisions relating to the capacity-building framework for countries with economies in transition, contained in its decision 3/CP.7, and to the review of the effectiveness of its implementation, contained in decision 9/CP.9,

*Noting* that capacity-building priorities contained in the framework for capacity-building in Parties with economies in transition are still pertinent,

*Noting also* the results, useful experiences and lessons learned from developing and implementing capacity-building activities at the country and regional levels, for example, the national capacity self-assessments funded by the Global Environment Facility,

*Noting further* that Parties with economies in transition still need support, and that many common issues and lessons learned from the developing countries are also applicable to the Parties with economies in transition,

*Acknowledging* the key challenges encountered by Parties with economies in transition in implementing capacity-building activities, such as insufficient financial and human resources, the need for capacity to be sustainable, lack of active stakeholder participation, the need for increasing support from key decision makers, and the inability to integrate climate change into national policies,

1. *Decides* that the scope of capacity-building needs as contained in the framework for capacity-building in countries with economies in transition, annexed to decision 3/CP.7, is still relevant and that the following are key factors that could assist in implementing decision 3/CP.7:

- (a) **Enhancement** of enabling environments to promote the sustainability and effectiveness of capacity-building activities relating to the implementation of the Convention
- (b) **Improvement** of information sharing through, for example, databases and other means of sharing experiences and best practices
- (c) **Enhancement** of training, education and public awareness relating to climate change
- (d) **Cooperation** and coordination relating to capacity-building among the Parties with economies in transition
- (e) **Enhancement** of the national capacities and expertise in the governments of Parties with economies in transition, including improving institutional arrangements and national coordination
- (f) **Improvement** of the abilities of Parties with economies in transition to participate effectively in international negotiations in the climate change process, including the Convention and its Kyoto Protocol
- (g) **Participation** in, and access to, capacity-building activities by all stakeholders, including governments, civil society and the private sector;

2. *Invites* the Global Environment Facility within its mandate, Parties included in Annex II to the Convention (Annex II Parties), and multilateral, bilateral and other international

organizations that are in a position to do so, to provide financial support for capacity-building activities in Parties with economies in transition, as outlined in decision 3/CP.7;

3. *Invites* the Global Environment Facility within its mandate and its implementing agencies, Annex II Parties and multilateral, bilateral and other international organizations to provide information regarding opportunities for technical and financial support for capacity-building activities in Parties with economies in transition;

4. *Encourages* Parties with economies in transition to use the outcomes and results of national capacity self assessments in prioritizing their capacity-building activities at the country level, and to improve the capacity of experts and institutions to implement the action plans derived from their national capacity self assessment projects;

5. *Encourages* Parties with economies in transition and Annex II Parties to exchange information on human and institutional capacities relating to general priority areas identified in decision 3/CP.7;

6. *Encourages* Parties with economies in transition to strengthen national institutions to build capacity through training, public education and awareness programmes for addressing the various issues relating to the implementation of the Convention and its Kyoto Protocol;

7. *Decides* to review the status of implementation of decision 3/CP.7 at the twenty-seventh session of the Subsidiary Body for Implementation (November 2007) in preparation for the first commitment period of the Kyoto Protocol, making use of information provided by Parties with economies in transition and Annex II Parties in their national communications and other relevant documents and information to be provided by the Global Environment Facility and its implementing agencies, and bilateral, multilateral and other international agencies;

8. *Requests* the secretariat to prepare a compilation and synthesis of information provided by Parties with economies in transition and Annex II Parties for the above-mentioned review and make it available for consideration by the Subsidiary Body for Implementation at its twenty-seventh session;

9. *Invites* the Global Environment Facility and its implementing agencies, and bilateral, multilateral and other international organizations, to provide information for the review of decision 3/CP.7 as indicated in paragraphs 7 and 8 above.

## Decision 4/CP.10

### Work of the Least Developed Countries Expert Group

*The Conference of the Parties,*

*Recalling* its decisions 29/CP.7 and 7/CP.9,

*Having considered* the progress report of the Least Developed Countries Expert Group,

*Noting with appreciation* the work performed by the Least Developed Countries Expert Group during its current term,

1. *Requests* the Least Developed Countries Expert Group to prepare possible elements to be considered on the role of the Group in support of the implementation of national adaptation programmes of action as a new mandate and to report thereon to the Subsidiary Body for Implementation at its twenty-third session (November–December 2005);

2. *Requests* the Least Developed Countries Expert Group, in consultation with least developed country Parties, to include in its report to the twenty-third session of the Subsidiary Body for Implementation information on the potential technical and financial difficulties that least developed country Parties may have in the implementation of national adaptation programmes of action.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

## Decision 5/CP.10

### Implementation of the global observing system for climate

*The Conference of the Parties,*

*Having considered* the recommendations of the Subsidiary Body for Scientific and Technological Advice at its twenty-first-session,

1. *Expresses its appreciation* to the Global Climate Observing System for preparing the *Implementation Plan for the Global Observing System for Climate in Support of the UNFCCC* (hereinafter referred to as the implementation plan);
2. *Welcomes* the emphasis given in the implementation plan to enhancing the participation of developing countries, in particular the least developed countries and small island developing States, in the global observing systems for climate;
3. *Encourages* Parties to strengthen their efforts to address the priorities identified in the implementation plan, and to implement the priority elements in the regional action plans relating to the global observing systems for climate;
4. *Encourages* Parties to enhance their work and collaboration on observation of the essential climate variables and on development of climate products to support the needs of the Convention, including through participation in the Global Climate Observing System cooperation mechanism;
5. *Invites* Parties that support space agencies involved in global observations to request these agencies to provide a coordinated response to the needs expressed in the implementation plan;
6. *Requests* the secretariat of the Global Climate Observing System to provide information to the Subsidiary Body for Scientific and Technological Advice at its twenty-third session (November–December 2005) and, as required, at subsequent sessions, on how the actions identified in the implementation plan are being implemented.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*



## Decision 6/CP.10

### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* chapter 34 of Agenda 21 on the transfer of environmentally sound technologies and the relevant provisions of the plan of implementation adopted by the World Summit on Sustainable Development held in Johannesburg, South Africa, in August 2002,

*Recalling also* the relevant provisions of the Convention, in particular its Article 4, paragraphs 1, 3, 5, 7 and 8, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4,

*Recalling* its decisions 11/CP.1, 13/CP.1, 7/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 9/CP.5, 4/CP.7 and 10/CP.8,

*Welcoming* progress in the work of the Expert Group on Technology Transfer in enhancing the implementation of Article 4, paragraph 5, of the Convention and in advancing technology transfer activities under the Convention as mandated by decision 4/CP.7, taking particular note of the technical paper on enabling environments for technology transfer<sup>1</sup> and the workshop on innovative options for financing the development and transfer of technologies,<sup>2</sup>

*Agreeing* that issues relating to the implementation of Article 4, paragraph 5, of the Convention on the development and transfer of, or access to, environmentally sound technologies and know-how is a continuing process, and that, inter alia, the assessments of technologies, of terms of access, and of technology needs of Parties will continue to be undertaken under the Convention, to ensure that further substantive progress is made,

*Agreeing also* that the implementation of the commitment of developed country Parties and other developed Parties included in Annex II to the Convention as stated in Article 4, paragraph 5, of the Convention are essential conditions for the effective implementation by developing country Parties of their commitments under the Convention,

1. *Urges* Parties included in Annex II to the Convention (Annex II Parties) to continue to provide and where possible increase financial and technical support for the development and enhancement of the endogenous capacities and technologies of developing country Parties;

2. *Requests* the Expert Group on Technology Transfer to make recommendations for enhancing implementation of the framework for effective and meaningful actions to enhance the implementation of Article 4, paragraph 5, of the Convention prior to the twenty-fourth session of the Subsidiary Body for Scientific and Technological Advice (May 2006), including innovative public and/or private partnerships, enhanced cooperation with the private sector, cooperation with the relevant conventions and intergovernmental processes, and medium- and long-term planning of the Expert Group on Technology Transfer, based on terms of reference for these recommendations to be agreed upon at the twenty-second session of the Subsidiary Body for Scientific and Technological Advice (May 2005) with a view that the outcome of this work would provide inputs towards the review of the Expert Group on Technology Transfer by the Conference of the Parties at its twelfth session (November 2006) in accordance with decision 4/CP.7, including possible revision of key themes in the existing framework;

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<sup>1</sup> FCCC/TP/2003/2.

<sup>2</sup> FCCC/SBSTA/2004/11.

3. *Decides* to encourage Parties to explore the opportunity for further joint research and development programmes/projects between Annex II Parties and Parties not included in Annex I to the Convention for the development of environmentally sound technologies to respond to the requirements of Article 4, paragraph 5, of the Convention;

4. *Encourages* the secretariat to continue its work on a pilot project on networking between the technology information clearing house TT:CLEAR and national and regional technology information centres that would provide Parties with a clear understanding of the technical feasibility and cost implications of the strengthening of technology centres in developing countries and to report on the outcome to the Subsidiary Body for Scientific and Technological Advice at its twenty-third session (November–December 2005).

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

## Decision 7/CP.10

### **Status of, and ways to enhance, implementation of the New Delhi work programme on Article 6 of the Convention**

*The Conference of the Parties,*

*Recalling* Article 6 of the Convention,

*Recalling also* its decision 11/CP.8,

*Noting* the report on progress achieved in implementing Article 6 of the Convention,<sup>1</sup>

*Reaffirming* that the level and nature of climate change outreach activities continue to be driven by national circumstances and capacities, and that many Parties not included in Annex I to the Convention still lack the institutional, financial and technical capacities to plan, coordinate and implement sustainable education, training and public awareness programmes,

*Reaffirming also* that regional, subregional and national workshops are valuable forums for sharing experiences and lessons learned,

*Recognizing* the need to enhance access to, and visibility of, opportunities provided by the Global Environment Facility for funding Article 6 activities,

*Having considered* the recommendations of the Subsidiary Body for Implementation at its twenty-first session,

1. *Recognizes* that:
  - (a) Some Parties have gained experience in planning and implementing Article 6 activities, assessing their specific needs and identifying major obstacles, and that many have already learned from their national experiences;
  - (b) In some developing country Parties, awareness by the public of climate change and its impacts is very low, and that much work needs to be done by Parties to overcome this situation;
  - (c) Some intergovernmental, non-governmental and community-based organizations, as well as the private and public sectors, are working actively to raise awareness about, and increase understanding of, the causes and impacts of climate change as well as on adaptation and mitigation actions;
  - (d) It is essential to share experiences and lessons learned, identify specific opportunities for international and regional cooperation, and build partnership with all sectors of the economy;
2. *Invites* Parties and international organizations in a position to do so to support regional, subregional and national workshops, and the development and implementation of the information network clearing house;

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<sup>1</sup> FCCC/SBI/2004/15.

3. *Urges* the Global Environment Facility to continue its work in improving the access to, and visibility of, opportunities for funding Article 6 activities and in providing information on Article 6 activities in its reports to the Conference of the Parties;

4. *Invites* Parties not included in Annex I to the Convention and Parties with economies in transition to emphasize the Article 6 components within the regular projects they submit to the Global Environment Facility for funding;

5. *Invites* Parties to elaborate on Article 6 activities within the context of implementing capacity-building activities;

6. *Encourages* Parties to identify and engage existing subregional and regional resources, including effective organizations and experts; successful programmes and initiatives; and cooperative agreements with regional and international partners;

7. *Recognizes* that the New Delhi work programme has proven to be an adequate framework for country-driven action;

8. *Decides* that the New Delhi work programme should continue to guide Parties in implementing Article 6 of the Convention;

9. *Decides also* to undertake the full review of the implementation of the New Delhi work programme in 2007;

10. *Requests* Parties to continue to report, within their national communications where possible, on their efforts to implement the New Delhi work programme;

11. *Invites* intergovernmental and non-governmental organizations to provide information to the secretariat on progress achieved in responding to the Article 6 work programme;

12. *Requests* the secretariat to prepare a report for the Subsidiary Body for Implementation, at its twenty-seventh session (November 2007), on progress achieved by Parties in implementing Article 6 of the Convention, based on information contained in national communications and other sources of information, and to facilitate coordinated inputs by intergovernmental and non-governmental organizations.

## Decision 8/CP.10

### Additional guidance to an operating entity of the financial mechanism

*The Conference of the Parties,*

*Recalling* Article 3, Article 4, paragraphs 1, 3, 4, 5, 7, 8 and 9, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4, of the Convention,

*Recalling also* its decisions 13/CP.1, 7/CP.2, 10/CP.2, 11/CP.2, 12/CP.2, 9/CP.3, 1/CP.4, 2/CP.4, 4/CP.4, 6/CP.4, 8/CP.5, 9/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 4/CP.7, 5/CP.7, 6/CP.7, 7/CP.7, 5/CP.8, 7/CP.8, 9/CP.8, 10/CP.8, 2/CP.9, 3/CP.9, 4/CP.9 and 9/CP.9,

*Recalling further* that in accordance with decision 11/CP.1, the Conference of the Parties is to give guidance on policies, programme priorities and eligibility criteria to an operating entity of the financial mechanism,

1. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to take into account, on matters relating to capacity-building, the key factors identified in paragraph 1 of decision 2/CP.10 in the context of projects of the operating entity of the financial mechanism, when supporting capacity-building activities in developing countries in accordance with decisions 2/CP.7 and 4/CP.9 and as defined in the Strategic Approach to Enhance Capacity-Building;<sup>1</sup>
2. *Urges* the Global Environment Facility, on matters relating to Article 6 of the Convention, to continue its work in improving access to, and visibility of, opportunities for funding Article 6 activities;
3. *Requests* the Global Environment Facility to report to the Conference of the Parties at its eleventh session (November–December 2005) and at subsequent sessions on how activities identified in paragraph 6 of decision 1/CP.10 have been supported, and the barriers, obstacles and opportunities presented, through:
  - (a) The strategic priority “Piloting an Operational Approach to Adaptation”
  - (b) The small grants programme
  - (c) Efforts to address adaptation in the climate change focal area and to mainstream it into other focal areas of the Global Environment Facility
  - (d) The Least Developed Countries Fund and efforts to finance the preparation of national adaptation programmes of action
  - (e) The Special Climate Change Fund;
4. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to make available further financial and technical resources to implement the actions identified in paragraph 7 of decision 5/CP.7;
5. *Requests* the Global Environment Facility to expand support for the elaboration of adaptation strategies as part of the national communication process in Parties not included in Annex I to the Convention;

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<sup>1</sup> GEF/C.22/8 at <<http://www.gefweb.org>>.

6. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties at its eleventh session information on specific steps undertaken to implement this decision;

7. *Invites* the Global Environment Facility to provide feedback to the Conference of the Parties, at its twelfth session (November 2006), on activities undertaken in response to decision 5/CP.7, paragraphs 22–29 (in accordance with decisions 6/CP.7 and 7/CP.7), with a view to the Conference of the Parties adopting a decision on further action at its thirteenth session (November 2007).

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

## Decision 9/CP.10

### Assessment of funding to assist developing countries in fulfilling their commitments under the Convention

*The Conference of the Parties,*

*Recalling* Article 4, paragraphs 3 and 7, Article 11, and Article 21, paragraph 3, of the Convention,

*Recalling also* its decisions 12/CP.2, 12/CP.3 and 5/CP.8,

*Noting with appreciation* the report<sup>1</sup> prepared by the secretariat, in collaboration with the Global Environment Facility, on the assessment of funding necessary to assist developing countries in fulfilling their commitments under the Convention prepared in the context of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility,<sup>2</sup>

*Noting also* that the report prepared by the secretariat contains useful information that should be communicated to the Global Environment Facility,

*Noting further* that although previous replenishment exercises have been successful, the Conference of the Parties did not make a formal assessment or communication of the amount of funds for the purpose of the joint determination that are necessary to assist developing countries as stated in the procedures set out in the annex to the memorandum of understanding between the Conference of the Parties and the Global Environment Facility,

*Reiterating* that in accordance with the memorandum of understanding and the annex to the memorandum of understanding, the Conference of the Parties and the Global Environment Facility shall jointly determine the aggregate Global Environment Facility funding requirements for the purpose of the Convention,

*Noting* that in recent years there has been an increase in the number of funding sources available for activities relating to climate change,

1. *Decides* that the report on the assessment of funding necessary to assist developing countries in fulfilling their commitments under the Convention shall constitute an input of the Conference of the Parties to the fourth replenishment negotiations of the Global Environment Facility Trust Fund;

2. *Urges* the Council of the Global Environment Facility to ensure that adequate funding is available to enable developing countries to meet their commitments under the Convention, taking into account Article 4, paragraph 7, as well as Article 11, paragraph 5, of the Convention which provides that developed country Parties may also provide through bilateral, regional and other multilateral channels financial resources relating to the implementation of the Convention by developing country Parties;

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<sup>1</sup> FCCC/SBI/2004/18.

<sup>2</sup> FCCC/CP/1996/15/Add.1.

3. *Requests* the secretariat on the basis of the experience of international funds and multilateral financial institutions, to compile information that is relevant to address future investment needs of developing countries for the purposes of fulfilling their commitments under the Convention. It also requests the secretariat to make this compilation available to the Subsidiary Body for Implementation as an information document at its twenty-third session (November–December 2005).

*6<sup>th</sup> plenary meeting  
17–18 December 2004*



## Decision 10/CP.10

### **Continuation of activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1, 10/CP.3, 13/CP.5, 8/CP.7 and 14/CP.8,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its twenty-first session,

*Acknowledging* that activities implemented jointly under the pilot phase have been providing an important opportunity for learning-by-doing and that a number of Parties are maintaining programmes on activities implemented jointly under the pilot phase,

*Noting* that reports on activities implemented jointly under the pilot phase may be submitted at any time and are available on the UNFCCC web site,

1. *Decides* to continue the pilot phase for activities implemented jointly;
2. *Decides also* that the deadline for submission of reports on activities implemented jointly under the pilot phase, to be considered in the seventh synthesis report, shall be 1 June 2006.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

## Decision 11/CP.10

### Administrative and financial matters

*The Conference of the Parties,*

*Having considered* the information contained in documents prepared by the secretariat on administrative and financial matters,<sup>1</sup>

*Recalling* the financial procedures for the Conference of the Parties to the United Nations Framework Convention on Climate Change adopted by decision 15/CP.1, annex I,<sup>2</sup>

#### I. Audited financial statements for the biennium 2002–2003

1. *Takes note* of the audited financial statements for the biennium 2002–2003, the audit report by the United Nations Board of Auditors, and the comments of the secretariat on the latter;<sup>3</sup>

2. *Expresses appreciation* to the United Nations for arranging the audits of the Convention's accounts and for the valuable audit observations and recommendations;

3. *Takes note* of the recommendations and urges the Executive Secretary to implement them, as appropriate;

#### II. Budget performance in the biennium 2004–2005

4. *Takes note* of the report on financial performance for the period 1 January to 30 June 2004, including the status of contributions to all the trust funds of the Convention;

5. *Expresses appreciation* to Parties that have paid their contributions to the core budget in a timely manner;

6. *Also expresses appreciation* for the contributions received from Parties to facilitate the participation of developing country Parties in the Convention process, particularly the least developed countries and small island developing States among them, as well as contributions to the Trust Fund for Supplementary Activities;

7. *Expresses disappointment* at the continuing shortage of contributions to the Trust Fund for Participation in the UNFCCC Process, and the subsequent inability to finance two delegates from eligible least developed countries and small island developing States;

8. *Notes with concern* the low level of contributions to the Trust Fund for Supplementary Activities in comparison to the requirements for the biennium 2004–2005;

9. *Encourages* Parties to increase their efforts to contribute to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities;

10. *Reiterates its appreciation* to the Government of Germany for its annual voluntary contribution to the core budget of EUR 766,938 and its special contribution of EUR 1,789,522, as host Government to the secretariat in Bonn;

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<sup>1</sup> FCCC/SBI/2004/12 and Add.1–2, FCCC/SBI/2004/13 and FCCC/SBI/2004/INF.15.

<sup>2</sup> FCCC/CP/1995/7/Add.1.

<sup>3</sup> FCCC/SBI/2004/12 and Add.1–2.

11. *Notes with concern* the large number of Parties that have not made their contributions to the core budget for 2004 or for prior years, some since the establishment of the trust funds;<sup>4</sup>
12. *Notes also* the serious economic difficulties being experienced by some Parties;
13. *Urges* Parties that have not paid their contributions to the core budget to do so without further delay, bearing in mind that contributions are due on 1 January of each year in accordance with the financial procedures;
14. *Urges also* Parties to the Kyoto Protocol to pay their contribution to the Kyoto Protocol Interim Allocation for 2005, which is due by 16 February 2005;
15. *Authorizes* the Executive Secretary, on an exceptional basis and without creating a precedent for the Convention, the Kyoto Protocol or any other international instrument, to draw up to USD 1.5 million from unspent balances (carry-over) from previous financial periods and miscellaneous income to cover over-expenditures on salaries in the biennium 2004–2005 resulting from the reduced value of income as a result of the considerable decline in the value of the United States dollar against the euro during 2004;

### **III. Programme budget for the biennium 2006–2007**

16. *Requests* the Executive Secretary to submit for consideration by the Subsidiary Body for Implementation, at its twenty-second session (May 2005), a proposed programme budget for the biennium 2006–2007, including a contingency for conference services, should this prove necessary in the light of decisions taken by the General Assembly at its fifty-ninth session;
17. *Requests* the secretariat to explore options, taking into account the experience of other international organizations and conventions, to protect the funds of the Convention and the Kyoto Protocol against the adverse effects of exchange rate fluctuations, and to report to the Subsidiary Body for Implementation at its twenty-second session, when submitting the programme budget pursuant to paragraph 16 above;
18. *Requests* the Subsidiary Body for Implementation, at its twenty-second session, to recommend a programme budget for adoption by the Conference of the Parties at its eleventh session (November–December 2005) , and by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;
19. *Also requests* the Subsidiary Body for Implementation to authorize the Executive Secretary to notify Parties of their contributions for 2006 on the basis of the recommended budget.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

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<sup>4</sup> FCCC/SBI/2004/INF.15.



CONFERENCE OF THE PARTIES

**Report of the Conference of the Parties  
on its tenth session, held at Buenos Aires  
from 6 to 18 December 2004**

**Addendum**

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

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## **Decision 12/CP.10**

### **Guidance relating to the clean development mechanism**

*The Conference of the Parties,*

*Recalling* its decisions 15/CP.7, 17/CP.7 and its annex, 19/CP.7 and its annex, 21/CP.8 and its annexes, 18/CP.9 and its annexes, 19/CP.9 and its annex, and 14/CP.10 and its annex,

*Emphasizing* that clean development mechanism project activities should lead to the transfer of environmentally safe and sound technologies and know-how in addition to that required under Article 4, paragraph 5, of the Convention and Article 10 of the Kyoto Protocol,

*Affirming* that it is the host Party's prerogative to confirm whether a clean development mechanism project activity assists it in achieving sustainable development,

*Recalling* that, in accordance with paragraph 4 (b) of the modalities and procedures for a clean development mechanism, contained in the annex to decision 17/CP.7, it shall review the regional and subregional distribution of designated operational entities and take appropriate decisions to promote accreditation of such entities from developing country Parties,

*Recognizing* measures taken by the Executive Board of the clean development mechanism to facilitate the application for accreditation of operational entities from developing country Parties and recent increases in the number of such applications,

*Welcoming* the fact that designated national authorities have been established by 69 Parties, among them 55 developing country Parties, information on which is available on the UNFCCC CDM web site,

*Recognizing* the need for the Executive Board to work further on the implementation of the provisions contained in decision 17/CP.7 and its annex on modalities and procedures for a clean development mechanism, including those in its appendix C, and to further facilitate the development of baseline and monitoring methodologies on the basis of experience gained,

*Expressing* its deep appreciation to Parties which have generously contributed to funding administrative expenses for work on the clean development mechanism since the ninth session of the Conference of the Parties,

*Recognizing* that the work on the clean development mechanism can be accomplished only if sufficient financial and human resources are available,

*Recalling* provisions relating to additionality as described in Article 12, paragraph 5, of the Kyoto Protocol and in paragraphs 43 and 44 of the annex to decision 17/CP.7,

*Being aware* of the concern expressed by some Parties with regard to the "Tool for the demonstration and assessment of additionality" and of the satisfaction expressed by other Parties,

*Noting* conclusions by the Subsidiary Body for Implementation at its twentieth session relating to effective participation in the Convention process,<sup>1</sup>

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<sup>1</sup> FCCC/SBI/2004/10, paragraph 97.

1. *Takes note*, with appreciation, of the third annual report (2003–2004) of the Executive Board of the clean development mechanism to the Conference of the Parties, and its addendum;<sup>2</sup>
2. *Commends* the Executive Board for the successful operationalization of the prompt start of the clean development mechanism – in particular relating to the registration of clean development mechanism project activities, the accreditation of operational entities, the approval of baseline and monitoring methodologies, including consolidated methodologies with broader applicability, the development of a “Tool for the demonstration and assessment of additionality”, and the development of version 1 of the clean development mechanism registry – and for its efforts relating to the implementation of rules 26 and 27 of the rules of procedure, in particular by providing for dialogue with constituencies and the exchange of information with the public;
3. *Takes note*, with appreciation, of information on the operational requirements of the clean development mechanism, as agreed to by the Executive Board, and on the status of work undertaken by the Executive Board, as reflected on the UNFCCC CDM web site maintained by the secretariat;
4. *Encourages* the Executive Board to continue to assess existing and new ways to ensure transparency, i.e. regular written reports by the Executive Board and its panels, communication with constituencies and exchange of information with the public;
5. *Designates* as operational entities the four entities named below which have been accredited, and provisionally designated, as operational entities by the Executive Board to carry out sector-specific validation functions:
  - Japan Quality Assurance Organization (JQA)
  - Det Norske Veritas Certification Ltd (DNV Certification)
  - TÜV Industrie Service GmbH TÜV SÜD Group
  - Société Générale de Surveillance UK Ltd. (SGS UK Ltd.);
6. *Adopts* the procedures for review referred to in paragraph 65 of the modalities and procedures for a clean development mechanism, as contained in annex I to this decision;
7. *Adopts* the amendments to the rules of procedure of the Executive Board, as contained in annex II to this decision;
8. *Encourages* the Executive Board to keep its rules of procedure under review and, if necessary, make recommendations, in accordance with paragraph 5 (b) of the annex to decision 17/CP.7, on any amendments or additions aimed at safeguarding its efficient, cost-effective and transparent functioning;
9. *Recalls* that, as indicated by the Executive Board, the use of the “Tool for the demonstration and assessment of additionality” is not mandatory for project participants;
10. *Encourages* the Executive Board to keep under review the “Tool for the demonstration and assessment of additionality”, taking into consideration inputs from Parties, and to include its conclusions in its report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session;

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<sup>2</sup> FCCC/CP/2004/2 and Add.1.

11. *Reminds* Parties wishing to participate in clean development mechanism project activities of the need to identify a designated national authority and of the possibility of making pertinent information on this authority publicly available through the UNFCCC CDM web site;

12. *Reiterates* the request, contained in paragraph 14 of decision 17/CP.7, to Parties included in Annex I to the Convention to continue with measures to assist Parties not included in Annex I to the Convention, in particular the least developed countries and small island developing States among them, to build capacity in order to facilitate their participation in the clean development mechanism, taking into account relevant decisions by the Conference of the Parties on capacity-building and on the financial mechanism of the Convention;

13. *Further reiterates* the request to the Parties, within the framework of decision 2/CP.7, to promote capacity-building with a specific view to obtaining more applications for accreditation as designated operational entities from entities located in developing country Parties and invite intergovernmental organizations and non-governmental organizations to contribute to this effort;

14. *Requests* the Subsidiary Body for Scientific and Technological Advice, in collaboration with the Executive Board, to develop a recommendation to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session relating to implications of the implementation of clean development mechanism project activities for the achievement of objectives of other environmental conventions and protocols, in particular the Montreal Protocol, and which imply the establishment of new hydrochlorofluorocarbon 22 facilities which seek to obtain certified emissions reductions for the destruction of hydrofluorocarbon 23, taking into account the principles established in Article 3, paragraph 1, and the definitions in Article 1, paragraph 5, of the Convention;

15. *Encourages* project participants to make proposals for new baseline and monitoring methodologies for types of project activities in sectors not yet covered by approved methodologies, such as transportation, energy efficiency and district heating, and the Executive Board to consider such proposals with priority and to continue its work on elaborating consolidated methodologies for new sectors;

16. *Requests* the Executive Board to start the development of a database of approved methodologies organized by project category and condition of applicability;

17. *Welcomes* work in progress by the Executive Board to operationalize the procedure for amendment of approved methodologies, on the basis of experience gained, bearing in mind paragraph 39 of the modalities and procedures for a clean development mechanism;

18. *Requests* the Executive Board, subject to the availability of sufficient resources, to intensify its work to ensure the proper functioning of the clean development mechanism, inter alia, by developing a management plan as soon as possible, strengthening institutional capacity, and facilitating efficient, transparent and substantiated decisions by the Executive Board and its panels and working groups;

19. *Expresses* its deep concern about the shortfall in resources for work on the clean development mechanism in the biennium 2004–2005, which is currently estimated to be USD 4.2 million,<sup>3</sup> vis-à-vis requirements referred to in decision 16/CP.9 and additional human and financial resource needs arising from increased activity levels;

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<sup>3</sup> This figure is based on salary costs as estimated in 2003 for the 2004–2005 biennium. It may be revised to reflect the effect of currency fluctuations. Resource requirements relating to decision 14/CP.10 and its annex are not included here.

20. *Urges* Parties to make contributions, in an expeditious manner, to the UNFCCC Trust Fund for Supplementary Activities, in accordance with decision 17/CP.7, paragraph 17, for funding administrative expenses for operating the clean development mechanism in the biennium 2004–2005, keeping in mind that only part of these expenses will be covered by the Kyoto Protocol Interim Allocation in accordance with decision 16/CP.9, and thus ensure that the Executive Board and the secretariat can cope with the increased workload and carry out all mandates in a sustainable and timely manner;

21. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

### **Draft decision -/CMP.1**

Guidance relating to the clean development mechanism

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware* of its decisions -/CMP.1 (*Mechanisms*) and -/CMP.1 (*Article 12*) and its annex,

*Cognizant* of decisions 15/CP.7, 17/CP.7 and its annex, 19 CP.7 and its annex, 21/CP.8 and its annexes, 18/CP.9 and its annexes, 19/CP.9 and its annex, and 14/CP.10 and its annex, and 12/CP.10 and its annexes,

*Decides* to confirm and give full effect to any actions taken pursuant to decision 12/CP.10 and its annexes.



## ANNEX I

**Procedures for review referred to in paragraph 65 of the modalities and procedures for a clean development mechanism****I. Background**

1. In accordance with paragraph 5 (o) of the modalities and procedures for a clean development mechanism (CDM modalities and procedures), the Executive Board shall elaborate and recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, or to the Conference of the Parties (pending entry into force of the Kyoto Protocol), procedures for conducting the reviews referred to in paragraphs 41 and 65 of the CDM modalities and procedures, including procedures to facilitate consideration of information from Parties, stakeholders and UNFCCC accredited observers.
2. Paragraph 65 of the CDM modalities and procedures stipulates that the issuance of certified emission reductions (CERs) by the Executive Board shall be considered final 15 days after the date of receipt by the Executive Board of the request for issuance, unless a Party involved in the project activity or at least three members of the Executive Board request a review of the proposed issuance of CERs. Such a review shall be limited to issues of fraud, malfeasance or incompetence of the designated operational entities and be conducted as follows:
  - (a) Upon receipt of a request for such a review, the Executive Board, at its next meeting, shall decide on its course of action. If it decides that the request has merit, it shall perform a review and decide whether the proposed issuance of CERs should be approved
  - (b) The Executive Board shall complete its review within 30 days following its decision to perform the review
  - (c) The Executive Board shall inform the project participants of the outcome of the review, and make public its decision regarding the approval of the proposed issuance of CERs and the reasons for it.
3. The procedures for review below aim at elaborating on the provisions in paragraph 65, in particular by specifying detailed provisions for requesting a review, the scope of review, modalities for communicating with project participants and the designated operational entity (DOE) in question, possible outcomes of a review, and the coverage of costs relating to the review.

**II. Request for review**

4. A request for review by a Party involved in the CDM project activity concerned shall be sent by the relevant designated national authority to the Executive Board, through the secretariat, using official means of communication. The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the Executive Board via the list server.
5. A request for review by a member of the Executive Board shall be sent to the Executive Board through the secretariat. The secretariat shall acknowledge the receipt of a request for review and promptly forward the request to the Executive Board via the list server.
6. In accordance with paragraph 65 of the CDM modalities and procedures, a review shall be limited to issues of fraud, malfeasance or incompetence of the DOEs and a request for review shall, therefore, be specific in this regard.

7. A request for review shall provide reasons for the request for review and any supporting documentation.
8. A request for review shall be considered received by the Executive Board on the date it has been received by the secretariat. The Executive Board will not consider a request for review if it is received after 1700 GMT on the last day of the 15-day period after the receipt of the request for issuance of CERs.
9. As soon as a review of a proposed issuance of CERs is requested by a Party involved in the CDM project activity concerned or by three Executive Board members, the following action shall be taken:
  - (a) The consideration of a review of the proposed issuance of CERs shall be included in the proposed agenda of the next Executive Board meeting
  - (b) The Executive Board shall notify the project participants and the DOE that verified the monitored reductions and certified the reductions achieved by the CDM project activity that a review has been requested. The project participants and the DOE shall be informed about the date and venue of the Executive Board meeting at which the request for review will be considered. Stakeholders interested in the review process shall also be given an opportunity to attend the Executive Board meeting
  - (c) The project participants and the DOE shall each provide a contact person for the review process, including for a conference call, in case the Executive Board wishes to address questions to them during the consideration of a review at its meeting
  - (d) The proposed issuance of CERs shall be marked as being “under review” on the UNFCCC CDM web site and a notification shall be sent through the UNFCCC CDM News facility.

### **III. Scope and modalities of review**

10. The Executive Board shall consider, at its next meeting, a request for review, and shall decide either to perform a review of the proposed issuance of CERs, if there is sufficient evidence indicating a case of fraud, malfeasance or incompetence of the DOE, or to approve the issuance.
11. If the Executive Board agrees to perform a review of a proposed issuance of CERs, it shall, at the same meeting, decide on:
  - (a) The scope of the review relating to issues of fraud, malfeasance or incompetence of the DOE, based on the consideration in the request for a review;
  - (b) The composition of the review team. The review team shall consist of two Board members, who will be responsible for supervising the review and, as appropriate, outside experts.
12. The review team, under the guidance of the Board members responsible for supervising the review, shall provide inputs, prepare requests for clarification and further information to the DOE and project participants, and analyse information received during the review.

### **IV. Review process**

13. The decision by the Board, including on the scope of a review and the composition of a review team, shall be made publicly available as part of the report of its meeting.

14. A notification of the decision by the Executive Board shall be sent to the project participants and the DOE that verified the monitored reductions and certified the reductions achieved by the CDM project activity.

15. Requests for clarification and further information may be sent to the DOE and the project participants. Answers shall be submitted to the review team, through the secretariat, within five working days after the receipt of the request for clarification. The secretariat shall acknowledge the receipt of the answers and forward them to the review team.

16. The two Board members supervising the review shall be responsible for compiling inputs and comments and preparing the recommendation to be forwarded to the Executive Board via list server.

## **V. Review decision**

17. In accordance with paragraph 65 of the CDM modalities and procedures, the Board shall complete its review within 30 days following its decision to perform the review.

18. Taking into consideration recommendations by the two Board members responsible for the review, the Board shall decide on whether:

- (a) To approve the proposed issuance of CERs;
- (b) To request the DOE to make corrections based on the findings from the review before approving the issuance of CERs;
- (c) To decline to approve the proposed issuance of CERs.

19. In accordance with paragraph 65 of the CDM modalities and procedures, the Board shall inform the project participants of the outcome of the review, and make public its decision regarding the approval of the proposed issuance of CERs and the reasons for it.

20. If the review indicates any issues relating to the performance of the DOE, the Board shall consider whether or not to trigger a spot-check of the DOE, in accordance with the procedures for accrediting operational entities.

## **VI. Coverage of costs of the request for review**

21. If the Executive Board decides not to approve a proposed issuance of CERs and if a DOE is found to be in the situation of fraud, malfeasance or incompetence, the DOE shall reimburse the costs incurred as a result of the review. This provision is subject to review as experience accrues.

## ANNEX II

**Amendments to the rules of procedure of the Executive Board of the clean development mechanism****I. Section V. (Voting), Rule 30**

1. Paragraph 4 is revised as follows: “Any decision made using the procedure specified in paragraphs 1 to 3 of this rule shall be included in the report of the Board at its next meeting and shall be deemed to have been taken at the seat of the UNFCCC secretariat in Bonn, Germany.”

**II. Section IX. (Conduct of business), Rule 38**

2. The following rule 38 bis is added and contains the following three paragraphs:
  - (a) “The Executive Board, and the UNFCCC secretariat, in its mandated role of support to the Executive Board, may use electronic means for transmission and storage of documentation.
  - (b) “The documentation submitted using electronic means is subject to the transparency and confidentiality provisions of the CDM modalities and procedures. In submitting any application, registration or other documentation through electronic means (e.g. the UNFCCC CDM web site), the submitter shall acknowledge that he or she has read the relevant procedures and agrees to be bound by the terms and conditions of submission of documentation, including with respect to the submitter’s sole responsibility for the content of his or her submission and the waiver of all claims associated with use of electronic means of submitting and transmitting documentation.
  - (c) “The Executive Board, its panels, committees and working groups, and respective members and alternate members, shall not be made responsible for any claim or loss arising from the transmission, storage or use of documentation obtained through electronic means. Neither the confidentiality nor the integrity of the documentation submitted can be guaranteed following electronic transmission and storage.”

**III. Section IV. (Meetings), Rule 27**

3. The following paragraph is inserted after paragraph 1:
  - (a) “In the context of paragraph 1 above, the Executive Board may decide, in the interest of economy and efficiency, to limit attendance at its meetings to members, alternate members and secretariat support staff. In such instances, the Executive Board shall take all practicable steps to accommodate in other ways the interests of Parties, non-Parties to the Kyoto Protocol that are Parties to the Convention as well as accredited UNFCCC observers and stakeholders to observe its proceedings, except when the Executive Board decides to close all or a portion of a meeting.”

## Decision 13/CP.10

### **Incorporation of the modalities and procedures for afforestation and reforestation project activities under the clean development mechanism into the guidelines under Articles 7 and 8 of the Kyoto Protocol<sup>1</sup>**

*The Conference of the Parties,*

*Recalling* its decisions 19/CP.7, 22/CP.7, 23/CP.7, 22/CP.8 and 19/CP.9,

*Noting* the relevant provisions of the Kyoto Protocol, in particular its Articles 7 and 8,

*Decides* to replace:

- (a) In the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, the section on “Information on emission reduction units, certified emission reductions, assigned amount units and removal units”<sup>2</sup> adopted by decision 22/CP.8, with the text contained in annex I to this decision;
- (b) In the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol, the section on “National registries”<sup>3</sup> adopted by decision 22/CP.8, with the text contained in annex II to this decision;
- (c) In the guidelines for review under Article 8 of the Kyoto Protocol, the section on “Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units”<sup>4</sup> adopted by decision 22/CP.8, with the text contained in annex III to this decision;
- (d) In the guidelines for review under Article 8 of the Kyoto Protocol, the section on “Review of national registries”<sup>5</sup> adopted by decision 22/CP.8, with the text contained in annex IV to this decision.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

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<sup>1</sup> A consolidated text of draft decisions forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for adoption will be issued to include these additional sections in one document.

<sup>2</sup> This section will be incorporated in section “E. Information on emission reduction units, certified emission reductions, assigned amount units and removal units” (annex to draft decision -/CMP.1 (*Article 7*) attached to decision 22/CP.7 (FCCC/CP/2001/13/Add.3)).

<sup>3</sup> This section will be incorporated in section “E. National Registries” (annex to draft decision -/CMP.1 (*Article 7*) attached to decision 22/CP.7 (FCCC/CP/2001/13/Add.3)).

<sup>4</sup> This section will be incorporated in “Part III: Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, assigned amount units and removal units” (annex to draft decision -/CMP.1 (*Article 8*) attached to decision 23/CP.7 (FCCC/CP/2001/13/Add.3)).

<sup>5</sup> This section will be incorporated in “Part V: Review of national registries” (annex to draft decision -/CMP.1 (*Article 8*) attached to decision 23/CP.7 (FCCC/CP/2001/13/Add.3)).

## ANNEX I

**I. Reporting of supplementary information under Article 7, paragraph 1**Information on emission reduction units, certified emission reductions, temporary certified emission reductions, long-term certified emission reductions, assigned amount units and removal units<sup>1</sup>

1. Each Party included in Annex I that is considered to have met the requirements to participate in the mechanisms shall report the supplementary information in this section of the guidelines beginning with information for the first calendar year in which it transferred or acquired emission reduction units (ERUs), certified emission reductions (CERs), temporary certified emission reductions (tCERs), long-term certified emission reductions (lCERs), assigned amount units (AAUs) and removal units (RMUs) in accordance with decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)<sup>2</sup> and decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). This information shall be reported in conjunction with the inventory submission due under the Convention in the following year and until the first inventory submission due under the Protocol.
2. Each Party included in Annex I shall report, in a standard electronic format, the following information on ERUs, CERs, tCERs, lCERs, AAUs and RMUs from its national registry for the previous calendar year (based on Universal Time), distinguishing between units valid for different commitment periods:
  - (a) The quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in each account type specified in paragraph 21 (a), (e) and (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, tCERs, AAUs and RMUs in the replacement account specified in paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), the quantities of ERUs, CERs, lCERs, AAUs and RMUs in the replacement account specified in paragraph 47 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and the quantities of ERUs, CERs, tCERs, lCERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), at the beginning of the year
  - (b) The quantity of AAUs issued on the basis of the assigned amount pursuant to Article 3, paragraphs 7 and 8
  - (c) The quantity of ERUs issued on the basis of Article 6 projects and the corresponding quantities of AAUs and RMUs that were converted to ERUs

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<sup>1</sup> These terms are defined in paragraphs 1–4 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 1 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

<sup>2</sup> In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amounts under Article 7.4, shall also apply to temporary certified emission reductions and long-term certified emission reductions.

- (d) The quantity of ERUs issued in accordance with paragraph 24 of the annex to decision -/CMP.1 (*Article 6*) on the basis of Article 6 projects, verified under the supervision of the Article 6 supervisory committee, and the corresponding quantities of AAUs and RMUs that were converted to ERUs
- (e) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs acquired from each transferring registry
- (f) The quantity of RMUs issued on the basis of each activity under Article 3, paragraphs 3 and 4
- (g) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs transferred to each acquiring registry
- (h) The quantity of ERUs transferred in accordance with paragraph 10 of the annex to decision 18/CP.7
- (i) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) on the basis of each activity under Article 3, paragraphs 3 and 4
- (j) The quantities of ERUs, CERs, AAUs and RMUs cancelled under paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) following determination by the Compliance Committee that the Party is not in compliance with its commitment under Article 3, paragraph 1
- (k) The quantities of other ERUs, CERs, tCERs, ICERs, AAUs and RMUs cancelled under paragraph 33 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (l) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs retired
- (m) The quantity of tCERs that expired in its retirement account and tCER replacement account
- (n) The quantity of ICERs that expired in its retirement account and ICER replacement account
- (o) The quantity of tCERs and ICERs that expired in its holding accounts
- (p) The quantities of ERUs, CERs, tCERs, AAUs and RMUs transferred to the tCER replacement account in accordance with paragraph 44 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (q) The quantities of ERUs, CERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 48 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (r) The quantities of ERUs, CERs, ICERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (s) The quantities of ERUs, CERs, ICERs, AAUs and RMUs transferred to the ICER replacement account in accordance with paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)

- (t) The quantities of expired tCERs and ICERs transferred to a cancellation account in accordance with paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (u) The quantities of ERUs, CERs and AAUs carried over from the previous commitment period
- (v) The quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs in each account type specified in paragraph 21 (a), (e) and (f) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, AAUs and RMUs in each account type specified in paragraph 21 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the quantities of ERUs, CERs, tCERs, AAUs and RMUs in the replacement account specified in paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), the quantities of ERUs, CERs, ICERs, AAUs and RMUs in the replacement account specified in paragraph 47 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and the quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs in all accounts of the type referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), at the end of the year.

3. Each Party included in Annex I shall report on any discrepancies<sup>3</sup> identified by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 54 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), specifying whether the relevant transactions were completed or terminated and, in the case where transactions were not terminated, the transaction number(s) and serial numbers and quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs concerned. The Party may also provide its explanation for not terminating the transaction.

4. Each Party included in Annex I shall report on any notification it has received from the Executive Board of the CDM directing the Party to replace ICERs in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

5. Each Party included in Annex I shall report on any notification it has received from the Executive Board of the CDM directing the Party to replace ICERs in accordance with paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

6. Each Party included in Annex I shall report on any record of non-replacement identified by the transaction log in accordance with paragraph 56 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), specifying whether the replacement was subsequently undertaken and, in the case where replacement was not undertaken, the serial numbers and quantities of the tCERs and ICERs concerned. The Party should provide its explanation for not undertaking the replacement.

7. Each Party included in Annex I shall report the serial numbers and quantities of ERUs, CERs, tCERs, ICERs, AAUs and RMUs held in the national registry at the end of that year that are not valid for use towards compliance with commitments under Article 3, paragraph 1, pursuant to paragraph 43 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

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<sup>3</sup> Not including any record of non-replacement, which is to be reported separately under paragraph 6 below.



8. Each Party included in Annex I shall report on any actions and the date of such actions taken to correct any problem that caused a discrepancy to occur, any changes to the national registry to prevent a discrepancy from reoccurring, and the resolution of any previously identified questions of implementation pertaining to transactions.

9. Each Party included in Annex I shall report the calculation of its commitment period reserve in accordance with the annex to decision 18/CP.7.

10. Each Party included in Annex I shall provide access, upon request of expert review teams, to information held in the national registry relating to holding accounts referred to in paragraph 21 (b) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and other types of accounts and transactions for the previous calendar year, that substantiates the supplementary information reported under paragraphs 2 and 3 above.

11. Each Party included in Annex I shall, for the year of submission of the annual inventory for the last year of the commitment period, report the supplementary information described in this section of the guidelines that relates to the accounting of assigned amounts for that commitment period, in conjunction with the report upon expiration of the additional period for fulfilling commitments referred to in paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

## ANNEX II

**II. Reporting of supplementary information under Article 7, paragraph 2**National registries

1. Each Party included in Annex I shall provide a description of how its national registry performs the functions defined in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)<sup>1</sup> and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and complies with the requirements of the technical standards for data exchange between registry systems as adopted by the COP/MOP. The description shall include the following information:

- (a) The name and contact information of the registry administrator designated by the Party to maintain the national registry
- (b) The names of the other Parties with which the Party cooperates by maintaining their national registries in a consolidated system
- (c) A description of the database structure and capacity of the national registry
- (d) A description of how the national registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring the accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the transaction log (decision 19/CP.7, paragraph 1)<sup>2</sup>
- (e) A description of the procedures employed in the national registry to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERs, ICERs, AAUs and/or RMUs, and replacement of tCERs and ICERs, and of the steps taken to terminate transactions where a discrepancy is notified and to correct problems in the event of a failure to terminate the transactions
- (f) An overview of security measures employed in the national registry to prevent unauthorized manipulations and to prevent operator error and of how these measures are kept up to date
- (g) A list of the information publicly accessible by means of the user interface to the national registry
- (h) The Internet address of the interface to its national registry
- (i) A description of measures taken to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster

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<sup>1</sup> In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amount under Article 7.4, also apply to temporary certified emission reductions and long-term certified emission reductions.

<sup>2</sup> See decision 24/CP.8.

- (j) The results of any test procedures that might be available or developed with the aim of testing the performance, procedures and security measures of the national registry undertaken pursuant to the provisions of decision 19/CP.7 relating to the technical standards for data exchange between registry systems.

## ANNEX III

**III. Review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units, certified emission reductions, temporary certified emission reductions, long-term certified emission reductions, assigned amount units and removal units****A. Purpose**

1. The purpose of this review is:
  - (a) To provide an objective, consistent, transparent and comprehensive technical assessment of annual information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, emission reduction units (ERUs), certified emission reductions (CERs), temporary certified emission reductions (tCERs), long-term certified emission reductions (lCERs), assigned amount units (AAUs) and removal units (RMUs) for conformity with the provisions of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)<sup>1</sup> and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), with the technical standards for data exchange between registry systems and any further guidance adopted by the COP/MOP, and with section I.E of the annex to decision -/CMP.1 (*Article 7*);
  - (b) To ensure that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) and the Compliance Committee have reliable information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, tCERs, lCERs, AAUs and RMUs of each Party included in Annex I.

**B. General procedures**

2. The review of information on assigned amounts pursuant to Article 3, paragraphs 7 and 8, ERUs, CERs, tCERs, lCERs, AAUs and RMUs, shall comprise the following procedures:
  - (a) A thorough review of the calculation of assigned amounts pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as part of the initial review of each Party included in Annex I performed in accordance with the procedures contained in part I of these guidelines
  - (b) An annual review of the information on ERUs, CERs, tCERs, lCERs, AAUs and RMUs and of information on discrepancies reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) for each Party included in Annex I
  - (c) A desk or centralized review of the information of each Party included in Annex I to be reported upon expiration of the additional period for fulfilment of commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the*

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<sup>1</sup> In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amount under Article 7.4, also apply to temporary certified emission reductions and long-term certified emission reductions.

*accounting of assigned amounts*) and of the information referred to in paragraph 11<sup>2</sup> of the annex to decision -/CMP.1 (*Article 7*).

### C. Scope of the review

3. For each Party:

- (a) The initial review shall cover the calculation of its assigned amount pursuant to Article 3, paragraphs 7 and 8, as reported in accordance with paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (b) The annual review shall cover:
  - (i) Information on ERUs, CERs, tCERS, ICERs, AAUs and RMUs reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*)
  - (ii) Transaction log records, including records of any discrepancies forwarded to the secretariat by the transaction log pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and any records of non-replacement forwarded by the transaction log in accordance with paragraph 56 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), including records of any discrepancies or non-replacement that were forwarded to the secretariat since the start of the previous review and until the start of the review
  - (iii) Information contained in the national registry that substantiates or clarifies the information reported. For this purpose Parties included in Annex I shall provide the expert review team with effective access to their national registry during the review. The relevant parts of paragraphs 9 and 10 of part I of these guidelines shall also apply to this information;
- (c) The review upon expiration of the additional period for fulfilling commitments shall cover the report upon expiration of the additional period for fulfilling commitments in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and paragraph 59 of decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), including the information reported under paragraph 11<sup>3</sup> of the annex to decision -/CMP.1 (*Article 7*), and shall include oversight of the preparation of the final compilation and accounting report for that Party published by the secretariat.

#### 1. Identification of problems

4. During the initial review the expert review team shall assess whether:

- (a) The information is complete and submitted in accordance with the relevant provisions of paragraphs 6, 7 and 8 of the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), section I of the annex to decision -/CMP.1 (*Article 7*), and relevant decisions of the COP/MOP;

<sup>2</sup> This paragraph notation refers to paragraph 11 of annex I to this present decision. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

<sup>3</sup> This paragraph notation refers to paragraph 11 of annex I to this present decision. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

- (b) The assigned amount pursuant to Article 3, paragraphs 7 and 8, is calculated in accordance with the annex to decision -/CMP.1 (*Modalities of accounting for assigned amounts*), and is consistent with reviewed and adjusted inventory estimates;
  - (c) The calculation of the required level of the commitment period reserve is in accordance with paragraph 6 of the annex to decision 18/CP.7.
5. During the annual review the expert review team shall assess whether:
- (a) The information is complete and submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) and relevant decisions of the COP/MOP;
  - (b) The information relating to issuance, cancellations, retirement, transfers, acquisitions, replacement and carry-over is consistent with information contained in the national registry of the Party concerned and with the records of the transactions log;
  - (c) The information relating to transfers and acquisitions between national registries is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with information reported by the other Parties involved in the transactions;
  - (d) The information relating to acquisitions of CERs, tCERs, and ICERs from the CDM registry is consistent with the information contained in the national registry of the Party concerned and with the records of the transaction log, and with the CDM registry;
  - (e) ERUs, CERs, AAUs and RMUs have been issued, acquired, transferred, cancelled, retired, or carried over to the subsequent or from the previous commitment period in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
  - (f) tCERs and ICERs have been issued, acquired, transferred, cancelled, retired and replaced, in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*);
  - (g) The information reported under paragraph 2 (a)4 of section I.E. in the annex to decision -/CMP.1 (*Article 7*) on the quantities of units in accounts at the beginning of the year is consistent with information submitted the previous year, taking into account any corrections made to such information, on the quantities of units in accounts at the end of the previous year;
  - (h) The required level of the commitment period reserve, as reported, is calculated in accordance with paragraph 6 of the annex to decision 18/CP.7;
  - (i) The assigned amount is calculated to avoid double accounting in accordance with paragraph 9 of the annex to decision -/CMP.1 (*Land use, land-use change and forestry*);
  - (j) Any discrepancy has been identified by the transaction log relating to transactions initiated by the Party, and if so the expert review team shall:

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<sup>4</sup> This paragraph notation refers to paragraph 2 (a) of annex I to this present decision. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

- (i) Verify that the discrepancy has occurred and been correctly identified by the transaction log;
  - (ii) Assess whether the same type of discrepancy has occurred previously for that Party;
  - (iii) Assess whether the transaction was completed or terminated;
  - (iv) Examine the cause of the discrepancy and whether the Party or Parties has or have corrected the problem that caused the discrepancy;
  - (v) Assess whether the problem that caused the discrepancy relates to the capacity of the national registry to ensure the accurate accounting, issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERS, ICERs, AAUs and RMUs, the replacement of tCERs and ICERs, and the carry-over of ERUs, CERs and AAUs, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.
- (k) Any record of non-replacement has been sent to the Party by the transaction log in relation to tCERs or ICERs held by the Party, and if so the expert review team shall:
- (i) Verify that the non-replacement has occurred and been correctly identified by the transaction log;
  - (ii) Assess whether non-replacement has occurred previously for that Party;
  - (iii) Assess whether the replacement was subsequently undertaken;
  - (iv) Examine the cause of the non-replacement and whether the Party has corrected the problem that caused the non-replacement;
  - (v) Assess whether the problem that caused the non-replacement relates to the capacity of the national registry to ensure the accurate accounting, holding, transfer, acquisition, cancellation, and retirement of ERUs, CERs, tCERS, ICERs, AAUs and RMUs, and the replacement of tCERs and ICERs, and if so, initiate a thorough review of the registry system in accordance with part V of these guidelines.

6. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted by the Party under Article 7, paragraph 1, to assess whether:

- (a) The information is reported in accordance with paragraph 49 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);
- (b) The information is consistent with the information contained in the compilation and accounting database maintained by the secretariat and with the information contained in the Party's registry;
- (c) There are any problems or inconsistencies in the information provided by the Party in accordance with paragraph 5 above;
- (d) The quantity of AAUs, CERs, tCERs, ERUs and RMUs transferred into the tCER replacement account for the commitment period is equal to the quantity of tCERs in the

retirement account, and in the tCER replacement account, that expired at the end of the commitment period;

- (e) The quantity of AAUs, CERs, ICERs, ERUs and RMUs transferred into the ICER replacement account for the commitment period is equal to the sum of the quantity of ICERs in the retirement account, and the quantity of ICERs in the ICER replacement account, that expired at the end of the commitment period, and the quantity of ICERs identified by the Executive Board of the CDM as requiring replacement within the registry for the commitment period.

7. During the review upon expiration of the additional period for fulfilling commitments, the expert review team shall review the information submitted in accordance with paragraph 11<sup>5</sup> of the annex to decision -/CMP.1 (*Article 7*) in accordance with paragraph 5 above.

8. Following the completion of the steps set out in paragraph 6 above and, if possible, resolution of any problems relating to the reported information, and taking account of the information contained in the compilation and accounting database maintained by the secretariat, the expert review team shall assess whether aggregate anthropogenic carbon dioxide equivalent emissions for the commitment period exceed the quantities of ERUs, CERs, tCERs, ICERs, AAUs, and RMUs in the retirement account of the Party for the commitment period.

#### **D. Timing**

9. The review of the calculation of assigned amount pursuant to Article 3, paragraphs 7 and 8, as part of the initial review shall be concluded within one year of the due date for submission of the report to facilitate the calculation of the assigned amount pursuant to Article 3, paragraphs 7 and 8, referred to in paragraph 6 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and shall follow the time frames and procedures established in paragraph 10 below.

10. The annual review of the information on ERUs, CERs, tCERs, ICERs, AAUs and RMUs reported in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) shall be concluded within one year of the due date for the submission of the information under Article 7, paragraph 1, and include the following steps:

- (a) The expert review team shall list all problems identified, indicating which problems would need corrections to previous accounting of AAUs, ERUs, CERs, tCERs, ICERs, or RMUs, and send this list to the Party included in Annex I no later than 25 weeks from the due date for submission of the annual inventory, if the information was submitted within six weeks after the submission due date
- (b) The Party included in Annex I shall comment on these questions within six weeks and, where requested by the review team, may provide revisions to the accounting of AAUs, ERUs, CERs, tCERs, ICERs, or RMUs. The expert review team shall prepare a draft review report within eight weeks of the receipt of the comments on the questions posed and shall send the draft report to the Party concerned for comments
- (c) The Party included in Annex I shall provide its comments on the draft review report within four weeks of receipt of the report. The expert review team shall prepare a final review report within four weeks of the receipt of the comments on the draft report.

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<sup>5</sup> This paragraph notation refers to paragraph 11 of annex I to this present decision. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.



11. The review of the report upon expiration of the additional period for fulfilling commitments and of the information submitted in accordance with paragraph 11<sup>6</sup> of the annex to decision -/CMP.1 (*Article 7*) shall be completed within 14 weeks of the due date for the submission of the information. The expert review team shall prepare a draft report within eight weeks of the due date for submission of the information. The Party concerned may comment on the draft report within four weeks of its receipt. The expert review team shall prepare a final review report within two weeks of receipt of comments on the draft report by the Party.

#### **E. Reporting**

12. The final review reports referred to in paragraphs 10 and 11 above shall include an assessment of the specific problems identified in accordance with paragraphs 4 to 8 above and shall follow the format and outline contained in paragraph 48 of part I of these guidelines, as appropriate.

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<sup>6</sup> This paragraph notation refers to paragraph 11 of annex I to this present decision. The number of this paragraph will change once annex I is incorporated into the guidelines under Article 7 of the Kyoto Protocol.

## ANNEX IV

**PART V: Review of national registries****A. Purpose**

1. The purpose of the review of national registries is:
  - (a) To provide a thorough and comprehensive technical assessment of the capacity of a national registry to ensure the accurate accounting of the issuance, holding, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERs, ICERs, AAUs and RMUs, the replacement of tCERs and ICERs, and the carry-over of ERUs, CERs and AAUs;
  - (b) To assess the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)<sup>1</sup>, and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and any decisions by the COP/MOP have been adhered to, and to assist Parties included in Annex I in meeting their commitments;
  - (c) To assess the extent to which the national registry conforms to the technical standards for data exchange between registry systems adopted by the COP/MOP;
  - (d) To provide the COP/MOP and the Compliance Committee with reliable information on national registries.

**B. General procedures**

2. The review of national registries shall take place in two parts:
  - (a) A thorough review of the national registry as part of the initial review in accordance with paragraphs 11 to 14 in part I of these guidelines and in conjunction with its periodic review
  - (b) A desk or centralized review of any changes of the national registry reported in accordance with section I.G of the annex to decision -/CMP.1 (*Article 7*) in conjunction with the annual review.
3. A thorough review of the national registry shall also be conducted if the final review reports under paragraph 48 in part I of these guidelines recommend a thorough review of the national registry or if findings relating to reported changes in national registries considered by the expert review team lead to the recommendation of a thorough review in the final review report. The expert review team shall use the standard set of electronic tests described in paragraph 6 below for this purpose. An in-country visit shall be conducted only if standardized electronic tests are not sufficient to identify the problems.

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<sup>1</sup> In accordance with paragraph 40 of the annex to decision 19/CP.9 (*Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol*), unless otherwise stated in that annex, all other provisions that pertain to certified emission reductions in the guidelines under Articles 7 and 8, as well as the modalities for the accounting of assigned amount under Article 7.4, also apply to temporary certified emission reductions and long-term certified emission reductions.

### C. Scope of the review

4. The expert review team shall conduct a thorough and comprehensive review of the national registry of each Party included in Annex I. The review of the national registry should cover the extent to which the registry requirements contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and the technical standards for data exchange between registry systems adopted by the COP/MOP have been adhered to.

#### 1. Review of changes in the national registry

5. The expert review team shall review the information submitted as supplementary information under Article 7, paragraph 1, and shall identify any significant changes in the national registry reported by the Party or any problems identified by the expert review team in the course of the review of ERUs, CERs, tCERs, ICERs, AAUs and RMUs and transaction log records that may affect the performance of the functions contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*), and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*) and the adherence to the technical standards for data exchange between registry systems in accordance with relevant COP/MOP decisions. This review should take place in conjunction with the annual review in accordance with the relevant procedures in paragraphs 6 to 8 below.

#### 2. Identification of problems

6. The expert review team shall review the national registry, including the information provided on it, to assess whether:

- (a) The information on the national registry is complete and submitted in accordance with section I of the annex to decision -/CMP.1 (*Article 7*), and with relevant decisions of the COP and the COP/MOP;
- (b) The registry conforms to the technical standards for data exchange between registry systems for the purpose of ensuring accurate, transparent and efficient exchange of data between national registries, the clean development mechanism registry and the independent transaction log;
- (c) The transaction procedures, including those relating to the transaction log, are in accordance with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, contained in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*);
- (d) There are adequate procedures to minimize discrepancies in the issuance, transfer, acquisition, cancellation and retirement of ERUs, CERs, tCERs, ICERs, AAUs and RMUs, and in the replacement of tCERs and ICERs, and to take steps to terminate transactions where a discrepancy is notified, and to correct problems in the event of a failure to terminate the transactions;
- (e) There are adequate security measures to prevent and resolve unauthorized manipulations and minimize operator error, and procedures for updating them;
- (f) Information is publicly available in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*);

- (g) There are adequate measures to safeguard, maintain and recover data in order to ensure the integrity of data storage and the recovery of registry services in the event of a disaster.

7. During the thorough review, the expert review team shall use a test version of the transaction log and a standard set of electronic tests and sample data to assess the capacity of the registry to perform its functions, including all types of transactions, referred to in the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) and the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*), and to assess the adherence to the technical standards for data exchange between registry systems adopted by the COP/MOP. The expert review team may draw upon the results of any other testing relevant to the review of the registry.

8. Based on the assessments carried out in accordance with paragraphs 6 and 7 above, expert review teams shall identify any potential problems in, and factors influencing, the fulfilment of commitments relating to the performance of the functions of the national registry and the adherence to technical standards for data exchange between registry systems. In addition, the expert review team shall recommend how problems could be addressed.

#### **D. Timing**

9. During the thorough review, the expert review team shall list all the problems identified and shall notify the Party included in Annex I of the problems identified no later than six weeks after the start of the review or after the in-country visit, as appropriate. The Party included in Annex I shall comment on these problems within six weeks of the notification. The expert review team shall prepare a draft review report on the national registry within six weeks of the receipt of the comments on the questions posed. Any corrections, additional information or comments on the draft report received from the Party included in Annex I within four weeks after the report has been sent to that Party shall be subject to review and shall be included in the final inventory review report. The expert review team shall prepare a final report on the review of the national registry within four weeks of the receipt of the comments on the draft report. The review of the national registry shall be concluded within one year of the due date for submission of the information.

10. The review of changes in the national registry shall follow the time frames and procedures for the annual review of the information to be submitted in accordance with section I.E of the annex to decision -/CMP.1 (*Article 7*) established in part III of these guidelines. If either the annual review or the review of changes in the national registry recommends a thorough review of the national registry, and if a country visit is considered necessary, this thorough review should be conducted together with the subsequent in-country visit of either the annual inventory or the periodic national communication, whichever is the earlier.

#### **E. Reporting**

11. The final review reports shall include an evaluation of the overall functioning of the national registry and an assessment of the specific problems identified in accordance with paragraphs 6 to 8 above, and shall follow the format and outline in accordance with paragraph 48 of part I of these guidelines.

## Decision 14/CP.10

### **Simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol and measures to facilitate their implementation**

*The Conference of the Parties,*

*Recalling* its decisions 15/CP.7, 17/CP.7 and its annex, 21/CP.8 and its annex II, 18/CP.9 and its annexes, and 19/CP.9 and its annex,

*Affirming* the principles in the preamble to draft decision -/CMP.1 (*Land use, land-use change and forestry*), recommended by decision 11/CP.7,

*Reiterating* that decision 17/CP.7 applies, *mutatis mutandis*, to afforestation and reforestation project activities under the clean development mechanism,

*Affirming* that a small-scale afforestation or reforestation project activity under the clean development mechanism should directly benefit the low-income community and individuals that are project participants,

*Emphasizing* that public funding for small-scale afforestation and reforestation project activities under the clean development mechanism from Parties included in Annex I to the Convention is not to result in the diversion of official development assistance and is to be separate from and not counted towards the financial obligations of those Parties,

1. *Decides:*
  - (a) To adopt the simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol contained in the annex to this decision;
  - (b) That a small-scale afforestation or reforestation project activity under the clean development mechanism will result in net anthropogenic greenhouse gas removals by sinks of less than 8 kilotonnes of carbon dioxide per year if the average projected net anthropogenic greenhouse gas removals by sinks for each verification period do not exceed 8 kilotonnes of carbon dioxide equivalent per year;
  - (c) That if a small-scale afforestation and reforestation project activity under the clean development mechanism results in net anthropogenic greenhouse gas removals by sinks greater than 8 kilotonnes of carbon dioxide equivalent per year, the excess removals will not be eligible for the issuance of temporary certified emission reductions and long-term certified emission reductions;
  - (d) That small-scale afforestation and reforestation project activities under the clean development mechanism shall be exempt from the share of proceeds to be used to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation;

- (e) That small-scale afforestation and reforestation project activities under the clean development mechanism shall be entitled to a reduced level of the non-reimbursable fee for requesting registration and a reduced rate of the share of proceeds to cover administrative expenses of the clean development mechanism;
2. *Requests* the Executive Board of the clean development mechanism:
- (a) To develop, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, default factors for assessing the existing carbon stocks and for simplified baseline methodologies for small-scale afforestation and reforestation project activities under the clean development mechanism, taking into account, if appropriate, types of soils, lifetime of the project and climatic conditions;
  - (b) To develop, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, simplified monitoring methodologies for small-scale afforestation and reforestation project activities under the clean development mechanism, based on appropriate statistical methods, to estimate or measure the actual net greenhouse gas removals by sinks; as appropriate, the Executive Board may indicate different methods for different types of afforestation and reforestation project activities and propose default factors, if any, to facilitate the estimation or measurement of actual net greenhouse gas removals by sinks;
  - (c) To develop guidelines to estimate leakage for small-scale afforestation and reforestation project activities under the clean development mechanism;
3. *Requests* the secretariat, subject to the availability of supplementary funding, to facilitate the exchange of and access to information relevant to the development of small-scale afforestation and reforestation project activities under the clean development mechanism, including information referred to in paragraph 6 (b) below;
4. *Invites* Parties to provide support for those project participants interested in coordinating the submission of several small-scale afforestation and reforestation project activities under the clean development mechanism with a view to reducing the costs of validation, verification and certification by designated operational entities;
5. *Invites* Parties included in Annex I to provide assistance to host Parties for capacity-building activities for the application and implementation of the simplified modalities and procedures contained in the annex to this decision;
6. *Invites* relevant multilateral agencies, intergovernmental organizations and non-governmental organizations:
- (a) To formulate, develop and implement programmes to support capacity-building activities to assist low-income communities and individuals in the development and implementation of small-scale afforestation and reforestation project activities;
  - (b) To develop web-based tools for small-scale afforestation and reforestation project activities to assist in project development, including small-scale forestry options and their quantified carbon sequestration potential, satellite/aerial images, carbon assessment models and market information for these project activities;

- (c) To organize regional workshops, in collaboration with relevant international organizations and institutions, to facilitate the development and implementation of small-scale afforestation and reforestation project activities under the clean development mechanism;

7. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt the draft decision below.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

### **Draft decision -/CMP.1**

#### **Simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol and measures to facilitate their implementation**

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Aware of its decisions -/CMP.1 (Mechanisms), -/CMP.1 (Article 12) and its annex, -/CMP.1 (Land use, land-use change and forestry) and its annex as well as -/CMP.1 (Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol) and its annex,*

*Cognizant of decisions 11/CP.7 and its annex, 15/CP.7, 17/CP.7 and its annex, 21/CP.8 and its annex II, 18/CP.9 and its annexes, 19/CP.9 and its annex, 12/CP.10 and its annexes, and 14/CP.10 and its annex,*

1. *Decides* to confirm and give full effect to any actions, including measures to facilitate the implementation of afforestation and reforestation project activities under the clean development mechanism, taken pursuant to decision 14/CP.10;
2. *Adopts* the simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism in the first commitment period of the Kyoto Protocol as contained in the annex below;
3. *Invites* the Executive Board of the clean development mechanism to review the simplified modalities and procedures for small-scale afforestation and reforestation project activities and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
4. *Invites* the Executive Board to review the measures to facilitate the implementation of small-scale afforestation and reforestation project activities referred to in this decision and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

## ANNEX

**Simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism****A. Introduction**

1. Small-scale afforestation and reforestation project activities under the clean development mechanism (CDM) shall follow the stages of the project cycle specified in the modalities and procedures for afforestation and reforestation project activities under the CDM contained in the annex to decision 19/CP.9 (hereinafter referred to as the modalities and procedures for afforestation and reforestation project activities under the CDM). In order to reduce transaction costs, these modalities and procedures are simplified for small-scale afforestation and reforestation project activities under the CDM as follows:

- (a) Project activities may be bundled or portfolio-bundled at the following stages in the project cycle: the project design document, validation, registration, monitoring, verification and certification. The size of the total bundle should not exceed the limits stipulated in paragraph 1 (i) of the modalities and procedures for afforestation and reforestation project activities under the CDM;
- (b) The requirements for the project design document are reduced;
- (c) Baseline methodologies by project type are simplified to reduce the cost of developing a project baseline;
- (d) Monitoring plans are simplified, including simplified monitoring requirements, to reduce monitoring costs;
- (e) The same operational entity may undertake validation as well as verification and certification.

2. Simplified baseline and monitoring methodologies may be developed for types of small-scale afforestation and reforestation project activities under the CDM, as presented in the list in appendix B. This list shall not preclude other types of small-scale afforestation and reforestation project activities under the CDM. If a proposed small-scale afforestation or reforestation project activity under the CDM does not fall into any of the types in appendix B, the project participants may submit a request to the Executive Board of the CDM (hereinafter referred to as the Executive Board) for approval of a proposed simplified baseline and/or monitoring plan, bearing in mind the provisions in paragraph 8 below.

3. The modalities and procedures for afforestation and reforestation project activities under the CDM shall apply to small-scale afforestation and reforestation project activities under the CDM except for paragraphs 12–30. The following paragraphs 4–29 apply instead. Appendix A should replace, as appropriate, the provisions in appendix B of the modalities and procedures for afforestation and reforestation project activities under the CDM.



**B. Simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism**

4. To use simplified modalities and procedures for small-scale afforestation and reforestation CDM project activities, a proposed project activity shall:
  - (a) Meet the eligibility criteria for small-scale afforestation and reforestation project activities under the CDM set out in paragraph 1 (i) of the modalities and procedures for afforestation and reforestation project activities under the CDM;
  - (b) Conform to one of the project types in appendix B;
  - (c) Not be a debundled component of a larger project activity, as determined through appendix C.
5. Project participants shall prepare a project design document in accordance with the format specified in appendix A.
6. Project participants may use the simplified baseline and monitoring methodologies specified in appendix B.
7. Project participants involved in small-scale afforestation and reforestation project activities under the CDM may propose changes to the simplified baseline and monitoring methodologies specified in appendix B or propose additional project types for consideration by the Executive Board.
8. Project participants willing to submit a new type of small-scale afforestation or reforestation project activity under the CDM or revisions to a methodology shall make a request in writing to the Executive Board providing information about the activity and proposals on how a simplified baseline and monitoring methodology would be applied to this type. The Board may draw on expertise, as appropriate, in considering new project types and/or revisions of and amendments to simplified methodologies. The Executive Board shall expeditiously, if possible at its next meeting, review the proposed methodology. Once it is approved, the Executive Board shall amend appendix B.
9. The Executive Board shall review and amend, as necessary, appendix B at least once a year.
10. Any amendments to appendix B shall apply only to small-scale afforestation and reforestation project activities under the CDM which are registered subsequent to the date of amendment and shall not affect already registered small-scale afforestation and reforestation project activities under the CDM during the crediting periods for which they are registered.
11. Several small-scale afforestation or reforestation project activities under the CDM may be bundled for the purpose of validation. An overall monitoring plan that monitors performance of the constituent project activities on a sample basis may be proposed for bundled project activities. If bundled project activities are registered with an overall monitoring plan, this monitoring plan shall be implemented and each verification/certification of the net anthropogenic removals by sinks achieved shall cover all of the bundled project activities.
12. A single designated operational entity (DOE) may perform validation as well as verification and certification for a small-scale afforestation or reforestation project activity under the CDM or for bundled small-scale afforestation and reforestation project activities under the CDM.
13. The Executive Board shall stipulate a reduced level of the non-reimbursable fee for requesting registration and, when recommending to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) the share of proceeds to cover administrative expenses as

required by decision 17/CP.7, propose a reduced rate of the share of proceeds to cover administrative expenses for small-scale afforestation and reforestation project activities under the CDM.

### **C. Validation and registration**

14. The DOE selected by project participants to validate a proposed small-scale afforestation or reforestation project activity under the CDM, being under a contractual arrangement with them, shall review the project design document and any supporting documentation to confirm that the following requirements have been met:

- (a) The participation requirements set out in paragraphs 28–30 of the annex to decision 17/CP.7 and paragraphs 8 and 9 of the modalities and procedures for afforestation and reforestation project activities under the CDM are satisfied
- (b) Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the DOE on how due account was taken of any comments has been received
- (c) Project participants have submitted to the DOE documentation on the analysis of the socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary, of the proposed small-scale afforestation or reforestation project activity under the CDM. If any negative impact is considered significant by the project participants or the host Party, project participants have undertaken a socio-economic impact assessment and/or an environmental impact assessment in accordance with the procedures required by the host Party. Project participants shall submit a statement that confirms that they have undertaken such an assessment in accordance with the procedures required by the host Party and include a description of the planned monitoring and remedial measures to address them
- (d) The proposed small-scale afforestation and reforestation project activity under the CDM is additional if the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered small-scale afforestation or reforestation project activity under the CDM, in accordance with paragraphs 18–19 below
- (e) Project participants have specified the approach proposed to address non-permanence in accordance with paragraph 38 of the modalities and procedures for afforestation and reforestation project activities under the CDM
- (f) The proposed small-scale afforestation or reforestation project activity under the CDM conforms to one of the types in appendix B and uses one of the simplified baseline and monitoring methodologies specified in appendix B, and the estimation of the existing carbon stock is conducted in an appropriate manner
- (g) A bundle of small-scale afforestation and reforestation project activities satisfies the conditions for bundling and the overall monitoring plan for the bundled small-scale afforestation and reforestation project activities is appropriate
- (h) Project participants provide information regarding leakage in accordance with appendix B

- (i) The proposed project activity conforms to all requirements, including monitoring, verification and reporting, for afforestation and reforestation project activities under the CDM in decision 19/CP.9, its annex on modalities and procedures for afforestation and reforestation project activities under the CDM that are not replaced by these simplified modalities and procedures, and relevant decisions by the COP/MOP and the Executive Board.

15. The DOE shall:

- (a) Prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the proposed small-scale afforestation or reforestation project activity under the CDM assists it in achieving sustainable development;
- (b) Prior to the submission of the validation report to the Executive Board, have received from the project participants a written declaration that the proposed small-scale afforestation or reforestation project activity under the CDM is developed or implemented by low-income communities and individuals as determined by the host Party;
- (c) In accordance with the provisions on confidentiality contained in paragraph 27 (h) of the annex to decision 17/CP.7, make the project design document publicly available;
- (d) Receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC-accredited non-governmental organizations, and make them publicly available;
- (e) After the deadline for receipt of comments, make a determination as to whether, on the basis of the information provided and taking into account the comments received, the proposed small-scale afforestation or reforestation project activity under the CDM should be validated;
- (f) Inform project participants of its determination on the validation of the small-scale afforestation or reforestation project activity under the CDM. The notification to the project participants will include a confirmation of validation and the date of submission of the validation report to the Executive Board, or an explanation of reasons for non-acceptance if the proposed small-scale afforestation or reforestation project activity under the CDM, as documented, is judged not to fulfil the requirements for validation;
- (g) Submit to the Executive Board, if it determines the proposed small-scale afforestation or reforestation project activity under the CDM to be valid, a request for registration in the form of a validation report including the project design document, the written approval of voluntary participation from the designated national authority of each Party involved, as referred to in paragraph 15 (a) above, and an explanation of how it has taken due account of comments received;
- (h) Make this validation report publicly available upon transmission to the Executive Board.

16. The registration by the Executive Board shall be deemed final four weeks after the date of receipt by the Executive Board of the request for registration, unless a Party involved in the proposed small-scale afforestation or reforestation project activity under the CDM, or at least three members of the Executive Board, request a review of the proposed small-scale afforestation or reforestation project activity under the CDM. The review by the Executive Board shall be made in accordance with the following provisions:

- (a) It shall be related to issues associated with the validation requirements
- (b) It shall be finalized no later than at the second meeting following the request for review, with the decision and the reasons for it being communicated to the project participants and the public.

17. A proposed small-scale afforestation or reforestation project activity under the CDM that is not accepted may be reconsidered for validation and subsequent registration after appropriate revisions, provided that this project activity follows the procedures and meets the requirements for validation and registration, including those relating to public comments.

18. A small-scale afforestation or reforestation project activity under the CDM is additional if the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered small-scale afforestation or reforestation project activity under the CDM.

19. The baseline for a proposed small-scale afforestation or reforestation project activity under the CDM is the scenario that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the proposed project activity. A baseline shall be deemed to reasonably represent the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the proposed small-scale afforestation or reforestation project activity under the CDM if it is derived using a baseline methodology referred to in appendix B.

20. A simplified baseline and monitoring methodology listed in appendix B may be used for a small-scale afforestation or reforestation project activity under the CDM if the project participants are able to demonstrate to a DOE that the project activity would otherwise not be implemented due to the existence of one or more of the barriers listed in attachment A to appendix B. Where specified in appendix B for a project type, quantitative evidence that the project activity would otherwise not be implemented may be provided instead of a demonstration based on the barriers listed in attachment A to appendix B.

21. The crediting period shall begin at the start of the small-scale afforestation or reforestation project activity under the CDM. The crediting period for a proposed small-scale afforestation or reforestation project activity under the CDM shall be either of the following:

- (a) A maximum of 20 years which may be renewed at most two times, provided that, for each renewal, a DOE determines and informs the Executive Board that the original project baseline is still valid or has been updated taking account of new data where applicable
- (b) A maximum of 30 years.

22. A small-scale afforestation or reforestation project activity under the CDM shall be designed in such a manner as to minimize leakage.

#### **D. Monitoring**

23. Project participants shall include, as part of the project design document for a small-scale afforestation or reforestation project activity under the CDM or a bundle of small-scale afforestation or reforestation project activities under the CDM, a monitoring plan that provides for:

- (a) The collection and archiving of all relevant data necessary for estimating or measuring the actual net greenhouse gas removals by sinks during the crediting period as specified in appendix B
- (b) The collection and archiving of all relevant data necessary for determining the baseline net greenhouse gas removals by sinks during the crediting period as specified in appendix B
- (c) Unless project participants have successfully shown to the DOE that significant leakage is not expected to occur, as specified in appendix B, the identification of potential sources of, and the collection and archiving of data on, leakage during the crediting period
- (d) Changes in circumstances within the project boundary that affect legal title to the land or rights of access to the carbon pools
- (e) Quality assurance and quality control procedures for the monitoring process in accordance with appendix B
- (f) Procedures for the periodic calculation of the net anthropogenic greenhouse gas removals by sinks due to the small-scale afforestation or reforestation project activity under the CDM, and documentation of the steps involved in those calculations
- (g) Procedures for the review of implementation of relevant measures to minimize leakage where the circumstances of the project activity have changed in a manner that may result in, or increase, leakage.

24. The monitoring plan for a proposed small-scale afforestation or reforestation project activity under the CDM may use the monitoring methodology specified in appendix B for the relevant project activity if the DOE determines at validation that the monitoring methodology reflects good monitoring practice appropriate to the circumstances of the project activity.

25. If small-scale afforestation or reforestation project activities under the CDM are bundled, a separate monitoring plan shall apply for each of the constituent project activities in accordance with paragraphs 23 and 24 above, or an overall monitoring plan shall apply for the bundled projects, as determined by the DOE at validation to reflect good monitoring practice appropriate to the bundled project activities and to provide for the collection and archiving of the data needed to calculate the net anthropogenic greenhouse gas removals by sinks achieved by the bundled project activities. Good practice may include monitoring of a sample of projects in a bundle.

26. Project participants shall implement the monitoring plan contained in the registered project design document, archive the relevant monitored data and report the relevant monitoring data to a DOE contracted to verify the net anthropogenic greenhouse gas removals by sinks achieved during the crediting period specified by the project participants.

27. Revisions, if any, to the monitoring plan to improve the accuracy and/or completeness of information shall be justified by project participants and shall be submitted for validation to a DOE.

28. The implementation of the registered monitoring plan and its revisions, as applicable, shall be a condition for verification, certification and the issuance of temporary certified emission reductions (tCERs) or long-term certified emission reductions (lCERs).

29. The project participants shall provide to the DOE contracted by the project participants to perform the verification a monitoring report in accordance with the registered monitoring plan set out in paragraph 23 above for the purpose of verification and certification.

Appendix A**Project design document for small-scale afforestation and reforestation project activities under the clean development mechanism**

1. The purpose of this appendix is to outline the information required in the project design document for small-scale afforestation and reforestation project activities under the clean development mechanism (CDM). A project activity shall be described in detail in a project design document, taking into account the provisions for small-scale afforestation and reforestation project activities under the CDM as set out in the present annex, in particular in its section C on validation and registration and in its section D on monitoring. The description shall include the following:

- (a) A description of the small-scale afforestation or reforestation project activity under the CDM comprising the project purpose; a technical description of the project activity, including species and varieties selected and how technology and know-how will be transferred, if appropriate; a description of the physical location and boundaries of the project activity; and a specification of the gases whose emissions will be part of the project activity
- (b) A description of the present environmental conditions of the area including a description of climate, hydrology, soils, ecosystems, and the possible presence of rare or endangered species and their habitats
- (c) A description of legal title to the land, rights of access to the sequestered carbon, and current land tenure and land use
- (d) Carbon pools selected, as well as transparent and verifiable information, in accordance with paragraph 21 of the modalities and procedures for afforestation and reforestation project activities under the CDM
- (e) A statement of which baseline and monitoring methodologies in appendix B have been selected
- (f) A description of how the simplified baseline methodology in appendix B will be applied in the context of the small-scale afforestation or reforestation project activity
- (g) Measures to be implemented to minimize potential leakage, as applicable
- (h) The start date for the project activity, with justification, and the choice of crediting periods during which the project activity is expected to result in net anthropogenic greenhouse gas removals by sinks
- (i) A statement of which approach for addressing non-permanence was selected in accordance with paragraph 38 of the modalities and procedures for afforestation and reforestation project activities under the CDM
- (j) A description of how the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered small-scale afforestation or reforestation project activity under the CDM

- (k) Environmental impacts of the project activity:
  - (i) Documentation on the analysis of the environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary, of the proposed small-scale afforestation or reforestation project activity under the CDM. This analysis should include, where applicable, information on, inter alia, hydrology, soils, risk of fires, pests and diseases
  - (ii) If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken an environmental impact assessment adequate to scale, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation
- (l) Socio-economic impacts of the project activity:
  - (i) Documentation on the analysis of the socio-economic impacts, including impacts outside the project boundary, of the proposed small-scale afforestation or reforestation project activity under the CDM. This analysis should include, where applicable, information on, inter alia, local communities, indigenous peoples, land tenure, local employment, food production, cultural and religious sites, and access to fuelwood and other forest products
  - (ii) If any negative impact is considered significant by the project participants or the host Party, a statement that project participants have undertaken a socio-economic impact assessment adequate to scale, in accordance with the procedures required by the host Party, including conclusions and all references to support documentation
- (m) A description of planned monitoring and remedial measures to address significant impacts referred to in paragraph 1 (k) (ii) and (l) (ii) above
- (n) Information on sources of public funding for the project activity from Annex I Parties which shall provide an affirmation that such funding does not result in a diversion of official development assistance and is separate from and is not counted towards the financial obligations of those Parties
- (o) Stakeholder comments, including a brief description of the process, a summary of the comments received, and a report on how due account was taken of any comments received
- (p) A description of how the simplified monitoring methodology of appendix B will be applied in the context of the small-scale afforestation or reforestation project activity under the CDM.



Appendix B**Indicative simplified baseline and monitoring methodologies for selected types of small-scale afforestation and reforestation project activities under the clean development mechanism**

1. The Executive Board shall develop an indicative list of simplified methodologies for selected types of small-scale afforestation and reforestation project activities under the clean development mechanism (CDM), in accordance with the following guidance:

*Baseline methodology*

2. If project participants can provide relevant information that indicates that, in the absence of the small-scale afforestation or reforestation project activity under the CDM, no significant changes in the carbon stocks within the project boundary would have occurred, they shall assess the existing carbon stocks prior to the implementation of the project activity. The existing carbon stocks shall be considered as the baseline and shall be assumed to be constant throughout the crediting period.

3. If significant changes in the carbon stocks within the project boundary would be expected to occur in the absence of the small-scale afforestation or reforestation project activity, project participants shall use simplified baseline methodologies to be developed by the Executive Board.

4. The Executive Board shall develop simplified baseline methodologies for the following types of small-scale afforestation or reforestation project activities:<sup>1</sup>

- (a) Grassland to forested land
- (b) Cropland to forested land
- (c) Wetland to forested land
- (d) Settlement to forested land.

5. The Executive Board shall consider the types referred to in paragraph 4 above and develop, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) at its first session, default factors for assessing the existing carbon stocks and for simplified baseline methodologies, taking into account, if appropriate, types of soils, lifetime of the project and climatic conditions. Project participants may use either the default factors or project-specific methods, provided they reflect good practice appropriate to the type of the project activity.

*Monitoring methodology*

6. No monitoring of the baseline is requested.

7. The Executive Board shall develop, for consideration by the COP/MOP at its first session, simplified monitoring methodologies based on appropriate statistical methods to estimate or measure the actual net greenhouse gas removals by sinks. As appropriate, the Executive Board may indicate different methods for different types of afforestation and reforestation project activities under the CDM and propose default factors, if any, to facilitate the estimation or measurement of actual net greenhouse gas removals by sinks.

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<sup>1</sup> The land categories shall be consistent with those defined in chapter 2 (Basis for consistent representation of land areas) of the *IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry*.

8. The Executive Board shall consider ways to simplify the information requirements needed to determine that one or more carbon pools and/or greenhouse gas emissions can be excluded from the estimation of the baseline net greenhouse gas removals by sinks and/or the actual net greenhouse gas removals by sinks.

*Leakage*

9. If project participants demonstrate that the small-scale afforestation or reforestation project activity under the CDM does not result in the displacement of activities or people, or does not trigger activities outside the project boundary, that would be attributable to the small-scale afforestation or reforestation project activity under the CDM, such that an increase in greenhouse gas emissions by sources occurs, a leakage estimation is not required. In all other cases leakage estimation is required. The Executive Board shall develop guidelines to estimate leakage.

Attachment A to Appendix B

(The attachment A to appendix B, referred to in paragraph 20 of the simplified modalities and procedures for small-scale afforestation and reforestation project activities under the CDM, shall be developed by the Executive Board, taking into consideration the existing list of barriers for non-afforestation and reforestation CDM project activities, as contained in attachment A to appendix B of annex II to decision 21/CP.8.)

Appendix C**Criteria for determining the occurrence of debundling**

1. Debundling is defined as the fragmentation of a large project activity into smaller parts. A small-scale project activity that is part of a large project activity is not eligible to use the simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism (CDM). A large project activity or any of its components shall follow the regular modalities and procedures for afforestation and reforestation project activities under the CDM.
2. A proposed small-scale afforestation or reforestation project activity under the CDM shall be deemed to be a debundled component of a large project activity if there is a registered small-scale afforestation or reforestation project activity under the CDM or an application to register another afforestation or reforestation small-scale project activity under the CDM:
  - (a) With the same project participants
  - (b) Registered within the previous two years
  - (c) Whose project boundary is within 1 km of the project boundary of the proposed small-scale afforestation or reforestation activity under the CDM at the closest point.
3. If a proposed small-scale afforestation or reforestation project activity under the CDM is deemed to be a debundled component in accordance with paragraph 2 above, but the total size of such an activity combined with the previously registered small-scale afforestation or reforestation project activity under the CDM does not exceed the limits for small-scale afforestation or reforestation project activities under the CDM as set out in paragraph 1 (i) of the annex to decision 19/CP.9, the project activity can qualify to use simplified modalities and procedures for small-scale afforestation and reforestation project activities under the CDM.

## Decision 15/CP.10

### Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* decisions 11/CP.7, 19/CP.7, 21/CP.7, 22/CP.7 and 13/CP.9,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol adopt draft decision -/CMP.1 (*Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol*) below;

2. *Encourages* Parties included in Annex I to the Convention that have ratified the Kyoto Protocol to submit, on a voluntary basis, with their submission due on 15 April 2007: estimates of greenhouse gas emissions by sources and removals by sinks resulting from activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol, using the tables of the common reporting format<sup>1</sup> contained in annex II to this decision; and supplementary information to be included in an annex to the national inventory report, in accordance with the guidance contained in annex I to this decision;

3. *Invites* Parties to submit to the secretariat, by 30 June 2007, their views on the tables of the common reporting format referred to in paragraph 2 above and accounts of their experiences on the use of these tables;

4. *Requests* the secretariat to synthesize the views of Parties submitted in accordance with paragraph 3 above, for consideration by the Subsidiary Body for Scientific and Technological Advice at its twenty-seventh session (November 2007);

5. *Requests* the Subsidiary Body for Scientific and Technological Advice, following the consideration of experiences gained in using the tables referred to in paragraph 2 above, to update those tables and to prepare a draft decision for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to incorporate the updated tables in an annex to the decision referred to in paragraph 1 above;

6. *Requests* the secretariat, subject to the availability of supplementary funding, to develop a provisional module for the tables referred to in paragraph 2 above, in order to facilitate their submission.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

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<sup>1</sup> The common reporting format is a standardized format to be used by Parties for electronic reporting of estimates of greenhouse gas emissions and removals and any other relevant information. For technical reasons (for example, size of tables and fonts), the layout of the printed version of the tables of the common reporting format for land use, land-use change and forestry activities in this document cannot be standardized.

## ANNEX I

**Guidance on reporting of supplementary information on land use, land-use change and forestry (LULUCF) activities under Article 3.3 and 3.4 to be included in an annex to the national inventory report**

1. This annex provides guidance on reporting supplementary information on land use, land-use change and forestry (LULUCF) activities under Article 3.3 and 3.4 to be included in the national inventory report<sup>1</sup> (NIR). This guidance is provided to help Parties fulfil the requirements of decision 22/CP.7 and is based, where appropriate, on the *IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry* (hereinafter referred to as the IPCC good practice guidance for LULUCF). Additional information may be included in the NIR, depending on the Party's national approach for estimating greenhouse gas (GHG) emissions and removals from LULUCF under the Kyoto Protocol.
2. Consistent with the guidance below, Parties should report:
  - (a) General information
  - (b) Land-related information
  - (c) Activity-specific information
  - (d) Other information
  - (e) Information relating to Article 6.
3. The activity-specific information should be reported for each activity under Article 3.3 and each elected activity under Article 3.4. As Afforestation and Reforestation are subject to the same provisions specified in the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7, they can be reported together.

**1. General information**

- 1.1. Definition of forest (as in table NIR 1.1) and any other criteria (e.g., minimum width)
- 1.2. Elected activities under Article 3.4 (as in table NIR 1)
- 1.3. Description of how the definitions of each activity under Article 3.3 and each elected activity under Article 3.4 have been implemented and applied consistently over time
- 1.4. Description of precedence conditions and/or hierarchy among Article 3.4 activities, and how they have been consistently applied in determining how land was classified.

**2. Land-related information**

- 2.1. Spatial assessment unit used for determining the area of the units of land under Article 3.3 (in accordance with paragraph 3 of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7)
- 2.2. Methodology used to develop the land transition matrix in table NIR 2
- 2.3. Maps and/or database to identify the geographical locations, and the system of identification codes for the geographical locations, all of which can be provided electronically.

**3. Activity-specific information****3.1. Methods for carbon stock change and GHG emission and removal estimates**

- 3.1.1. Description of the methodologies and the underlying assumptions used

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<sup>1</sup> The national inventory report is submitted in accordance with decision 18/CP.8, as modified by decision 13/CP.9.

- 3.1.2. Justification when omitting any carbon pool or GHG emissions/removals from activities under Article 3.3 and elected activities under Article 3.4 (table NIR 1 should be accompanied by such information in all cases where NR is entered)
- 3.1.3. Information on whether or not indirect and natural GHG emissions and removals have been factored out
- 3.1.4. Changes in data and methods since the previous submission (recalculations) (see, inter alia, section 4.2.4.1 of the IPCC good practice guidance for LULUCF)
- 3.1.5. Uncertainty estimates (see, inter alia, section 5.2 of the IPCC good practice guidance for LULUCF)
- 3.1.6. Information on other methodological issues (e.g., measurement intervals, interannual variability) (see, inter alia, section 4.2.3 of the IPCC good practice guidance for LULUCF)
- 3.1.7. For the purpose of accounting as required in paragraph 18 of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*) attached to decision 11/CP.7, an indication of the year of the onset of an activity, if after 2008.

### **3.2. Article 3.3**

- 3.2.1. Information that demonstrates that activities under Article 3.3 began on or after 1 January 1990 and before 31 December 2012 and are direct human-induced
- 3.2.2. Information on how harvesting or forest disturbance that is followed by the re-establishment of forest is distinguished from deforestation
- 3.2.3. Information on the size and geographical location of forest areas that have lost forest cover but which are not yet classified as deforested.

### **3.3. Article 3.4**

- 3.3.1. Information that demonstrates that activities under Article 3.4 have occurred since 1 January 1990 and are human-induced
- 3.3.2. Information relating to Cropland Management, Grazing Land Management and Revegetation, if elected, for the base year
- 3.3.3. Information relating to Forest Management:
  - (a) That the definition of forest for this category conforms with the definition in item 1.1 above
  - (b) That forest management is a system of practices for stewardship and use of forest land aimed at fulfilling relevant ecological (including biological diversity), economic and social functions of the forest in a sustainable manner (paragraph 1 (f) of the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7).

## **4. Other information**

- 4.1. Key category analysis for Article 3.3 activities and any elected activities under Article 3.4 (as in, inter alia, table NIR 3, section 5.4 of the IPCC good practice guidance for LULUCF).

## **5. Information relating to Article 6**

- 5.1. The identification code in the relevant tables of the common reporting format for activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol, contained in annex II to decision -/CMP.1 (*Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol*) should include a specific indication of whether the boundary of the geographical location encompasses land subject to a project under Article 6 of the Kyoto Protocol.

**TABLE NIR 1. SUMMARY TABLE**

Activity coverage and other information relating to activities under Article 3.3 and elected activities under Article 3.4

Activity		Change in carbon pool reported <sup>(1)</sup>					Greenhouse gas sources reported <sup>(2)</sup>							
		Above-ground biomass	Below-ground biomass	Litter	Dead wood	Soil	Fertilization <sup>(3)</sup>	Drainage of soils under forest management	Disturbance associated with land-use conversion to croplands	Liming	Biomass burning <sup>(4)</sup>			
							N <sub>2</sub> O	N <sub>2</sub> O	N <sub>2</sub> O		CO <sub>2</sub>	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O
Article 3.3 activities	Afforestation and Reforestation													
	Deforestation													
Article 3.4 activities	Forest Management													
	Cropland Management													
	Grazing Land Management													
	Revegetation													

<sup>(1)</sup> Indicate R (reported), NR (not reported), IE (included elsewhere) or NO (not occurring), for each relevant activity under Article 3.3 or elected activity under Article 3.4. If changes in a carbon pool are not reported, it must be demonstrated in the NIR that this pool is not a net source of greenhouse gases. Indicate NA (not applicable) for each activity that is not elected under Article 3.4. Explanation about the use of notation keys should be provided in the text.

<sup>(2)</sup> Indicate R (reported), NE (not estimated), IE (included elsewhere) or NO (not occurring) for greenhouse gas sources reported, for each relevant activity under Article 3.3 or elected activity under Article 3.4. Indicate NA (not applicable) for each activity that is not elected under Article 3.4. Explanation about the use of notation keys should be provided in the text.

<sup>(3)</sup> N<sub>2</sub>O emissions from fertilization for Cropland Management, Grazing Land Management and Revegetation should be reported in the Agriculture sector. If a Party is not able to separate fertilizer applied to Forest Land from Agriculture, it may report all N<sub>2</sub>O emissions from fertilization in the Agriculture sector.

<sup>(4)</sup> If CO<sub>2</sub> emissions from biomass burning are not already included under changes in carbon stocks, they should be reported under biomass burning; this also includes the carbon component of CH<sub>4</sub>. Parties that include CO<sub>2</sub> emissions from biomass burning in their carbon stock change estimates should report IE (included elsewhere).

**Table NIR 1.1 Additional information**

Selection of parameters for defining "Forest" under the Kyoto Protocol

Parameter	Range	Selected value
Minimum land area	0.05 - 1 ha	
Minimum crown cover	10 - 30 %	
Minimum height	2 - 5 m	

[ENGLISH ONLY]

**Table NIR 2. LAND TRANSITION MATRIX**

Area change between the previous and the current inventory year<sup>(1), (2), (3)</sup>

TO...  FROM...		Article 3.3 activities		Article 3.4 activities			Other	Total
		Afforestation and Reforestation	Deforestation	Forest Management (if elected)	Cropland Management (if elected)	Grazing Land Management (if elected)		
		(kha)						
Article 3.3 activities	Afforestation and Reforestation							
	Deforestation							
Article 3.4 activities	Forest Management (if elected)							
	Cropland Management <sup>(4)</sup> (if elected)							
	Grazing Land Management <sup>(4)</sup> (if elected)							
	Revegetation <sup>(4)</sup> (if elected)							
Other								
Total area								

<sup>(1)</sup> This table should be used to report land area and changes in land area subject to the various activities in the inventory year. For each activity it should be used to report area change between the previous year and the current inventory year. For example, the total area of land subject to Forest Management in the year preceding the inventory year, and which was deforested in the inventory year, should be reported in the cell in column of Deforestation and in the row of Forest Management.

<sup>(2)</sup> Some of the transitions in the matrix are not possible and the cells concerned have been shaded.

<sup>(3)</sup> In accordance with section 4.2.3.2 of the IPCC good practice guidance for LULUCF, the value of the reported area subject to the various activities under Article 3.3 and 3.4 for the inventory year should be that on 31 December of that year.

<sup>(4)</sup> Lands subject to Cropland Management, Grazing Land Management or Revegetation which, after 2008, are subject to activities other than those under Article 3.3 and 3.4, should still be tracked and reported under Cropland Management, Grazing Land Management or Revegetation, respectively.



**TABLE NIR 3. SUMMARY OVERVIEW FOR KEY CATEGORIES FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

KEY CATEGORIES OF EMISSIONS AND REMOVALS	GAS	CRITERIA USED FOR KEY CATEGORY IDENTIFICATION			COMMENTS <sup>(3)</sup>
		Associated category in UNFCCC inventory <sup>(1)</sup> is key (indicate which category)	Category contribution is greater than the smallest category considered key in the UNFCCC inventory <sup>(1)</sup> (including LULUCF)	Other <sup>(2)</sup>	
Specify key categories according to the national level of disaggregation used <sup>(1)</sup>					
<i>For example: Cropland Management</i>	<i>CO<sub>2</sub></i>	<i>X (Cropland remaining Cropland)</i>			

- <sup>(1)</sup> See section 5.4 of the IPCC good practice guidance for LULUCF.
- <sup>(2)</sup> This should include qualitative consideration as per section 5.4.3 of the IPCC good practice guidance for LULUCF or any other criteria.
- <sup>(3)</sup> Describe the criteria identifying the category as key.

**Documentation box:**  
 Parties should provide in the NIR the full information on methodologies used for identifying key categories (according to section 5.4 of the IPCC good practice guidance for LULUCF).

## ANNEX II

**Tables of the common reporting format for land use, land-use change and forestry under the Kyoto Protocol\*****TABLE 5(KP). REPORT OF SUPPLEMENTARY INFORMATION FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL<sup>(1), (2)</sup>**Country  
Year  
Submission

GREENHOUSE GAS SOURCE AND SINK ACTIVITIES	Net CO <sub>2</sub> emissions/ removals <sup>(3), (4)</sup>	CH <sub>4</sub> <sup>(5)</sup>	N <sub>2</sub> O <sup>(6)</sup>
	(Gg)		
<b>A. Article 3.3 activities</b>			
A.1. Afforestation and Reforestation <sup>(7)</sup>			
A.1.1. Units of land not harvested since the beginning of the commitment period			
A.1.2. Units of land harvested since the beginning of the commitment period			
A.2. Deforestation			
<b>B. Article 3.4 activities</b>			
B.1. Forest Management (if elected)			
B.2. Cropland Management (if elected)			
B.3. Grazing Land Management (if elected)			
B.4. Revegetation (if elected)			
<b>Documentation box:</b>			
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.			

<sup>(1)</sup> All estimates in this table include emissions and removals from projects under Article 6 hosted by the reporting Party.

<sup>(2)</sup> If Cropland Management, Grazing Land Management and/or Revegetation are elected, this table and all relevant tables should also be reported for the base year for these activities.

<sup>(3)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and by changing the sign for net CO<sub>2</sub> removals to be negative (-) and net CO<sub>2</sub> emissions to be positive (+).

<sup>(4)</sup> CO<sub>2</sub> emissions from liming, biomass burning and drained organic soils, where applicable, are included in this column.

<sup>(5)</sup> CH<sub>4</sub> emissions reported here for Cropland Management, Grazing Land Management and Revegetation, if elected, include only emissions from biomass burning (with the exception of savannah burning and agricultural residue burning which are reported in the Agriculture sector). Any other CH<sub>4</sub> emissions from Agriculture should be reported in the Agriculture sector.

<sup>(6)</sup> N<sub>2</sub>O emissions reported here for Cropland Management, if elected, include only emissions from biomass burning (with the exception of savannah burning and agricultural residue burning which are reported in the Agriculture sector) and N<sub>2</sub>O from conversion to Cropland of lands other than Forest Land (Table 5(KP-II)3). Any other N<sub>2</sub>O emissions from Agriculture should be reported in the Agriculture sector.

<sup>(7)</sup> As both Afforestation and Reforestation under Article 3.3 are subject to the same provisions specified in the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7, they can be reported together.

\* On all CRF tables, please use, as applicable, the notation keys as specified in the annex to decision 18/CP.8.

**TABLE 5(KP-I)A.1.1. SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

**Article 3.3 activities: Afforestation and Reforestation<sup>(1), (2)</sup>**

**Units of land not harvested since the beginning of the commitment period**

Country  
Year  
Submission

GEOGRA- PHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA		IMPLIED CARBON STOCK CHANGE FACTORS <sup>(7)</sup>									Implied emission/ removal factor per area <sup>(8)</sup>	CHANGE IN CARBON STOCK <sup>(7)</sup>						Net CO <sub>2</sub> emissions/ removals <sup>(8)</sup>			
			Carbon stock change in above-ground biomass per area <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass per area <sup>(5), (6)</sup>			Net carbon stock change in litter per area <sup>(5)</sup>	Net carbon stock change in dead wood per area <sup>(5)</sup>	Net carbon stock change in soils per area <sup>(5)</sup>		Carbon stock change in above-ground biomass <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass <sup>(5), (6)</sup>				Net carbon stock change in litter <sup>(5)</sup>	Net carbon stock change in dead wood <sup>(5)</sup>	Net carbon stock change in soils <sup>(5)</sup>
	Gains	Losses	Net change	Gains	Losses	Net change	Gains	Losses					Net change	Gains	Losses	Net change	Gains	Losses				
Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity  (kha)	(Mg C/ha)									(Mg CO <sub>2</sub> /ha)	(Gg C)						(Gg CO <sub>2</sub> )			
<b>Total for activity A.1.1</b>																						
[specify identification code]																						
	[specify subdivision]																					
	[specify subdivision]																					
[specify identification code]																						
	[specify subdivision]																					
...	...																					

**Documentation box:**  
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> Report here information on anthropogenic change in carbon stock for the inventory year for all geographical locations that encompass units of land subject to Afforestation and Reforestation under Article 3.3 not harvested since the beginning of the commitment period.  
<sup>(2)</sup> As both Afforestation and Reforestation under Article 3.3 are subject to the same provisions specified in the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7, they can be reported together.  
<sup>(3)</sup> Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation.  
<sup>(4)</sup> Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
<sup>(5)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
<sup>(6)</sup> In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
<sup>(7)</sup> Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6a of the IPCC good practice guidance for LULUCF).  
<sup>(8)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

[ENGLISH ONLY]

**TABLE 5(KP-I)A.1.2. SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

**Article 3.3 activities: Afforestation and Reforestation<sup>(1), (2)</sup>**

**Units of land harvested since the beginning of the commitment period**

Country  
Year  
Submission

GEOGRAPHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA		IMPLIED CARBON STOCK CHANGE FACTORS <sup>(7)</sup>									IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(8)</sup>	CHANGE IN CARBON STOCK <sup>(7)</sup>						Net CO <sub>2</sub> emissions/removals <sup>(8)</sup>	
	Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity  (kha)	Carbon stock change in above-ground biomass per area <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass per area <sup>(5), (6)</sup>			Net carbon stock change in litter per area <sup>(5)</sup>	Net carbon stock change in dead wood per area <sup>(5)</sup>		Net carbon stock change in soils per area <sup>(5)</sup>	Carbon stock change in above-ground biomass <sup>(5), (6)</sup>			Net carbon stock change in litter <sup>(5)</sup>	Net carbon stock change in dead wood <sup>(5)</sup>		Net carbon stock change in soils <sup>(5)</sup>
				Gains	Losses	Net change	Gains	Losses	Net change					Gains	Losses	Net change				
				(Mg C/ha)										(Gg C)						
												(Mg CO <sub>2</sub> /ha)							(Gg CO <sub>2</sub> )	
<b>Total for activity A.1.2</b>																				
[specify identification code]																				
[specify subdivision]																				
[specify subdivision]																				
[specify identification code]																				
[specify subdivision]																				
...																				

**Documentation box:**  
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) Report here information on anthropogenic change in carbon stock for the inventory year for all geographical locations that encompass units of land subject to Afforestation and Reforestation under Article 3.3 harvested since the beginning of the commitment period.  
(2) As both Afforestation and Reforestation under Article 3.3 are subject to the same provisions specified in the annex to draft decision -/CMP.1 (*Land use, land-use change and forestry*), attached to decision 11/CP.7, they can be reported together.  
(3) Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation.  
(4) Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
(5) The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
(6) In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
(7) Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6a of the IPCC good practice guidance for LULUCF).  
(8) According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

**TABLE 5(KP-I)A.1.3. SUPPLEMENTARY BACKGROUND FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

**Article 3.3 activities: Afforestation and Reforestation<sup>(1), (2)</sup>**

**Units of land otherwise subject to elected activities under Article 3.4 (information item)**

Country  
Year  
Submission

GEOGRAPHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA	
Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity (kha)
<b>Total for activity A.1.3</b>		
<i>[specify identification code]</i>		
...	<i>[specify subdivision]</i>	
	<i>[specify subdivision]</i>	
<i>[specify identification code]</i>		
...	...	

**Documentation box:**  
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> Units of land subject to Afforestation or Reforestation under Article 3.3 otherwise subject to elected activities under Article 3.4 are implicitly included under A.1.1 or A.1.2. They are reported here for transparency and to fulfill the requirement of paragraph 6 (b) (ii) of the annex to draft decision -/CMP.1 (*Article 7*), attached to decision 22/CP.7.

<sup>(2)</sup> As both Afforestation and Reforestation under Article 3.3 are subject to the same provisions specified in the annex to draft decision -/CMP.1 (Land use, land-use change and forestry), attached to decision 11/CP.7, they can be reported together.

<sup>(3)</sup> Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation, which would otherwise be included in land subject to elected activities under Article 3.4.

<sup>(4)</sup> Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.

[ENGLISH ONLY]

**TABLE 5(KP-I)A.2. SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

**Article 3.3 activities: Deforestation<sup>(1)</sup>**

Country  
Year  
Submission

GEOGRAPHICAL LOCATION <sup>(2)</sup>	ACTIVITY DATA		IMPLIED CARBON STOCK CHANGE FACTORS <sup>(6)</sup>									IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(7)</sup>	CHANGE IN CARBON STOCK <sup>(6)</sup>						Net CO <sub>2</sub> emissions/removals <sup>(7)</sup>	
	Identification code	Subdivision <sup>(3)</sup>	Area subject to the activity (kha)	Carbon stock change in above-ground biomass per area <sup>(4), (5)</sup>			Carbon stock change in below-ground biomass per area <sup>(4), (5)</sup>			Net carbon stock change in litter per area <sup>(4)</sup>	Net carbon stock change in dead wood per area <sup>(4)</sup>		Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in above-ground biomass <sup>(4), (5)</sup>			Net carbon stock change in litter <sup>(4)</sup>	Net carbon stock change in dead wood <sup>(4)</sup>		Net carbon stock change in soils <sup>(4)</sup>
				Gains	Losses	Net change	Gains	Losses	Net change					Gains	Losses	Net change				
				(Mg C/ha)										(Mg CO <sub>2</sub> /ha)	(Gg C)					
<b>Total for activity A.2.</b>																				
[specify identification code]																				
	[specify subdivision]																			
	[specify subdivision]																			
[specify identification code]																				
	[specify subdivision]																			
...	...																			

**Documentation box:**  
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) Report here information on anthropogenic change in carbon stock for the inventory year for all geographical locations that encompass units of land subject to Deforestation under Article 3.3.  
(2) Geographical location refers to the boundaries of the areas that encompass units of land subject to Deforestation.  
(3) Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
(4) The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
(5) In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
(6) Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6a of the IPCC good practice guidance for LULUCF).  
(7) According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

**TABLE 5(KP-I)A.2.1. SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**

**Article 3.3 activities: Deforestation<sup>(1)</sup>**

**Units of land otherwise subject to elected activities under Article 3.4 (information item)**

Country  
Year  
Submission

GEOGRAPHICAL LOCATION <sup>(2)</sup>	ACTIVITY DATA	
Identification code	Subdivision <sup>(3)</sup>	Area subject to the activity (kha)
<b>Total for activity A.2.1.</b>		
<i>[specify identification code]</i>		
...	<i>[specify subdivision]</i>	
...	<i>[specify subdivision]</i>	
<i>[specify identification code]</i>		
...	...	

**Documentation box:**

Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> Units of lands subject to Deforestation under Article 3.3 otherwise subject to elected activities under Article 3.4 are implicitly included under A.2. They are reported here for transparency and to fulfill the requirement of paragraph 6 (b) (ii) of the annex to draft decision -/CMP.1 (*Article 7*), attached to decision 22/CP.7.

<sup>(2)</sup> Geographical location refers to the boundaries of the areas that encompass units of land subject to Deforestation which would otherwise be included in land subject to elected activities under Article 3.4.

<sup>(3)</sup> Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.

**TABLE 5(KP-I)B.1. SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Elected Article 3.4 activities: Forest Management<sup>(1)</sup>**

Country  
 Year  
 Submission

GEOGRAPHICAL LOCATION <sup>(2)</sup>	ACTIVITY DATA		IMPLIED CARBON STOCK CHANGE FACTORS <sup>(6)</sup>									IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(7)</sup>	CHANGE IN CARBON STOCK <sup>(6)</sup>									NET CO <sub>2</sub> EMISSIONS/REMOVALS <sup>(7)</sup>
	Identification code	Subdivision <sup>(3)</sup>	Area subject to the activity (kha)	Carbon stock change in above-ground biomass per area <sup>(4), (5)</sup>			Carbon stock change in below-ground biomass per area <sup>(4), (5)</sup>			Net carbon stock change in litter per area <sup>(4)</sup>	Net carbon stock change in dead wood per area <sup>(4)</sup>		Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in above-ground biomass <sup>(4), (5)</sup>			Carbon stock change in below-ground biomass <sup>(4), (5)</sup>			Net carbon stock change in litter <sup>(4)</sup>	Net carbon stock change in dead wood <sup>(4)</sup>	
Gains				Losses	Net change	Gains	Losses	Net change	Gains			Losses		Net change	Gains	Losses	Net change	Gains	Losses			Net change
			(Mg C/ha)									(Mg CO <sub>2</sub> /ha)	(Gg C)									(Gg CO <sub>2</sub> )
<b>Total for activity B.1</b>																						
[specify identification code]																						
[specify subdivision]																						
[specify subdivision]																						
[specify identification code]																						
[specify subdivision]																						
...																						

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> If Forest Management has been elected, report here information on anthropogenic carbon stock change for the inventory year for all geographical locations that encompass land subject to Forest Management under Article 3.4.  
<sup>(2)</sup> Geographical location refers to the boundaries of the areas that encompass land subject to Forest Management (if elected).  
<sup>(3)</sup> Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
<sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
<sup>(5)</sup> In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
<sup>(6)</sup> Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6a of the IPCC good practice guidance for LULUCF).  
<sup>(7)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).



**TABLE 5(KP-I)B.2 SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Elected Article 3.4 activities: Cropland Management<sup>(1), (2)</sup>**

Country  
 Year  
 Submission

GEOGRAPHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA			IMPLIED CARBON STOCK CHANGE FACTORS <sup>(7)</sup>									IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(10)</sup>	CHANGE IN CARBON STOCK <sup>(7)</sup>								NET CO <sub>2</sub> EMISSIONS/REMOVALS <sup>(10)</sup>				
				Carbon stock change in above-ground biomass per area <sup>(5),(6)</sup>			Carbon stock change in below-ground biomass per area <sup>(5),(6)</sup>			Net carbon stock change in litter per area <sup>(5)</sup>	Net carbon stock change in dead wood per area <sup>(5)</sup>	Net carbon stock change in soils per area <sup>(5)</sup>		Carbon stock change in above-ground biomass <sup>(5),(6)</sup>			Carbon stock change in below-ground biomass <sup>(5),(6)</sup>		Net C stock change in litter <sup>(5)</sup>	Net carbon stock change in dead wood <sup>(5)</sup>	Net carbon stock change in soils <sup>(5)</sup>					
	Gains	Losses	Net change	Gains	Losses	Net change	Mineral soils	Organic soils	Gains			Losses		Net change	Gains	Losses	Net change	Mineral soils			Organic soils <sup>(8)</sup>					
Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity	Area of organic soils <sup>(9)</sup>	(Mg C/ha)									(Mg CO <sub>2</sub> /ha)	(Gg C)								(Gg CO <sub>2</sub> )				
<b>Total for activity B.2</b>																										
[specify identification code]																										
	[specify subdivision]																									
	[specify subdivision]																									
[specify identification code]																										
	[specify subdivision]																									
...	...																									

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) If Cropland Management has been elected, report here information on anthropogenic carbon stock change for the inventory year for all geographical locations that encompass land subject to Cropland Management under Article 3.4.  
 (2) If Cropland Management has been elected, this table and all relevant CRF tables should also be reported for the base year for Cropland Management.  
 (3) Geographical location refers to the boundaries of the areas that encompass land subject to Cropland Management (if elected).  
 (4) Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
 (5) The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
 (6) In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
 (7) Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6b of the IPCC good practice guidance for LULUCF).  
 (8) The value reported here is an emission and not a carbon stock change.  
 (9) This information is needed for the calculation of the net carbon stock changes in soils per area.  
 (10) According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

**TABLE 5(KP-I)B.3 SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Elected Article 3.4 activities: Grazing Land Management<sup>(1), (2)</sup>**

Country  
 Year  
 Submission

GEOGRAPHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA			IMPLIED CARBON STOCK CHANGE FACTORS <sup>(7)</sup>										IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(10)</sup> (Mg CO <sub>2</sub> /ha)	CHANGE IN CARBON STOCK <sup>(7)</sup>								NET CO <sub>2</sub> EMISSIONS/REMOVALS <sup>(10)</sup> (Gg CO <sub>2</sub> )				
	Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity (kha)	Carbon stock change in above-ground biomass per area <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass per area <sup>(5), (6)</sup>			Net carbon stock change in litter per area <sup>(5)</sup>	Net carbon stock change in dead wood per area <sup>(5)</sup>	Net carbon stock change in soils per area <sup>(5)</sup>			Carbon stock change in above-ground biomass <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass <sup>(5), (6)</sup>			Net C stock change in litter <sup>(5)</sup>	Net carbon stock change in dead wood <sup>(5)</sup>		Net carbon stock change in soils <sup>(5)</sup>			
				Gains	Losses	Net change	Gains	Losses	Net change			Mineral soils	Organic soils		Gains	Losses	Net change	Gains	Losses	Net change				Mineral soils	Organic soils <sup>(8)</sup>		
																										(Mg C/ha)	
<b>Total for activity B.3</b>																											
[specify identification code]																											
	[specify subdivision]																										
	[specify subdivision]																										
[specify identification code]																											
	[specify subdivision]																										
...	...																										

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) If Grazing Land Management has been elected, report here information on anthropogenic carbon stock change for the inventory year for all geographical locations that encompass land subject to Grazing Land Management under Article 3.4.  
 (2) If Grazing Land Management has been elected, this table and all relevant CRF tables should also be reported for the base year for Cropland Management.  
 (3) Geographical location refers to the boundaries of the areas that encompass land subject to Grazing Land Management (if elected).  
 (4) Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
 (5) The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
 (6) In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
 (7) Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6b of the IPCC good practice guidance for LULUCF).  
 (8) The value reported here is an emission and not a carbon stock change.  
 (9) This information is needed for the calculation of the net carbon stock changes in soils per area.  
 (10) According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

**TABLE 5(KP-1)B.4 SUPPLEMENTARY BACKGROUND DATA ON CARBON STOCK CHANGES AND NET CO<sub>2</sub> EMISSIONS AND REMOVALS FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Elected Article 3.4 activities: Revegetation<sup>(1), (2)</sup>**

Country  
 Year  
 Submission

GEOGRAPHICAL LOCATION <sup>(3)</sup>	ACTIVITY DATA			IMPLIED CARBON STOCK CHANGE FACTORS <sup>(7)</sup>									IMPLIED EMISSION/REMOVAL FACTOR PER AREA <sup>(10)</sup>	CHANGE IN CARBON STOCK <sup>(7)</sup>								NET CO <sub>2</sub> EMISSIONS/REMOVALS <sup>(10)</sup>				
	Identification code	Subdivision <sup>(4)</sup>	Area subject to the activity <sup>(9)</sup>	Carbon stock change in above-ground biomass per area <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass per area <sup>(5), (6)</sup>			Net carbon stock change in litter per area <sup>(5)</sup>	Net carbon stock change in dead wood per area <sup>(5)</sup>	Net carbon stock change in soils per area <sup>(5)</sup>		Carbon stock change in above-ground biomass <sup>(5), (6)</sup>			Carbon stock change in below-ground biomass <sup>(5), (6)</sup>			Net C stock change in litter <sup>(5)</sup>	Net carbon stock change in dead wood <sup>(5)</sup>		Net carbon stock change in soils <sup>(5)</sup>		Net CO <sub>2</sub> emissions/removals <sup>(10)</sup>	
				Gains	Losses	Net change	Gains	Losses	Net change			Mineral soils		Organic soils	Gains	Losses	Net change	Gains	Losses				Net change	Mineral soils		Organic soils <sup>(8)</sup>
<b>Total for activity B.4</b>																										
[specify identification code]																										
	[specify subdivision]																									
	[specify subdivision]																									
[specify identification code]																										
	[specify subdivision]																									
...	...																									

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) If Revegetation has been elected, report here information on anthropogenic carbon stock change for the inventory year for all geographical locations that encompass land subject to Revegetation under Article 3.4.  
 (2) If Revegetation has been elected, this table and all relevant CRF tables should also be reported for the base year for Revegetation.  
 (3) Geographical location refers to the boundaries of the areas that encompass land subject to Revegetation (if elected).  
 (4) Activity data may be further subdivided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone, national land classification or other criteria. Complete one row for each subdivision.  
 (5) The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).  
 (6) In all cases where the good practice guidance methods used give separate estimates of gains and losses, these estimates should be reported.  
 (7) Note that net change corresponds to increase/decrease of carbon stock (see table 4.2.6b of the IPCC good practice guidance for LULUCF).  
 (8) The value reported here is an emission and not a carbon stock change.  
 (9) This information is needed for the calculation of the net carbon stock changes in soils per area.  
 (10) According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

[ENGLISH ONLY]

**TABLE 5(KP-II)1 SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Direct N<sub>2</sub>O emissions from N fertilization<sup>(1), (2)</sup>**

Country  
Year  
Submission

Identification code of geographical location	ACTIVITY DATA	IMPLIED EMISSION FACTOR	EMISSIONS
	Total amount of fertilizer applied (Gg N/year)	N <sub>2</sub> O-N emissions per unit of fertilizer (kg N <sub>2</sub> O-N/kg N) <sup>(3)</sup>	N <sub>2</sub> O (Gg)
<b>A.1.1. Afforestation/Reforestation: units of land not harvested since the beginning of the commitment period<sup>(4)</sup></b>			
<i>[specify identification code]</i>			
...			
<b>A.1.2. Afforestation/Reforestation: units of land harvested since the beginning of the commitment period<sup>(4)</sup></b>			
<i>[specify identification code]</i>			
...			
<b>B.1. Forest Management (if elected)<sup>(5)</sup></b>			
<i>[specify identification code]</i>			
...			

**Documentation box:**  
Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> N<sub>2</sub>O emissions from fertilization for Cropland Management, Grazing Land Management and Revegetation should be reported in the Agriculture sector. If a Party is not able to separate fertilizer applied to Forest Land from Agriculture, it may report all N<sub>2</sub>O emissions from fertilization in the Agriculture sector. This should be explicitly indicated in the documentation box.  
<sup>(2)</sup> Direct N<sub>2</sub>O emissions from fertilization are estimated following section 3.2.1.4.1 of the IPCC good practice guidance for LULUCF based on the amount of fertilizer applied to land under Forest Management. The indirect N<sub>2</sub>O emissions from Afforestation and Reforestation and land under Forest Management are estimated as part of the total indirect emissions in the Agriculture sector based on the total amount of fertilizer used in the country. Parties should show that double counting of N<sub>2</sub>O emissions from fertilization with Agriculture sector estimates has been avoided.  
<sup>(3)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.  
<sup>(4)</sup> Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation.  
<sup>(5)</sup> Geographical location refers to the boundaries of the areas that encompass land subject to Forest Management (if elected).

**TABLE 5(KP-II)2 SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**N<sub>2</sub>O emissions from drainage of soils<sup>(1), (2)</sup>**

Country  
 Year  
 Submission

Identification code of geographical location <sup>(3)</sup>	ACTIVITY DATA	IMPLIED EMISSION FACTOR	EMISSIONS
	Area of drained soils (kha)	N <sub>2</sub> O-N per area drained (kg N <sub>2</sub> O-N/ha) <sup>(4)</sup>	N <sub>2</sub> O (Gg)
<b>B.1. Forest Management (if elected)</b>			
<i>Total for organic soils</i>			
<i>Total for mineral soils</i>			
<i>[specify identification code]</i>			
Organic soils			
Mineral soils			
...			

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> Methodologies for estimating N<sub>2</sub>O emissions from drainage of soils are not addressed in the Revised 1996 IPCC Guidelines, but Appendix 3a.2 of the IPCC good practice guidance for LULUCF provides methodologies for consideration.

<sup>(2)</sup> N<sub>2</sub>O emissions from drainage of soils include those resulting from Forest Management. N<sub>2</sub>O emissions from drained Cropland and Grassland soils are covered in the Agriculture sector under Cultivation of Histosols.

<sup>(3)</sup> Geographical location refers to the boundaries of the areas that encompass land subject to Forest Management (if elected).

<sup>(4)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

**TABLE 5(KP-II)3 SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**N<sub>2</sub>O emissions from disturbance associated with land-use conversion to cropland<sup>(1), (2)</sup>**

Country  
Year  
Submission

Identification code of geographical location	ACTIVITY DATA	IMPLIED EMISSION FACTOR	EMISSIONS
	Land area converted (kha)	N <sub>2</sub> O-N per area converted <sup>(5)</sup> (kg N <sub>2</sub> O-N/ha)	N <sub>2</sub> O (Gg)
<b>A.2. Deforestation<sup>(3), (6)</sup></b>			
<i>Total organic soils</i>			
<i>Total mineral soils</i>			
<i>[specify identification code]</i>			
Organic soils <sup>(7)</sup>			
Mineral soils <sup>(7)</sup>			
...			
<b>B.2. Cropland Management (if elected)<sup>(4), (8)</sup></b>			
<i>Total organic soils</i>			
<i>Total mineral soils</i>			
<i>[specify identification code]</i>			
Organic soils <sup>(7)</sup>			
Mineral soils <sup>(7)</sup>			
...			
<b>Information items<sup>(9)</sup></b>			
<b>A.2.1. Deforestation: units of land otherwise subject to elected activities under Article 3.4<sup>(6)</sup></b>			
<i>Total organic soils</i>			
<i>Total mineral soils</i>			
<i>[specify identification code]</i>			
Organic soils <sup>(7)</sup>			
Mineral soils <sup>(7)</sup>			
...			

**Documentation box:**

Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

<sup>(1)</sup> Methodologies for N<sub>2</sub>O emissions from disturbance associated with land-use conversion to Croplands are found in section 3.3.2.3.1.1 of the IPCC good practice guidance for LULUCF. N<sub>2</sub>O emissions from fertilization in the preceding land use and new land use should not be reported here. Parties should avoid double counting with N<sub>2</sub>O emissions from drainage and from cultivation of organic soils reported in Agriculture under Cultivation of Histosols.

<sup>(2)</sup> According to the IPCC good practice guidance for LULUCF N<sub>2</sub>O emissions from disturbance of soils are relevant only for land conversions to Cropland. N<sub>2</sub>O emissions from Cropland Management when Cropland is remaining Cropland are included in the Agriculture sector.

<sup>(3)</sup> Geographical location refers to the boundaries of the areas that encompass units of land subject to Deforestation.

<sup>(4)</sup> Geographical location refers to the boundaries of the areas that encompass land subject to Cropland Management, if elected.

<sup>(5)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

<sup>(6)</sup> N<sub>2</sub>O emissions associated with Deforestation followed by the establishment of Cropland should be reported under Deforestation even if Cropland Management is not elected under Article 3.4.

<sup>(7)</sup> Parties may separate data for organic and mineral soils, if they have data available.

<sup>(8)</sup> This includes N<sub>2</sub>O emissions in land subject to Cropland Management from disturbance of soils due to the conversion to Cropland of lands other than Forest Lands.

<sup>(9)</sup> Units of land subject to Deforestation under Article 3.3 otherwise subject to elected activities under Article 3.4 are implicitly included under A.2. They are reported here for transparency and to fulfil the requirement of paragraph 6 (b) (ii) of the annex to draft decision -/CMP.1 (Article 7), attached to decision 22/CP.7.

**TABLE 5(KP-II)4 SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**Carbon emissions from lime application<sup>(1)</sup>**

Country  
 Year  
 Submission

Identification code of geographical location <sup>(2)</sup>	ACTIVITY DATA	IMPLIED EMISSION FACTOR	EMISSIONS
	Total amount of lime applied (Mg/year)	Carbon emission per unit of lime (Mg C/Mg)	Carbon (Gg)
<b>A.1.1. Afforestation/Reforestation: units of land not harvested since the beginning of the commitment period<sup>(2), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>A.1.2. Afforestation/Reforestation: units of land harvested since the beginning of the commitment period<sup>(2), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>A.2. Deforestation<sup>(3), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>B.1. Forest Management (if elected)<sup>(4), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>B.2. Cropland Management (if elected)<sup>(5), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>B.3. Grazing Land Management (if elected)<sup>(6), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			
<b>B.4. Revegetation (if elected)<sup>(7), (8), (9)</sup></b>			
<i>Total for limestone</i>			
<i>Total for dolomite</i>			
<i>[specify identification code]</i>			
Limestone (CaCO <sub>3</sub> )			
Dolomite (CaMg(CO <sub>3</sub> ) <sub>2</sub> )			
...			

**Documentation box:**  
 Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) Carbon emissions from agricultural lime application are addressed in sections 3.3.1.2.1.1 and 3.3.2.1.1.1 of the IPCC good practice guidance for LULUCF.  
 (2) Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation.  
 (3) Geographical location refers to the boundaries of the areas that encompass units of land subject to Deforestation.  
 (4) Geographical location refers to the boundaries of the areas that encompass land subject to Forest Management, if elected.  
 (5) Geographical location refers to the boundaries of the areas that encompass land subject to Cropland Management, if elected.  
 (6) Geographical location refers to the boundaries of the areas that encompass land subject to Grazing Land Management, if elected.  
 (7) Geographical location refers to the boundaries of the areas that encompass land subject to Revegetation, if elected.  
 (8) If Parties are not able to separate lime application for different geographical locations, they should include liming for all geographical locations in the total.  
 (9) A Party may report aggregate estimates for total lime applications when data are not available for limestone and dolomite.

**TABLE 5(KP-II)5 SUPPLEMENTARY BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY ACTIVITIES UNDER THE KYOTO PROTOCOL**  
**GHG emissions from biomass burning**

Country  
 Year  
 Submission

Identification code of geographical location	ACTIVITY DATA			IMPLIED EMISSION FACTOR			EMISSIONS		
	Description <sup>(7)</sup>	Unit	Values	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> <sup>(8)</sup>	CH <sub>4</sub> <sup>(8)</sup>	N <sub>2</sub> O
	Area (AB) or biomass burned (BB)	ha or kg dm		(Mg/activity data unit)			(Gg)		
<b>A.1.1. Afforestation/Reforestation: units of land not harvested since the beginning of the commitment period<sup>(1), (9)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>A.1.2. Afforestation/Reforestation: units of land harvested since the beginning of the commitment period<sup>(1), (9)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>A.2. Deforestation<sup>(2), (9)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>B.1. Forest Management (if elected)<sup>(3), (9)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>B.2. Cropland Management (if elected)<sup>(4), (9), (10)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>B.3. Grazing Land Management (if elected)<sup>(5), (9), (11)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									
<b>B.4. Revegetation (if elected)<sup>(6), (9)</sup></b>									
<i>Total for controlled burning</i>									
<i>Total for wildfires</i>									
<i>[specify identification code]</i>									
Controlled burning									
Wildfires									
...									

**Documentation box:**

Parties should provide detailed explanation on the land use, land-use change and forestry sector in the relevant annex of the NIR: Supplementary information on LULUCF activities under the Kyoto Protocol. Use this documentation box to provide references to relevant sections of the NIR if any additional details are needed to understand the content of this table.

(1) Geographical location refers to the boundaries of the areas that encompass units of land subject to Afforestation and Reforestation.  
 (2) Geographical location refers to the boundaries of the areas that encompass units of land subject to Deforestation.  
 (3) Geographical location refers to the boundaries of the areas that encompass land subject to Forest Management, if elected.  
 (4) Geographical location refers to the boundaries of the areas that encompass land subject to Cropland Management, if elected.  
 (5) Geographical location refers to the boundaries of the areas that encompass land subject to Grazing Land Management, if elected.  
 (6) Geographical location refers to the boundaries of the areas that encompass land subject to Revegetation, if elected.  
 (7) For each activity, activity data should be selected between area burned (AB) or biomass burned (BB). Units will be ha for area burned, and kg dm for biomass burned. The implied emission factor will refer to the selected activity data with an automatic change in the units.  
 (8) If CO<sub>2</sub> emissions from biomass burning are not already included in Tables 5(KP-I)A.1.1 to 5(KP-I)B.4, they should be reported here. This also includes the carbon component of CH<sub>4</sub>. This should be clearly documented in the documentation box and in the NIR. Parties that include all carbon stock changes in the carbon stock tables 5(KP-I)A.1.1 to 5(KP-I)B.4 should report IE (included elsewhere) in the CO<sub>2</sub> column.  
 (9) Parties should report controlled/prescribed burning and wildfires emissions separately, where appropriate.  
 (10) Burning of agricultural residues is included in the Agriculture sector.  
 (11) Greenhouse gas emissions from prescribed savannah burning are reported in the Agriculture sector.



## Draft decision -/CMP.1

### Good practice guidance for land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling*, in particular, Article 3, paragraphs 3 and 4, Article 5, paragraph 2, and Article 7, paragraph 1, of the Kyoto Protocol,

*Recalling also* decisions 11/CP.7, 19/CP.7, 21/CP.7, 22/CP.7 and 13/CP.9,

*Reaffirming* that anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol should be reported in a transparent, consistent, comparable, complete and accurate way,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Decides* that for the first commitment period Parties included in Annex I to the Convention that have ratified the Kyoto Protocol shall apply the good practice guidance for land use, land-use change and forestry, as developed by the Intergovernmental Panel on Climate Change, in a manner consistent with the Kyoto Protocol and draft decision -/CMP.1 (*Land use, land-use change and forestry*) and the annex to this draft decision,<sup>1</sup> for the purpose of providing information on anthropogenic greenhouse gas emissions by sources and removals by sinks from land use, land-use change and forestry activities under Article 3, paragraph 3, and, if any, elected activities under Article 3, paragraph 4, in accordance with Article 5, paragraph 2 of the Kyoto Protocol;

2. *Decides* to use, for reporting information supplementary to annual greenhouse gas inventory information in the first commitment period, in addition to the elements specified in paragraphs 5–9 of the annex to draft decision -/CMP.1 (*Article 7*), attached to decision 22/CP.7, supplementary information to be included in an annex to the national inventory report, contained in annex I to this decision, as well as the tables of the common reporting format<sup>2</sup> for activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol, contained in annex II to this decision;

3. *Requests* the secretariat to develop reporting software for the tables referred to in paragraph 2 above.

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<sup>1</sup> Noting that reporting methods contained in chapter 4 of the Intergovernmental Panel on Climate Change *Good Practice Guidance for Land Use, Land-use Change and Forestry*, should ensure that areas of land subject to land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, are identifiable.

<sup>2</sup> The common reporting format is a standardized format to be used by Parties for electronic reporting of estimates of greenhouse gas emissions and removals and any other relevant information. For technical reasons (for example, size of tables and fonts), the layout of the printed version of the tables of the common reporting format for land use, land-use change and forestry activities in this document cannot be standardized.

ANNEXES

*[to be incorporated in accordance with decision 15/CP.10, paragraph 5]*

## Decision 16/CP.10

### Issues relating to registry systems under Article 7, paragraph 4, of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decisions 11/CP.7, 15/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 24/CP.7, 24/CP.8 and 19/CP.9,

*Welcoming* the considerable progress that has been made by many Parties included in Annex I to the Convention in developing their national registries and by the secretariat in developing the specifications of the data exchange standards, the clean development mechanism registry and the international transaction log,<sup>1</sup>

*Recognizing* that, in order to facilitate regional greenhouse gas emissions trading schemes, Parties may establish registry systems which are additional to those referred to in decision 19/CP.7 and consistent with the modalities for the accounting of assigned amounts under Article 7, paragraph 4, of the Kyoto Protocol, hereinafter referred to as supplementary transaction logs,

*Recognizing* that the early establishment of registry systems is essential for the prompt start of the clean development mechanism under Article 12 of the Kyoto Protocol,

*Recognizing* the role of the compilation and accounting database under Article 7, paragraph 4, of the Kyoto Protocol in facilitating the automated checks of the international transaction log,

*Noting* the role of the secretariat, as the administrator of the international transaction log, in establishing and maintaining the international transaction log,

*Noting* the importance of effective, long-term cooperation among administrators of registry systems, namely of national registries, the clean development mechanism registry, the international transaction log and supplementary transaction logs,

1. *Requests* Parties to the Kyoto Protocol with a commitment inscribed in Annex B to inform the secretariat, prior to the twenty-second sessions of the subsidiary bodies (May 2005), of the organizations designated as national registry administrators, and where appropriate supplementary transaction log administrators, including organizations designated to perform this role on an interim basis;

2. *Takes note* that the general design requirements of the technical standards for data exchange between registry systems have been elaborated, in accordance with decision 24/CP.8, through the development of detailed functional and technical specifications;

3. *Reiterates* that national registries, the clean development mechanism registry and the international transaction log<sup>2</sup> shall implement the functional and technical specifications of these data exchange standards, including periodic updates developed through cooperation among administrators of registry systems, made available by the administrator of the international transaction log;

4. *Requests* the administrator of the international transaction log, in cooperation with administrators of other registry systems, to develop common operational procedures for implementation in all registry systems, as well as recommended practices and information-sharing measures for registry

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<sup>1</sup> Referred to in decision 19/CP.7 as the independent transaction log.

<sup>2</sup> Referred to in decision 19/CP.7 as the independent transaction log.

systems, in order to facilitate and promote compatibility, accuracy, efficiency and transparency in the operation of registry systems;

5. *Requests* the administrator of the international transaction log to include the following common operational procedures among those referred to in paragraph 4 above:

- (a) Standardized testing and independent assessment reporting for registry systems and measures to ensure their implementation of the data exchange standards, which include the automated checks to be performed by the international transaction log
- (b) Coordinated reconciliation of data between registry systems, on the basis of the reconciliation processes defined in the data exchange standards
- (c) Coordinated change management in the specifications of the data exchange standards, including the development, implementation and monitoring of changes
- (d) Initialization and maintenance of secure electronic communications, including in relation to the obligations and responsibilities of each registry system
- (e) Prevention and resolution of technical and operational problems;

6. *Requests* the administrator of the international transaction log:

- (a) To make publicly available the versions of the functional and technical specifications of the data exchange standards to be implemented by registry systems;
- (b) To make publicly available information on the functions of the international transaction log, including the automated checks to be performed;
- (c) To facilitate the cooperation among administrators of registry systems referred to in paragraphs 4 and 5 above and the involvement of appropriate experts from Parties to the Kyoto Protocol not included in Annex I to the Convention, in particular in relation to the preparation of standardized testing and independent assessment reporting for the international transaction log, as referred to in paragraph 5 (a) above;
- (d) To explore appropriate ways to exchange technical information with administrators of similar types of registry systems;
- (e) To initialize and maintain secure electronic communications with registries and supplementary transaction logs, on the basis of their fulfilment of technical requirements defined by the data exchange standards and the common operational procedures referred to in paragraphs 4 and 5 above;
- (f) To send notifications, as defined in the specifications of the data exchange standards, of actions to be carried out by registries and, where a registry has not undertaken an action within the specified time frame, to forward the relevant information to the Party concerned and make it available for the review of the Party under Article 8 of the Kyoto Protocol;
- (g) To access data maintained in the compilation and accounting database referred to in decision 19/CP.7 and other information systems to facilitate the automated checks of the international transaction log;

- (h) To forward to supplementary transaction logs data relating to Parties participating in regional greenhouse gas emissions trading schemes, for the technical implementation of such schemes;
- (i) To establish arrangements, including possible legal arrangements, with the administrators of registries and supplementary transaction logs, as necessary, on the basis of the common operational procedures referred to in paragraphs 4 and 5 above;
- (j) To elaborate standard electronic formats for the reporting of the information referred to in paragraph 7 (b) and (c) below;
- (k) To forward independent assessment reports of national registries, as referred to in paragraph 5 (a) above, including the results of standardized testing, for consideration as part of the review of national registries under Article 8 of the Kyoto Protocol;
- (l) To provide information to review teams under Article 8 of the Kyoto Protocol, upon their request, in order to facilitate their work;
- (m) To report annually to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on organizational arrangements, activities and resource requirements and to make any necessary recommendations to enhance the operation of registry systems;

7. *Requests* the administrator of the international transaction log to make the following up-to-date information publicly available:

- (a) Information on the operational status of each registry system
- (b) Information on units for which a discrepancy or inconsistency has been identified by the international transaction log and units for which a discrepancy or inconsistency has not been resolved
- (c) Information on required actions specified in notifications sent by the international transaction log that have not been completed within the specified time frame
- (d) By 15 April each year, aggregated information on unit holdings in each registry at the end of the previous calendar year (based on Universal Time), by the unit and account types defined in the data exchange standards and at a level of detail consistent with that reported by Parties to the Kyoto Protocol included in Annex I to the Convention under Article 7, paragraph 1, of the Kyoto Protocol;

8. *Requests* the Chair of the Subsidiary Body for Scientific and Technological Advice, in accordance with decision 19/CP.7, to convene consultations, prior to the twenty-second session of the Subsidiary Body for Scientific and Technological Advice, with Parties to the Kyoto Protocol included and not included in Annex I to the Convention on the checks to be performed by the international transaction log and their conformity with the relevant provisions of decisions by the Conference of the Parties, and report the results of the consultations to the Subsidiary Body for Scientific and Technological Advice for consideration at its twenty-second session;

9. *Requests* the secretariat, as the administrator of the international transaction log, to report to the Subsidiary Body for Scientific and Technological Advice at its twenty-second session on progress regarding the implementation of the international transaction log, in particular in relation to the content and timing of the testing and initialization of registry systems, with a view to concluding the

testing of available registry systems prior to the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

10. *Further requests* the secretariat, as the administrator of the international transaction log, to conduct its standardized testing and independent assessment, and to report the results to the Subsidiary Body for Scientific and Technological Advice for consideration at its twenty-third session (November 2005);

11. *Expresses* concern about the current estimated USD 1.6 million<sup>3</sup> shortfall in resources for the work relating to registry systems in the biennium 2004–2005 vis-à-vis the resource requirements referred to in decision 16/CP.9 and additional needs arising from increased activity levels;

12. *Urges* Parties included in Annex II to the Convention that are Parties to the Kyoto Protocol to make contributions, in an expeditious manner, to the UNFCCC Trust Fund for Supplementary Activities in order to enable the full development, establishment and operation of the international transaction log during 2005, including the implementation of the additional activities requested in this decision;

13. *Requests* the secretariat to further specify the resource requirements for the operational activities of the administrator of the international transaction log during the biennium 2006–2007 and explore options in the draft programme budget for the biennium, to be considered by the Subsidiary Body for Implementation at its twenty-second session, for the predictable and sufficient provision of these resources;

14. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt a decision on the role and functions of the administrator of the international transaction log, in particular with respect to the data exchange standards and the cooperation among administrators of registry systems.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

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<sup>3</sup> This figure is based on salary costs as estimated in 2003 for the 2004–2005 biennium. It may be revised to reflect the effect of currency fluctuations.

## Decision 17/CP.10

### Standard electronic format for reporting Kyoto Protocol units<sup>1</sup>

*The Conference of the Parties,*

*Recalling* its decisions 11/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 22/CP.8 and 19/CP.9, and the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Article 7,

*Being aware* of its decision 13/CP.10,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Standard electronic format for reporting Kyoto Protocol units*) below;
2. *Notes* the importance of the compilation and accounting database and that additional resources will be required for its establishment;
3. *Encourages* Parties included in Annex II to the Convention which are Parties to the Kyoto Protocol to make contributions to the UNFCCC Trust Fund For Supplementary Activities for the work on the compilation and accounting database in 2005;
4. *Requests* the secretariat to develop the compilation and accounting database in coordination with the development of the international transaction log and to report on progress to the Subsidiary Body for Scientific and Technological Advice;
5. *Further requests* the secretariat to consult with administrators of registry systems to facilitate the review of national registries and assigned amount information under Article 8 of the Kyoto Protocol.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*

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<sup>1</sup> Emission reduction units, certified emission reductions, including temporary certified emission reductions and long-term certified emission reductions, assigned amount units and removal units.

## Draft decision -/CMP.1

### Standard electronic format for reporting Kyoto Protocol units<sup>1</sup>

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* the relevant provisions of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its Article 7 and decisions 11/CP.7, 16/CP.7, 17/CP.7, 18/CP.7, 19/CP.7, 19/CP.9 and 13/CP.10,

*Being aware* of the time frames for submission of information under Article 7 of the Kyoto Protocol established under decision -/CMP.1 (*Article 7*),

*Having considered* decision 17/CP.10,

1. *Adopts* the standard electronic format for reporting Kyoto Protocol units and the reporting instructions as contained in the annex to this decision, in accordance with paragraph 2 of section E of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (annex to draft decision -/CMP.1 (*Article 7*));
2. *Decides* that Parties included in Annex I to the Convention may use the formats elaborated by the administrator of the international transaction log in accordance with paragraph 6 (j) of decision 16/CP.10 to report information required under paragraphs 3 to 7 of section E of the guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol (annex to draft decision -/CMP.1 (*Article 7*));
3. *Decides* that, where a Party included in Annex I to the Convention undertakes a corrective transaction to reflect a correction to the compilation and accounting database applied by the Compliance Committee, pursuant to chapter V, paragraph 5 (b), of the annex to decision -/CMP.1 (*Procedures and mechanisms relating to compliance under the Kyoto Protocol*), the information in the compilation and accounting database shall be appropriately amended to avoid double counting, following the review of the corrective transaction in accordance with Article 8 of the Kyoto Protocol and the resolution of any questions of implementation;
4. *Decides* to extend the code of practice for the treatment of confidential information for the reviews of inventories under Article 8 of the Kyoto Protocol<sup>2</sup> to the review of assigned amount information under Article 8 of the Kyoto Protocol.

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<sup>1</sup> Emission reduction units, certified emission reductions, including temporary certified emission reductions and long-term certified emission reductions, assigned amount units and removal units.

<sup>2</sup> Adopted by decisions 12/CP.9 and -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol*).



## ANNEX

**Standard electronic format for reporting of information on  
Kyoto Protocol units<sup>1</sup>****I. General reporting instructions**

1. The standard electronic format (SEF) is an essential part of submission under Article 7.1 of the Kyoto Protocol. It is designed to facilitate reporting of Kyoto Protocol units by Parties included in Annex I to the Convention (Annex I Parties) and review of Kyoto Protocol units.
2. Each Annex I Party shall annually report the SEF to the secretariat electronically. Any related information of a non-quantitative character shall be submitted separately. Unless otherwise indicated, Parties shall submit information for the previous calendar year (based on Universal Time). This is referred to as the 'reported year' (for example, in the 2010 SEF submission, the 'reported year' will be the 2009 calendar year).
3. For each commitment period, each Annex I Party shall submit the SEF in the year following the calendar year in which the Party first transferred or acquired Kyoto Protocol units. The first calendar year for which a Party reports this information shall in addition include any CERs that were forwarded by the clean development mechanism (CDM) registry to the registry accounts of project participants and Parties involved, under the prompt start of the CDM. Each Annex I Party shall submit the SEF annually thereafter until the expiration of the additional period for fulfilment of commitments for that commitment period.<sup>2</sup>
4. If an Annex I Party is undertaking transactions for two or more commitment periods simultaneously, then the Party shall provide a separate, complete report for each commitment period. Each report shall contain information only on those Kyoto Protocol units valid for that commitment period.<sup>3</sup>
5. The SEF consists of six tables. All values shall be recorded in the tables as positive, whole units. Negative values shall not be entered.
6. In accordance with the relevant provisions of the Kyoto Protocol, not all unit types are relevant for each account or transaction type. Where a cell is shaded in a table, the information or transaction does not apply for that particular unit type.
7. All tables shall be filled in completely. If no units of a particular type occurred for a transaction in the previous year, the Party shall enter NO in the cell for 'not occurring'.
8. In the interest of readability, descriptive titles are used in the SEF to refer to specific account and transaction types. Explanations of these descriptive titles and references to the pertinent provisions under the Kyoto Protocol are provided under the relevant table below.

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<sup>1</sup> Assigned amount units (AAUs), emission reduction units (ERUs), removal units (RMUs), certified emission reductions (CERs), including temporary certified emission reductions (tCERs) and long-term certified emission reductions (lCERs).

<sup>2</sup> For the first commitment period, the reported years will probably be 2007–2015. These years are illustrative in the SEF, and should be changed as appropriate by the Annex I Party.

<sup>3</sup> With the exception of table 3, which requires information on tCERs and lCERs that were valid in previous commitment periods.

## II. Instructions on individual tables

### A. Table 1. Total quantities of Kyoto Protocol units by account type at beginning of reported year

9. In table 1, Annex I Parties shall provide information on the total quantities of Kyoto Protocol units in each account type, by unit type, in the national registry as of 1 January of the reported year.
10. Each Annex I Party shall report on the total quantities of Kyoto Protocol units, by unit type, held in each of the account types specified in the following paragraphs of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*) as described below:
- (a) 'Party holding accounts' (paragraph 21 (a))
  - (b) 'Entity holding accounts' (paragraph 21 (b))
  - (c) 'Article 3.3/3.4 net source cancellation accounts' for cancellation of Kyoto Protocol units as a result of emissions from activities under Article 3.3 and 3.4 of the Kyoto Protocol (paragraph 21 (c))
  - (d) 'Non-compliance cancellation account' for cancellation of Kyoto Protocol units following a determination by the compliance committee that the Party is not in compliance with its commitment under Article 3.1 (paragraph 21 (d))
  - (e) 'Other cancellation accounts' for other cancellations (paragraph 21 (e)). Parties shall not include the quantities of any Kyoto Protocol units in the registry's mandatory cancellation accounts as defined in the data exchange standards
  - (f) 'Retirement accounts' (paragraph 21 (f)).
11. In addition, each Annex I Party shall report on the total quantities of Kyoto Protocol units, by type, held in each of the account types specified in the following paragraphs of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*):
- (a) 'tCER replacement account for expiry' to cancel AAUs, CERs, ERUs, RMUs and/or tCERs for the purpose of replacing tCERs before expiry (paragraph 43)
  - (b) 'lCER replacement account for expiry' to cancel AAUs, CERs, ERUs and/or RMUs for the purpose of replacing lCERs before expiry (paragraph 47 (a))<sup>4</sup>
  - (c) 'lCER replacement account for reversal in storage' to cancel AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where there has been a reversal of removals by sinks (paragraph 47 (b))
  - (d) 'lCER replacement account for non-submission of certification report', to cancel AAUs, CERs, ERUs, RMUs and/or lCERs from the same project activity for the purpose of replacing lCERs where a certification report has not been provided (paragraph 47 (c)).

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<sup>4</sup> The technical standards for data exchange between registries use separate account types to distinguish between different causes for replacement and to facilitate tracking of lCERs.

**B. Table 2 (a). Annual internal transactions**

12. In table 2 (a), Annex I Parties shall report information on the total quantities of Kyoto Protocol units involved in internal transactions (those that did not involve another registry) that occurred between 1 January and 31 December of the reported year, as described below, including any corrective transactions (see paragraph 42 below).

13. Under the Article 6 section, Annex I Parties shall report information relating to joint implementation projects under the Kyoto Protocol in accordance with the following paragraphs of the annex to decision -/CMP.1 (*Article 6*):

- (a) For 'Party-verified projects' (also referred to as 'track one' projects) Annex I Parties shall report information pertaining to projects where emission reductions or enhancement of removals have been verified by the host Party in accordance with paragraph 23 of the annex to decision -/CMP.1 (*Article 6*):
  - (i) Each Annex I Party shall report under 'Additions' the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
  - (ii) The Party shall report under 'Subtractions' the corresponding quantity of AAUs converted, or, in the case of land use, land-use change and forestry (LULUCF) projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (b) For 'independently verified projects' (also referred to as 'track two' projects), Annex I Parties shall report information pertaining to projects where emission reductions or enhancement of removals have been verified through the procedure under the Article 6 supervisory committee in accordance with paragraphs 30–45 of the annex to decision -/CMP.1 (*Article 6*):
  - (i) Each Annex I Party shall report under 'Additions' the total quantity of ERUs issued pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
  - (ii) The Party shall report under 'Subtractions' the corresponding quantity of AAUs converted, or, in the case of LULUCF projects, the corresponding quantity of RMUs converted, pursuant to paragraph 29 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

14. Under the section 'Article 3.3 and 3.4 issuance or cancellation', each Annex I Party shall report information on its LULUCF activities, by individual activity, in accordance with the annex to decision -/CMP.1 (*Land use, land-use change and forestry*), and with its election of activities pursuant to paragraph 8 (c) and (d) of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*):

- (a) For any activity that resulted in a net removal, each Annex I Party shall report under 'Additions' the total quantity of RMUs issued pursuant to paragraph 25 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (b) For any activity resulting in net emissions, each Party shall report under 'Subtractions' the total quantities of AAUs, ERUs, RMUs and/or CERs cancelled pursuant to

paragraph 32 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*). For any single activity, Parties shall **not** report a value under both ‘Additions’ and ‘Subtractions’.

15. Under the section ‘Article 12 afforestation and reforestation’, each Annex I Party shall report information related to afforestation and reforestation project activities under the CDM specified in the following paragraphs of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*):<sup>5</sup>

- (a) ‘Replacement of expired tCERs’ – the total quantities of AAUs, CERs, ERUs, RMUs and/or tCERs that were transferred to the tCER replacement account (paragraph 44)
- (b) ‘Replacement of expired ICERs’ – the total quantities of AAUs, CERs, ERUs, and/or RMUs that were transferred to the ICER replacement account for expiry (paragraph 47 (a))
- (c) ‘Replacement for reversal of storage’ – the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for reversal of storage (paragraph 47 (b))
- (d) ‘Replacement for non-submission of certification report’ – the total quantities of AAUs, CERs, ERUs, RMUs and/or ICERs that were transferred to the ICER replacement account for non-submission of certification report (paragraph 47 (c)).

16. Under ‘Other cancellation’, each Annex I Party shall report the total quantities of Kyoto Protocol units, by type, that were cancelled for other reasons. Parties shall not include the quantities of any Kyoto Protocol units in the registry’s mandatory cancellation accounts as defined in the data exchange standards.

17. Each Annex I Party shall sum the quantities of Kyoto Protocol units in each column and report these under ‘Sub-total’.

18. In the box ‘Retirement’, each Annex I Party shall report under ‘Retirement’ the total quantities of Kyoto Protocol units, by type, that were transferred to the retirement account. These values shall not be included in the main body of table 2 (a).

### **C. Table 2 (b). Annual external transactions**

19. In table 2 (b), Annex I Parties shall report information on the total quantities of Kyoto Protocol units involved in external transactions (those that involved another registry) that occurred between 1 January and 31 December of the reported year, including any corrective transactions (see paragraph 42 below).

20. Each Annex I Party shall include a separate row for each registry (Party or CDM registry) to which it transferred, from which it acquired or from which it was forwarded, Kyoto Protocol units during the previous year:

- (a) Each Party shall report the quantities of all Kyoto Protocol units acquired from a registry, or forwarded from the CDM registry, by type, under ‘Additions’
- (b) Each Party shall report the total quantities of Kyoto Protocol units transferred to that registry, by type, under ‘Subtractions’ on the same line.

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<sup>5</sup> Additional information relating to afforestation and reforestation project activities is reported in table 3.

21. Each Annex I Party shall sum the quantities of Kyoto Protocol units in each column and report these under 'Sub-total'.

22. If an Annex I Party has transferred for the first time ERUs that were independently verified by the Article 6 supervisory committee, the Party shall indicate the total quantity of these ERUs in the 'Additional information' box. (Note that this quantity shall also be included in the main body of table 2 (b).)

#### **D. Table 2 (c). Total annual transactions**

23. Each Annex I Party shall add the sub-totals of table 2 (a) and table 2 (b) and report the corresponding quantities under 'Total' in table 2 (c).

#### **E. Table 3. Expiry, cancellation and replacement**

24. In table 3, Annex I Parties shall report information on the expiry, cancellation and replacement of tCERs and ICERs in accordance with the modalities and procedures for afforestation and reforestation project activities under the CDM specified in the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). Parties shall include all transactions that occurred between 1 January and 31 December of the reported year, including any corrective transactions (see paragraph 42 below).

25. Each Annex I Party shall report the following information under the section 'Temporary CERs (tCERs)':

- (a) 'Expired in retirement and replacement accounts' – the quantity of tCERs that expired in the reported year in the retirement and tCER replacement account for the previous commitment period. (Note that these tCERs will have been valid for the previous commitment period and will expire in the final year of the commitment period.)
- (b) 'Replacement of expired tCERs' – the quantities of AAUs, CERs, ERUs, RMUs and/or tCERs that were transferred to the tCER replacement account pursuant to paragraph 43 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (c) 'Expired in holding accounts' – the quantity of tCERs that expired in all Party and entity holding accounts. (Note that these tCERs will have been valid for the previous commitment period and will expire in the final year of the commitment period.)
- (d) 'Cancellation of tCERs expired in holding accounts' – the quantity of tCERs that expired in all Party and entity holding accounts and that were subsequently moved to the mandatory cancellation account, pursuant to paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

26. Each Annex I Party shall report the following information under the section 'Long-term CERs (ICERs)':

- (a) 'Expired in retirement and replacement accounts' – the quantity of ICERs that expired in the reported year in the retirement and ICER replacement accounts for previous commitment periods. (Note that these ICERs will have been valid for a previous commitment period.)
- (b) 'Replacement of expired ICERs' – the quantities of AAUs, CERs, ERUs and/or RMUs that were transferred to the 'ICER Replacement account for expiry' pursuant to

paragraph 48 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*). Parties shall report quantities of Kyoto Protocol units transferred to replace ICERs due to expire in the current or future commitment periods

- (c) 'Expired in holding accounts' – the quantity of ICERs that expired in all Party and entity holding accounts. (Note that these ICERs will have been valid for a previous commitment period.)
- (d) 'Cancellation of ICERs expired in holding accounts' – the quantity of ICERs that expired in all Party and entity holding accounts and that were subsequently moved to the mandatory cancellation account, pursuant to paragraph 53 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (e) 'Subject to replacement for reversal of storage' – in the event that the Party has received notification(s) of a reversal of removals from a project activity from the Executive Board of the CDM, the quantity of ICERs that the Party is required to replace pursuant to that notification
- (f) 'Replacement for reversal of storage' – the quantities of AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity that were transferred to the 'ICER Replacement account for reversal of storage' pursuant to paragraph 49 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*)
- (g) 'Subject to replacement for non-submission of certification report' – in the event that the Party has received a notification(s) of non-submission of certification report from the Executive Board of the CDM, the quantity of ICERs that the Party is required to replace pursuant to that notification
- (h) 'Replacement for non-submission of certification report' – in the event that the Party has received a notification of non-submission of a certification report for a project, the quantities of AAUs, CERs, ERUs, RMUs and/or ICERs from the same project activity that were transferred to the 'ICER Replacement account for non-submission of certification' pursuant to paragraph 50 of the annex to decision -/CMP.1 (*Afforestation and reforestation project activities under the CDM*).

27. Annex I Parties shall sum the quantities of Kyoto Protocol units in each column and report these under 'Total'.

**F. Table 4. Total quantities of Kyoto Protocol units by account type at end of reported year**

28. In table 4, Annex I Parties shall include information on the total quantities of Kyoto Protocol units in each account type, by unit type, in the national registry as of 31 December of the reported year.

29. Parties should refer to account type references for table 1.

**G. Table 5 (a). Summary information on additions and subtractions**

30. In table 5(a), Annex I Parties shall report cumulative information for the reported year and previously reported years to facilitate the recording of information for the commitment period in the compilation and accounting database in accordance with the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).

31. Under 'Starting values' each Annex I Party shall report:

- (a) 'Issuance pursuant to Article 3.7 and 3.8' – the total quantity of AAUs issued on the basis of their assigned amount under Article 3, paragraphs 7 and 8, pursuant to paragraph 23 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)
- (b) 'Non-compliance cancellation' – if applicable, the quantities of Kyoto Protocol units, by type, that the Party cancelled pursuant to a determination by the compliance committee that the Party is not in compliance with its commitment under Article 3.1 for the previous commitment period pursuant to paragraph 37 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*)<sup>6</sup>
- (c) 'Carry-over' – if applicable, the total quantities of AAUs, ERUs and/or CERs that were carried over from the previous commitment period pursuant to paragraph 15 of the annex to decision -/CMP.1 (*Modalities for the accounting of assigned amounts*).<sup>7</sup>

32. Under the 'Annual transactions' section, each Annex I Party shall provide summary information on the transactions for the reported year and previously reported years for the commitment period:

- (a) For the reported year, each Party shall report the total quantities of Kyoto Protocol units, by type, from table 2 (c)
- (b) For all other years, the Party shall report the total quantities of Kyoto Protocol units, as reported in table 5 (a) in the previous SEF
- (c) Under 'Total', each Party shall report the sum to date of all transactions.

#### **H. Table 5 (b). Summary information on replacement**

33. In table 5 (b), Annex I Parties shall provide summary information relating to the replacement of tCERs and ICERs for each reported year for the commitment period.

34. Under 'Previous CPs', each Annex I Party shall report the total quantities of Kyoto Protocol units, by type, that were transferred to the 'tCER replacement account for expiry' and/or the 'ICER replacement account for expiry' in previous commitment periods to replace tCERs or ICERs due to expire in the current commitment period. For the first commitment period, Parties shall record NO in all cells in this row.

35. For the reported year, each Annex I Party shall report:

- (a) Under 'Requirement for replacement', the total quantities of tCERs and ICERs that expired in the reported year in retirement and replacement accounts for previous commitment periods or that are otherwise subject to replacement in that year
- (b) Under 'Replacement', the total quantities of Kyoto Protocol units, by type, cancelled to replace tCERs or ICERs. (Note that these quantities should match those reported under 'Total' in table 3.)

36. For all years prior to the reported year, the Annex I Party shall repeat the information under 'Requirement for replacement' and under 'Replacement' as reported in the previous SEF.

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<sup>6</sup> This information will not be available until completion of the compliance assessment for the previous commitment period, following the expiration of the additional period for fulfilment of commitments.

<sup>7</sup> This information will not be available until completion of the compliance assessment for the previous commitment period, following the expiration of the additional period for fulfilment of commitments.

37. Under 'Total', each Annex I Party shall report the sum of each column. (Note that at the end of the commitment period, the total quantities of tCERs and ICERs under 'Requirement for replacement' should match the total quantities of Kyoto Protocol units under 'Replacement'.)

**I. Table 5 (c). Summary information on retirement**

38. In table 5 (c), Annex I Parties shall provide summary information on retirement to facilitate the compliance assessment at the end of the additional period for fulfilling commitments.

39. For the reported year, each Annex I Party shall report under 'Retirement', the total quantities of Kyoto Protocol units, by type, retired in that year for the purpose of demonstrating its compliance with its commitment under Article 3, paragraph 1, of the Kyoto Protocol. (Note that these quantities should match those reported under 'Retirement' in table 2 (a).)

40. For all years prior to the reported year, the Annex I Party shall repeat the information as reported in the previous SEF.

41. Under 'Total', each Annex I Party shall report the sum of each column.

**J. Table 6. Memo item: Corrective transactions undertaken in the reported year**

42. In tables 6 (a) to (c), Annex I Parties shall report any corrective transactions undertaken in the reported year relating to previously reported years, including transactions to address a correction to the compilation and accounting database applied by the compliance committee, pursuant to paragraph 5 (b) in chapter V of the annex to decision -/CMP.1 (*Procedures and mechanisms relating to compliance under the Kyoto Protocol*). Note that quantities of Kyoto Protocol units reported here are included in the annual transactions reported in tables 2 and 3 and are reported in tables 6 (a) to (c) as a memo item for the purpose of transparency. Parties shall provide explanations for these transactions in accompanying text, as required by paragraph 8 of section E of the guidelines for reporting under Article 7 of the Kyoto Protocol.



Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 1. Total quantities of Kyoto Protocol units by account type at beginning of reported year**

Account type	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Party holding accounts						
Entity holding accounts						
Article 3.3/3.4 net source cancellation accounts						
Non-compliance cancellation accounts						
Other cancellation accounts						
Retirement account						
tCER replacement account for expiry						
ICER replacement account for expiry						
ICER replacement account for reversal in storage						
ICER replacement account for non-submission of certification report						
<b>Total</b>						

Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 2 (a). Annual internal transactions**

Transaction type	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
<b>Article 6 issuance and conversion</b>												
Party-verified projects												
Independently verified projects												
<b>Article 3.3 and 3.4 issuance or cancellation</b>												
3.3 Afforestation and reforestation												
3.3 Deforestation												
3.4 Forest management												
3.4 Cropland management												
3.4 Grazing land management												
3.4 Revegetation												
<b>Article 12 afforestation and reforestation</b>												
Replacement of expired tCERs												
Replacement of expired ICERs												
Replacement for reversal of storage												
Replacement for non-submission of certification report												
<b>Other cancellation</b>												
<b>Sub-total</b>												

Transaction type	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
<b>Retirement</b>						

Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 2 (b). Annual external transactions**

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
<b>Transfers and acquisitions</b>												
[Registry name]												
[Registry name]												
[Registry name]												
[Registry name]												
[Registry name]												
<b>Sub-total</b>												

**Additional information**

Independently verified ERUs												
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**Table 2 (c). Total annual transactions**

<b>Total (Sum of tables 2 (a) and 2 (b))</b>												
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Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 3. Expiry, cancellation and replacement**

Transaction or event type	Expiry, cancellation and requirement to replace		Replacement					
	Unit type		Unit type					
	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
	<b>Temporary CERs (tCERs)</b>							
Expired in retirement and replacement accounts								
Replacement of expired tCERs								
Expired in holding accounts								
Cancellation of tCERs expired in holding accounts								
<b>Long-term CERs (ICERs)</b>								
Expired in retirement and replacement accounts								
Replacement of expired ICERs								
Expired in holding accounts								
Cancellation of ICERs expired in holding accounts								
Subject to replacement for reversal of storage								
Replacement for reversal of storage								
Subject to replacement for non-submission of certification report								
Replacement for non-submission of certification report								
<b>Total</b>								

Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 4. Total quantities of Kyoto Protocol units by account type at end of reported year**

Account type	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Party holding accounts						
Entity holding accounts						
Article 3.3/3.4 net source cancellation accounts						
Non-compliance cancellation accounts						
Other cancellation accounts						
Retirement account						
tCER replacement account for expiry						
ICER replacement account for expiry						
ICER replacement account for reversal in storage						
ICER replacement account for non-submission of certification report						
<b>Total</b>						

Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 5 (a). Summary information on additions and subtractions**

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
<b>Starting values</b>												
Issuance pursuant to Article 3.7 and 3.8												
Non-compliance cancellation												
Carry-over												
<b>Sub-total</b>												
<b>Annual transactions</b>												
Year 0 (2007)												
Year 1 (2008)												
Year 2 (2009)												
Year 3 (2010)												
Year 4 (2011)												
Year 5 (2012)												
Year 6 (2013)												
Year 7 (2014)												
Year 8 (2015)												
<b>Sub-total</b>												
<b>Total</b>												

**Table 5 (b). Summary information on replacement**

	Requirement for replacement		Replacement					
	Unit type		Unit type					
	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
<b>Previous CPs</b>								
Year 1 (2008)								
Year 2 (2009)								
Year 3 (2010)								
Year 4 (2011)								
Year 5 (2012)								
Year 6 (2013)								
Year 7 (2014)								
Year 8 (2015)								
<b>Total</b>								

**Table 5 (c). Summary information on retirement**

Year	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Year 1 (2008)						
Year 2 (2009)						
Year 3 (2010)						
Year 4 (2011)						
Year 5 (2012)						
Year 6 (2013)						
Year 7 (2014)						
Year 8 (2015)						
<b>Total</b>						

Party  
 Submission year  
 Reported year  
 Commitment Period

**Table 6 (a). Memo item: Corrective transactions relating to additions and subtractions**

	Additions						Subtractions					
	Unit type						Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions												

**Table 6 (b). Memo item: Corrective transactions relating to replacement**

	Requirement for replacement		Replacement					
	Unit type		Unit type					
	tCERs	ICERs	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions								

**Table 6 (c). Memo item: Corrective transactions relating to retirement**

	Retirement					
	Unit type					
	AAUs	ERUs	RMUs	CERs	tCERs	ICERs
Transactions						

## Decision 18/CP.10

### **Issues relating to the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention and the implementation of Article 8 of the Kyoto Protocol**

*The Conference of the Parties,*

*Recalling* Article 12, paragraph 9, of the Convention and decisions 23/CP.7, 19/CP.8, 12/CP.9 and 21/CP.9,

*Having considered* the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Requests* Parties included in Annex I to the Convention (Annex I Parties) whose inventories contain information that is designated as confidential to provide this information during centralized and in-country reviews, at the request of an expert review team, in accordance with the code of practice for the treatment of confidential information adopted by decision 12/CP.9;
2. *Requests* the secretariat to facilitate timely access by expert review teams to information during these reviews, in accordance with the code of practice for the treatment of confidential information adopted by decision 12/CP.9;
3. *Decides* that an Annex I Party may, at its discretion and in cooperation with the secretariat, make confidential inventory information available to expert review teams during those periods in which experts are neither present in the country under review nor at the offices of the secretariat, through appropriate procedures, provided that these procedures do not entail additional financial costs for the secretariat. A Party's decision not to submit confidential information in those periods does not constitute an inconsistency with the reporting requirements relating to Annex I Parties' greenhouse gas inventories;
4. *Requests* the secretariat to avoid the organization of further desk reviews for those Annex I Parties where it is known that the expert review team could not access confidential information requested during a desk review, and instead subject those Parties to centralized or in-country reviews, to the extent that resources permit;
5. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session adopt draft decision -/CMP.1 (*Issues relating to the implementation of Article 8 of the Kyoto Protocol*) below.

*6<sup>th</sup> plenary meeting  
17–18 December 2004*



## Draft decision -/CMP.1

### Issues relating to the implementation of Article 8 of the Kyoto Protocol

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Recalling* decisions 23/CP.7, in particular paragraph 9 of the annex to draft decision -/CMP (*Guidelines for review under Article 8 of the Kyoto Protocol*) attached to that decision, 12/CP.9 and 21/CP.9,

*Having considered* decision 18/CP.10,

1. *Decides* that the content of the paragraphs 1 to 4 of decision 18/CP.10 relating to access to confidential information by inventory expert review teams for the technical review of greenhouse gas inventories of Parties included in Annex I to the Convention (Annex I Parties), shall apply and be given full effect for the reviews of inventories under Article 8 of the Kyoto Protocol;
2. *Decides* that the expert review team shall note in the review report the relevant information requested by the expert review team, that was designated as confidential by the Annex I Party, to which it did not have access;
3. *Decides* that, as an exception to paragraph 10 of the technical guidance on methodologies for adjustments annexed to decision -/CMP.1 (*Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) attached to decision 20/CP.9, an expert review team may recommend, on the basis of review of inventory information of an Annex I Party that is designated as confidential by this Party, the retroactive application of an adjustment for the relevant years of the commitment period for which a review team was not given opportunities to access the confidential information in question, as noted in previous review reports;
4. *Decides* that, with respect to any adjustments applied retroactively in accordance with paragraph 3 above, only the adjustment applied for the current inventory year under review shall be relevant for the eligibility requirements laid out in paragraph 3 (e) of draft decision -/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*) attached to decision 22/CP.7;
5. *Decides* that, for the inventory submitted for the final year of the commitment period, all Annex I Parties shall be subject to in-country or centralized reviews.

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NATIONS



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CONFERENCE OF THE PARTIES

**Report of the Conference of the Parties  
on its eleventh session, held at Montreal  
from 28 November to 10 December 2005**

Addendum

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

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## Decision 1/CP.11

### Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention

*The Conference of the Parties,*

*Recalling* the ultimate objective, principles and commitments of the Convention, as set out in its Articles 2, 3 and 4,

*Recognizing* that climate change is a serious challenge that has the potential to affect every part of the globe,

*Deeply concerned* that all countries, particularly developing countries, face an increased risk of the negative impacts of climate change,

*Reaffirming* that economic and social development and poverty eradication are the first and overriding priorities of developing country Parties,

*Recognizing* that the full implementation of the commitments of Parties included in Annex I to the Convention will provide positive and innovative opportunities for developing countries to take more action to address climate change,

*Further recognizing* that there is a diversity of approaches to address climate change,

*Acknowledging* that the global nature of climate change calls for the widest possible cooperation and participation in an effective and appropriate international response, in accordance with the principles of the Convention,

*Recognizing* the essential role of technology in addressing climate change and the urgent need to initiate and enhance technology development and transfer for meaningful and effective actions to implement Article 4, paragraph 5, of the Convention,

*Recalling* decision 4/CP.7, paragraph 4, which urges developed country Parties to provide technical and financial assistance, as appropriate, through existing bilateral and multilateral cooperative programmes to support the efforts of the Parties to enhance the implementation of Article 4, paragraph 5, of the Convention,

1. *Resolves* to engage in a dialogue, without prejudice to any future negotiations, commitments, process, framework or mandate under the Convention, to exchange experiences and analyse strategic approaches for long-term cooperative action to address climate change that includes, inter alia, the following areas:

- (a) Advancing development goals in a sustainable way
- (b) Addressing action on adaptation
- (c) Realizing the full potential of technology
- (d) Realizing the full potential of market-based opportunities;

2. *Further resolves* that the dialogue will take the form of an open and non-binding exchange of views, information and ideas in support of enhanced implementation of the Convention, and will not open any negotiations leading to new commitments;

3. *Agrees* that the dialogue will be informed by the best available scientific information and assessment on climate change and its impacts from the Intergovernmental Panel on Climate Change, as well as other relevant scientific, technical, social and economic information;

4. *Further agrees* that the dialogue should enable Parties to continue to develop effective and appropriate national and international responses to climate change, and serve as a forum for identifying actions to promote research, development and deployment of, as well as investment in, cleaner technologies and infrastructure;

5. *Further agrees* that the dialogue should identify approaches which would support, and provide the enabling conditions for, actions put forward voluntarily by developing countries that promote local sustainable development and mitigate climate change in a manner appropriate to national circumstances, including concrete actions to enable countries, in particular developing countries, to manage and adapt to climate change;

6. *Further agrees* that the dialogue should explore ways and means to promote access by developing countries to cleaner and climate-friendly technologies and technologies for adaptation through the creation of enabling environments, concrete actions and programmes;

7. *Decides that:*

- (a) The dialogue will be conducted under the guidance of the Conference of the Parties and will take place in up to four workshops, where possible pre-session workshops, open to all Parties, to be organized by the secretariat, subject to the availability of resources;
- (b) The dialogue will be facilitated by two co-facilitators, one from a Party included in Annex I to the Convention and one from a Party not included in Annex I to the Convention, who will be selected by each group, respectively;
- (c) The two co-facilitators will report on the dialogue and on the information and diversity of views presented by Parties to the twelfth (November 2006) and thirteenth (December 2007) sessions of the Conference of the Parties;

8. *Invites* Parties to submit to the secretariat, no later than 15 April 2006, their initial views on the issues to be discussed in this dialogue and requests the secretariat to make these submissions available to the first workshop;

9. *Notes* that the organization of the discussions will require additional resources to enable the participation of delegates from eligible Parties and to enable the secretariat to provide the necessary support for the dialogue;

10. *Encourages* Parties to provide additional contributions to the Trust Fund for Participation in the UNFCCC Process and additional supplementary funds for the work of the secretariat to support this dialogue with the understanding that the dialogue will be conducted in the most cost-effective way.

## Decision 2/CP.11

### **Five-year programme of work of the Subsidiary Body for Scientific and Technological Advice on impacts, vulnerability and adaptation to climate change**

*The Conference of the Parties,*

*Recalling* its decisions 1/CP.8, 11/CP.9 and 1/CP.10,

*Noting* that adaptation to climate change and its adverse effects is of high priority for all countries and that developing countries, especially the least developed countries and small island developing States, are particularly vulnerable,

*Noting further* the increasing body and evolving nature of scientific knowledge, including new information about significant changes in the Arctic and other areas, and of practical experiences responding to adaptation needs,

*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 sustained economic growth and the eradication of poverty,

*Recognizing and encouraging* the activities relating to impacts, vulnerability and adaptation to climate change undertaken by Parties and relevant international and regional organizations and institutions, and the importance of local and indigenous knowledge,

*Noting* that the five-year programme of work of the Subsidiary Body for Scientific and Technological Advice on impacts, vulnerability and adaptation to climate change is of broad concern to all Parties,

*Having considered* the recommendations of the Subsidiary Body for Scientific and Technological Advice at its twenty-third session,

1. *Adopts* the five-year programme of work of the Subsidiary Body for Scientific and Technological Advice on impacts, vulnerability and adaptation to climate change (hereinafter referred to as the programme of work) as contained in the annex to this decision;
2. *Decides* that the programme of work should be undertaken consistent with the terms of reference of the Subsidiary Body for Scientific and Technological Advice as referred to in Article 9 of the Convention;
3. *Urges* all Parties to participate in the implementation of the programme of work;
4. *Requests* Parties in a position to do so to support the implementation of the programme of work;
5. *Requests* the Subsidiary Body for Scientific and Technological Advice, under the guidance of its Chair and with the assistance of the secretariat, to coordinate the implementation of the programme of work, subject to the availability of resources;
6. *Requests* the Subsidiary Body for Scientific and Technological Advice:

- (a) To start the implementation of the programme of work by undertaking the initial activities specified in the conclusions of the Subsidiary Body for Scientific and Technological Advice at its twenty-third session;
- (b) To consider and further elaborate, at its twenty-fourth session (May 2006), additional activities and modalities of the programme of work, including the timing of these activities and the possible need for and role that a group or groups of experts could have in the implementation of the programme of work, based on the draft indicative list of activities in an annex to the final report of the Subsidiary Body for Scientific and Technological Advice at its twenty-third session;
- (c) To consider at subsequent sessions the results of initial activities and to provide guidance, as appropriate, on further action;
- (d) To consider, at its twenty-eighth session (June 2008), further activities as well as appropriate timing and modalities for their inclusion in the programme of work based on the results of the initial activities, information presented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change and other new scientific information, as well as relevant activities from international and regional institutions;
- (e) To review and report on the programme of work to the Conference of the Parties at its sixteenth session (December 2010).

## ANNEX

**Five-year programme of work of the Subsidiary Body for Scientific and Technological Advice on impacts, vulnerability and adaptation to climate change****I. Objective**

1. The objective of this programme of work of the Subsidiary Body for Scientific and Technological Advice (SBSTA) is to assist all Parties, in particular developing countries, including the least developed countries and small island developing States, to improve their understanding and assessment of impacts, vulnerability and adaptation, and to make informed decisions on practical adaptation actions and measures to respond to climate change on a sound, scientific, technical and socio-economic basis, taking into account current and future climate change and variability.

**II. Expected outcome**

2. The expected outcomes of the programme of work are:
- (a) Enhanced capacity at international, regional, national, sectoral and local levels to further identify and understand impacts, vulnerability, and adaptation responses, and to select and implement practical, effective and high priority adaptation actions;
  - (b) Improved information and advice to the Conference of the Parties (COP) and its subsidiary bodies on the scientific, technical and socio-economic aspects of impacts, vulnerability and adaptation, including facilitating the implementation of decision 1/CP.10, where relevant;
  - (c) Enhanced development, dissemination and use of knowledge from practical adaptation activities;
  - (d) Enhanced cooperation among Parties, relevant organizations, business, civil society and decision makers, aimed at enhancing their ability to manage climate change risks;
  - (e) Enhanced integration of actions to adapt to climate change with sustainable development.

**III. Scope of work**

3. The programme of work comprises two thematic areas, each with several action-oriented sub-themes:
- (a) Impacts and vulnerability:
    - (i) Promoting development and dissemination of methodologies and tools for impact and vulnerability assessments, such as rapid assessments and bottom-up approaches, including as they apply to sustainable development;
    - (ii) Improving collection, management, exchange, access to and use of observational data and other relevant information on current and historical climate and its impacts, and promoting improvement of observations, including the monitoring of climate variability;



- (iii) Promoting the development of, access to, and use of information and data on projected climate change;
  - (iv) Promoting understanding of impacts of, and vulnerability to, climate change, current and future climate variability and extreme events, and the implications for sustainable development;
  - (v) Promoting the availability of information on the socio-economic aspects of climate change and improving the integration of socio-economic information into impact and vulnerability assessments;
- (b) Adaptation planning, measures and actions:
- (i) Promoting the development and dissemination of methods and tools for assessment and improvement of adaptation planning, measures and actions, and integration with sustainable development;
  - (ii) Collecting, analysing and disseminating information on past and current practical adaptation actions and measures, including adaptation projects, short- and long-term adaptation strategies, and local and indigenous knowledge;
  - (iii) Promoting research on adaptation options and the development and diffusion of technologies, know-how and practices for adaptation, particularly addressing identified adaptation priorities and building on lessons learned from current adaptation projects and strategies;
  - (iv) Facilitating communication and cooperation among and between Parties and relevant organizations, business, civil society and decision makers, and other stakeholders;
  - (v) Promoting understanding and the development and dissemination of measures, methodologies and tools including for economic diversification aimed at increasing economic resilience and reducing reliance on vulnerable economic sectors, especially for relevant categories of countries listed in Article 4, paragraph 8, of the Convention.

4. The programme of work will be implemented through specific activities under each sub-theme. The implementation of such activities should incorporate the following cross-cutting issues:

- (a) Methodologies, data and modelling
- (b) Integration into sustainable development.

5. The work should draw on relevant information and activities under the Convention, as well as information from, and activities being undertaken in, other relevant international, regional and other organizations.

#### **IV. Modalities**

6. The modalities for implementation of the programme of work, depending on the nature of the specific activities and availability of resources, may include:

- (a) Workshops and meetings;

- (b) The drawing on of knowledge, expertise and input from experts, practitioners and relevant organizations, including to prepare reports and other materials for considerations by Parties and the SBSTA;
- (c) The building on and/or updating of relevant existing compendiums and web-based resources;
- (d) Targeted submissions, including those based on questionnaires, from Parties and organizations;
- (e) Reports and technical papers, assessments prepared by the secretariat, Convention expert groups or experts from other organizations;
- (f) Other modalities, such as a group or groups of experts, upon agreement by the SBSTA.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 3/CP.11

### Further guidance for the operation of the Least Developed Countries Fund<sup>1</sup>

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 9, of the Convention,

*Recalling* its decision 6/CP.9,

1. *Decides* that the operation of the Least Developed Countries Fund should be consistent with the following principles:
  - (a) A country-driven approach, supporting the implementation of urgent and immediate activities identified in national adaptation programmes of action, as a way of enhancing adaptive capacity
  - (b) Supporting the implementation of activities identified in national adaptation programmes of action, and of other elements of the least developed countries work programme identified in decision 5/CP.7, in order to promote the integration of adaptation measures in national development and poverty reduction strategies, plans or policies, with a view to increasing resilience to the adverse effects of climate change
  - (c) Supporting a learning-by-doing approach;
2. *Decides* that full-cost funding shall be provided by the Least Developed Countries Fund to meet the additional costs<sup>2</sup> of activities to adapt to the adverse effects of climate change as identified and prioritized in the national adaptation programmes of action;
3. *Requests* the Global Environment Facility to develop a co-financing scale for supporting activities identified in national adaptation programmes of action, taking into account the circumstances of least developed countries;
4. *Decides* that activities, identified in national adaptation programmes of action, that are not supported through full-cost funding as described in paragraph 2 above, will be co-financed through the scale referred to in paragraph 3 above;
5. *Requests* the Global Environment Facility to develop flexible modalities that ensure balanced access to resources given the level of funds available, in accordance with decision 6/CP.9;
6. *Invites* Parties included in Annex II to the Convention to continue contributing to the Least Developed Countries Fund for the implementation of national adaptation programmes of action;
7. *Decides* that, given the unique circumstances of the Least Developed Countries Fund, the operation of the fund shall not set a precedent for other funding arrangements under the Convention;
8. *Requests* the Subsidiary Body for Implementation to review, at its twenty-sixth session (May 2007), the experiences gained from the implementation of national adaptation programmes of action, including those in accessing funds from the Least Developed Countries Fund;

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<sup>1</sup> See FCCC/SBI/2005/10, paragraph 44.

<sup>2</sup> For the purpose of this decision, "additional costs" means the costs imposed on vulnerable countries to meet their immediate adaptation needs.

9. *Requests* the Global Environment Facility to ensure the separation of the administration and activities of the Trust Fund of the Global Environment Facility and the Least Developed Countries Fund;

10. *Requests* the Global Environment Facility to include, in its reports to the Conference of the Parties, information on the specific steps it has taken to implement this decision, for consideration by the Conference of the Parties at subsequent sessions;

11. *Decides* to assess progress in the implementation of this decision and consider the adoption of further guidance, as appropriate, at its fourteenth session (December 2008).

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 4/CP.11

### Extension of the mandate of the Least Developed Countries Expert Group

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.7, 29/CP.7, 7/CP.9 and 4/CP.10,

*Recognizing* the specific needs and special situations of the least developed countries under Article 4, paragraph 9, of the Convention,

*Welcoming* the technical papers of the Least Developed Countries Expert Group,

*Having considered* the progress report of the Least Developed Countries Expert Group contained in document FCCC/SBI/2005/20,

*Expressing* its appreciation to the Least Developed Countries Expert Group for its good work in supporting the preparation of national adaptation programmes of action,

*Noting* with appreciation the support that the secretariat has provided to the Least Developed Countries Expert Group,

1. *Decides* to extend the mandate of the Least Developed Countries Expert Group under the terms of reference adopted by decision 29/CP.7;

2. *Requests* the Least Developed Countries Expert Group, serving in an advisory capacity to the least developed countries, to develop a work programme that includes implementation of national adaptation programmes of action, for consideration by the Subsidiary Body for Implementation at its twenty-fourth session (May 2006);

3. *Decides* that, consistent with decision 7/CP.9, paragraph 2, new experts may be nominated to the Least Developed Countries Expert Group, or existing members of the group may continue in office, as determined by the respective regions or groups;

4. *Requests* the secretariat to continue to facilitate the work of the Least Developed Countries Expert Group;

5. *Decides* to review, at its thirteenth session (December 2007), the progress, need for continuation and terms of reference of the group, and to adopt a decision thereon.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 5/CP.11

### Additional guidance to an operating entity of the financial mechanism

*The Conference of the Parties,*

*Recalling* Article 3, Article 4, paragraphs 1, 3, 4, 7, 8 and 9, Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4, of the Convention,

*Recalling also* its decisions 13/CP.1, 10/CP.2, 11/CP.2, 12/CP.2, 1/CP.4, 2/CP.4, 8/CP.5, 10/CP.5, 2/CP.7, 3/CP.7, 5/CP.7, 6/CP.7, 7/CP.7, 5/CP.8, 7/CP.8, 3/CP.9, 4/CP.9 and 9/CP.9,

*Recalling further* that, in accordance with decision 11/CP.1, the Conference of the Parties is to give guidance on policies, programme priorities and eligibility criteria to an operating entity of the financial mechanism,

1. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism of the Convention, to include in its regular report to the Conference of the Parties information on:
  - (a) The initial application of the Resource Allocation Framework to resources allocated in the fourth replenishment of the Global Environment Facility that is operational from July 2006, focusing on the climate change focal area;
  - (b) How the Resource Allocation Framework is likely to affect funding available to developing countries for the implementation of their commitments under the Convention;
2. *Requests* the Global Environment Facility, in accordance with Article 12, paragraph 4, of the Convention, and decision 11/CP.1, to assist, if so requested, Parties not included in Annex I to the Convention in formulating and developing project proposals identified in their national communications, when Parties are formulating their national programmes to address climate change issues;
3. *Requests* the Global Environment Facility to consider whether supporting carbon capture and storage technologies, in particular related capacity-building activities, would be consistent with its strategies and objectives, and if so, how they could be incorporated within its operational programmes;
4. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties at its twelfth session (November 2006) information on specific steps undertaken to implement decisions relating to paragraphs 2 and 3 above.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 6/CP.11

### Development and transfer of technologies

*The Conference of the Parties,*

*Recalling* the relevant provisions of the Convention, in particular its Article 4, paragraphs 1, 3, 5, 7 and 8, Article 9, paragraph 2 (c), Article 11, paragraphs 1 and 5, and Article 12, paragraphs 3 and 4,

*Recalling* its decisions 11/CP.1, 13/CP.1, 7/CP.2, 9/CP.3, 2/CP.4, 4/CP.4, 9/CP.5, 4/CP.7, 10/CP.8 and 6/CP.10,

*Re-emphasizing* that the implementation of the commitments of developed country Parties and other developed Parties included in Annex II, as stated in Article 4, paragraph 5, of the Convention, is contributing to, and is an essential condition for, the effective implementation by developing country Parties of their commitments under the Convention,

*Welcoming* progress made in the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, and the review of the Expert Group on Technology Transfer in accordance with decision 4/CP.7,

*Noting* the terms of reference agreed upon at the twenty-second session of the Subsidiary Body for Scientific and Technological Advice for the Expert Group on Technology Transfer to prepare recommendations for enhancing implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention,

*Agreeing* on the need to develop a process for the review of the progress of the work and terms of reference, including, if appropriate, the status and continuation, of the Expert Group on Technology Transfer by the Conference of the Parties at its twelfth session as mandated in decision 4/CP.7, paragraph 2,

*Recognizing* the need to realize the full potential of technology in combating climate change, and that substantial reduction in greenhouse gas emissions in the long term will rely to a large extent on the development, deployment, diffusion and transfer of environmentally sound technologies,

1. *Invites* Parties, in supporting the review of the progress of the work and terms of reference, including, if appropriate, the status and continuation, of the Expert Group on Technology Transfer by the Conference of the Parties at its twelfth session in accordance with decision 4/CP.7, to submit to the secretariat, by 4 August 2006, their views and suggestions on the status and continuation of the Expert Group on Technology Transfer by addressing, inter alia, the following:

- (a) Progress and achievements of the Expert Group on Technology Transfer in enhancing the implementation of the framework;
- (b) Adequacy of the terms of reference of the Expert Group on Technology Transfer contained in the annex to decision 4/CP.7;
- (c) Availability and allocation of resources for the Expert Group on Technology Transfer and the secretariat in enhancing the implementation of the framework and addressing issues mandated by the Subsidiary Body for Scientific and Technological Advice;

2. *Requests* the secretariat:
  - (a) To compile the submissions of Parties referred to in paragraph 1 into a miscellaneous document and make it available for consideration by the Subsidiary Body for Scientific and Technological Advice at its twenty-fifth session (November 2006);
  - (b) To organize a senior-level round-table discussion between Parties, international financing organizations, the private sector and other stakeholders at the twenty-fifth session of the Subsidiary Body for Scientific and Technological Advice to discuss and exchange views on issues, experience and lessons learned, and strategies for short-, medium- and long-term international technology cooperation and partnerships in the development, deployment, diffusion and transfer of environmentally sound technologies and know-how to enable more informed decisions on actions in the future;
3. *Requests* the Subsidiary Body for Scientific and Technological Advice, when considering, at its twenty-fifth session, future work for enhancing the implementation of the framework for meaningful and effective actions to enhance the implementation of Article 4, paragraph 5, of the Convention, to take into account:
  - (a) Recommendations of the Expert Group on Technology Transfer for enhancing the implementation of this existing framework pursuant to the terms of reference for this work agreed by the Subsidiary Body for Scientific and Technological Advice at its twenty-second session;
  - (b) Existing technology-based international cooperative activities, partnership and initiatives undertaken between Parties in the development, deployment, diffusion and transfer of environmentally sound technologies;
  - (c) Submissions of Parties referred to in paragraph 1 relating to the review of the future role of the Expert Group on Technology Transfer.



## Decision 7/CP.11

### Review processes during the period 2006–2007 for Parties included in Annex I to the Convention

*The Conference of the Parties,*

*Recalling its decisions 2/CP.1, 22/CP.7, 23/CP.7, 4/CP.8, 19/CP.8 and 25/CP.8,*

*Recognizing* that Parties included in Annex I to the Convention (Annex I Parties) have accumulated extensive experience in the reporting and review of national communications and national greenhouse gas inventories,

*Recognizing further* the importance of maintaining the integrity and rigour of the review process under the Convention,

*Recognizing also* that streamlining of the review procedures is required during the period 2006–2007 in order to ensure the effective use of resources needed to meet additional review requirements for Annex I Parties that are also Parties to the Kyoto Protocol,

1. Requests the secretariat to organize a centralized review of fourth national communications, ensuring that in selecting the members of the expert review teams a balance is achieved between experts from Parties included in Annex I to the Convention (Annex I Parties) and Parties not included in Annex I to the Convention, as stipulated in the review guidelines<sup>1</sup> adopted by decision 19/CP.8;

2. Requests the secretariat to conduct an in-country, in-depth review of the fourth national communication for those Parties that request one;

3. Requests the secretariat to prepare individual reports of the centralized and in-country reviews mentioned in paragraphs 1 and 2 above, which shall be sent to the respective Parties for comments in accordance with the established review procedures;

4. Requests the secretariat to prepare the compilation and synthesis report on fourth national communications for consideration by the Conference of the Parties at its thirteenth session (December 2007);

5. Decides that for the 2006 inventory submission, the annual inventory review for Annex I Parties may be rescheduled in order to facilitate coordination with other reviews;

6. Notes that the development and deployment of the CRF Reporter software by the secretariat will facilitate the submission and management of national greenhouse gas inventory information;

7. Decides that Annex I Parties should use the CRF Reporter for the submission of their annual greenhouse gas inventories due from April 2006 to assist the secretariat in organizing reviews in an efficient and timely manner.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

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<sup>1</sup> FCCC/CP/2002/8.

## Decision 8/CP.11

### **Submission of second and, where appropriate, third national communications from Parties not included in Annex I to the Convention<sup>1</sup>**

*The Conference of the Parties,*

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

*Recalling also* its decisions on national communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular its decisions 10/CP.2, 2/CP.4, 12/CP.4, 8/CP.5, 31/CP.7, 32/CP.7 and 17/CP.8,

*Reaffirming* that, in accordance with Article 4, paragraph 3, of the Convention, the developed country Parties and other developed Parties included in Annex II to the Convention shall provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1, of the Convention,

*Noting* that guidelines for the preparation of national communications were adopted by the Conference of the Parties at its eighth session,

*Noting also* that in accordance with decision 17/CP.8, non-Annex I Parties should use the guidelines contained in the annex to that decision, together with the guidance to an operating entity of the financial mechanism provided in decision 6/CP.8, for the preparation of second and, where appropriate, third national communications and, where appropriate, initial national communications, except where Parties had initiated the process of preparing second national communications and received funding under the expedited procedures or on an agreed full-cost basis prior to the approval of the guidelines,

*Recognizing* that the preparation of national communications is a continuing process,

*Recognizing also* that the submission of national communications is very important for Parties to better understand climate change issues,

*Recognizing further* the difficulties that non-Annex I Parties have had in preparing their initial national communications and the need to build capacity for using the new guidelines for the preparation of national communications from non-Annex I Parties, and the need to allocate adequate time to non-Annex I Parties for preparing their national communications,

*Acknowledging* the importance of updating national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol and the importance of measures to facilitate adequate adaptation to climate change,

*Acknowledging* that although the majority of non-Annex I Parties have submitted their initial national communications and some have also submitted their second national communications, a number of non-Annex I Parties are still having difficulties with the preparation and submission of their initial national communications due to both technical and resource constraints,

*Acknowledging* that the Global Environment Facility, as an operating entity of the financial mechanism of the Convention, has agreed to fund, and has approved the funds for, the preparation of national communications, and has agreed on the Operational Procedures for Expedited Financing of National Communications from non-Annex I Parties,

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<sup>1</sup> See FCCC/SBI/2005/10, paragraph 11.

1. *Invites* Parties not included in Annex I to the Convention (non-Annex I Parties) that have not prepared project proposals for the financing of second and, where appropriate, third national communications to do so, even in advance of substantially completing their previous national communications, in order to avoid a lack of continuity in project financing;

2. *Decides* that non-Annex I Parties that have submitted their national communications should apply for the financing of their subsequent national communications at any time between three to five years of the initial disbursement of financial resources for the actual preparation of their previous national communications, except for those Parties that had this initial disbursement for the previous national communication more than five years ago, which should apply before 2006; this applies to the financing of second and, where appropriate, third national communications;

3. *Decides* that non-Annex I Parties shall make all efforts to submit their second and, where appropriate, third national communication, within four years of the initial disbursement of financial resources for the actual preparation of the national communication, in accordance with Article 4, paragraph 3, of the Convention, under the expedited procedures or standard approved procedures, on an agreed full-cost basis;

4. *Decides also* that Parties, if necessary and based on their national circumstances, may use an extension of up to one year for submission, after having informed the secretariat;

5. *Decides* that any extensions shall not imply additional financial resources from the Global Environment Facility;

6. *Decides* that Parties that are least developed countries may submit their second national communication at their discretion;

7. *Decides* to discuss the further implementation of Article 12, paragraph 5, of the Convention at the fifteenth session of the Conference of the Parties (December 2009).

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 9/CP.11

### Research needs relating to the Convention

*The Conference of the Parties,*

*Recalling* Article 5 of the Convention,

*Also recalling* Articles 2, 3 and 4 of the Convention,

*Recalling further* its decisions 14/CP.4, 1/CP.7, 2/CP.7 and 1/CP.10,

*Recognizing* the importance of scientific research, including in the social and natural sciences and the interaction between the two, in meeting the needs of the Convention,

*Recognizing also* the importance of the pre-eminent and independent role of the Intergovernmental Panel on Climate Change in conducting regular assessments of published scientific information on climate change, and in communicating these assessments to the Subsidiary Body for Scientific and Technological Advice,

*Recognizing further* the need for stronger links between national, regional and international climate change research programmes, and the need to enhance the contribution of developing countries to climate change research efforts, including by building the capacity of these countries to contribute to and participate in climate change research,

*Noting* the endorsement of the 10-year Implementation Plan at the third Earth Observation Summit in February 2005 which establishes the Global Earth Observation System of Systems as an important development in systematic observation to contribute to the enhancement of climate change research, as well as the continuing contribution of the Global Climate Observing System to this process,

1. *Requests* Parties to identify research needs and priorities to support the implementation of the Convention as well as national efforts to cope with climate change;
2. *Urges* Parties included in Annex I to the Convention to continue and further strengthen the engagement of national and regional research institutions from developing countries in cooperative climate change research activities;
3. *Urges* Parties to support and further develop regional and international programmes that assist and coordinate climate change research;
4. *Invites* national, regional and international research programmes and organizations engaged in climate change research to further promote a multidisciplinary approach to address research on cross-cutting issues;
5. *Requests* the Subsidiary Body for Scientific and Technological Advice to regularly consider research needs and systematic observation relating to the Convention in order to inform Parties about ongoing and planned activities of regional and international climate change research programmes, and to communicate Parties' views on research needs and priorities to the scientific community, as necessary;
6. *Invites* national, regional and international climate change research programmes and organizations to consider research needs, as viewed by the Parties and communicated to the scientific community by the Subsidiary Body for Scientific and Technological Advice, and to communicate to the

Subsidiary Body for Scientific and Technological Advice how these programmes and organizations are addressing the research needs of the Convention.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

## Decision 10/CP.11

### Flexibility for Croatia under Article 4, paragraph 6, of the Convention<sup>1</sup>

*The Conference of the Parties,*

*Responding* to the request of the Government of Croatia that its base year greenhouse gas emissions be considered with reference to Article 4, paragraph 6, of the Convention,

*Considering* the specific circumstances of Croatia with regard to greenhouse gas emissions before and after 1990,

*Noting* the intention that the approach taken should be conservative, and that unduly high flexibility should not be provided,

*Affirming* that this decision has no implications for historical emission levels of any other Party,

1. *Decides* that, as provided in Article 4, paragraph 6, of the Convention, Croatia shall be allowed a certain degree of flexibility with regard to its historical level of anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol chosen as a reference;

2. *Decides also* that the Subsidiary Body for Implementation will consider, at a future session, the level of greenhouse gas emissions for the base year of Croatia and the exact nature of such flexibility and recommend a draft decision for adoption by the Conference of the Parties at a future session.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

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<sup>1</sup> See FCCC/SBI/2005/10, paragraph 106.

## Decision 11/CP.11

### Institutional linkage of the Convention secretariat to the United Nations

*The Conference of the Parties,*

*Recalling* its decisions 14/CP.1, 22/CP.5 and 6/CP.6,

*Recalling also* General Assembly resolution 50/115 of 20 December 1995, resolution 54/222 of 22 December 1999, and resolution 56/199 of 21 December 2001,

*Having considered* the report of the Executive Secretary on the implementation of the arrangements on the institutional linkage of the secretariat to the United Nations,<sup>1</sup>

*Noting* that the Executive Secretary consulted with the Under-Secretary-General for Management and the Under-Secretary-General for Economic and Social Affairs at United Nations Headquarters on this matter,

*Noting with satisfaction* that the linkage continues to provide a sound basis for the functioning and administration of the secretariat,

1. *Expresses its appreciation* to the Secretary-General of the United Nations for the support provided to the secretariat through the Department of Economic and Social Affairs and the Department of Management;
2. *Approves* the continuation of the current institutional linkage of the secretariat to the United Nations and related administrative arrangements until such time as a review is deemed necessary by either the Conference of the Parties or the General Assembly;
3. *Invites* the Secretary-General to seek the endorsement of the General Assembly at its sixty-first session for the continuation of the institutional linkage.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

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<sup>1</sup> See document FCCC/SBI/2005/15.

## Decision 12/CP.11

### Programme budget for the biennium 2006–2007<sup>1</sup>

*The Conference of the Parties,*

*Recalling* paragraph 4 of the financial procedures of the Conference of the Parties to the United Nations Framework Convention on Climate Change,<sup>2</sup>

*Having considered* the proposed programme budget for the biennium 2006–2007 submitted by the Executive Secretary,<sup>3</sup>

*Recalling* its decisions 3/CP.8, 4/CP.7 and 29/CP.7,

1. *Approves* the programme budget for the biennium 2006–2007, amounting to USD 53,501,583 (EUR 40,286,693) for the purposes specified in table 1 below;
2. *Notes with appreciation* the annual contribution of the host Government, EUR 766,938, which offsets planned expenditures;
3. *Approves* a drawing of USD 2 million (EUR 1,506,000) from the unspent balances or contributions (carry-over) from previous financial periods to cover part of the 2006–2007 budget;
4. *Approves* the staffing table (table 2 below) for the programme budget;
5. *Notes* that the programme budget contains elements relating to the Convention as well as to the Kyoto Protocol;
6. *Adopts* the indicative scale of contributions for 2006 and 2007 contained in the annex to this decision covering 63.2 per cent of the indicative contributions specified in table 1;
7. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, to endorse the elements of the recommended budget that apply to the Kyoto Protocol;<sup>4</sup>
8. *Approves* a contingency budget for conference services, amounting to USD 7,828,611 (EUR 5,894,946), to be added to the programme budget for the biennium 2006–2007 in the event that the United Nations General Assembly decides not to provide resources for these activities in the United Nations regular budget (see table 3 below);
9. *Invites* the United Nations General Assembly to decide at its sixtieth session on the issue of meeting the conference services expenses from its regular budget;
10. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation on the implementation of paragraph 8 above, as necessary;
11. *Authorizes* the Executive Secretary to make transfers between each of the main appropriation lines set out in table 1 below, up to an aggregate limit of 15 per cent of total estimated expenditure for those appropriation lines, provided that a further limitation of up to minus 25 per cent of each such appropriation line shall apply;

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<sup>1</sup> See FCCC/SBI/2005/10, paragraph 85.

<sup>2</sup> See decision 15/CP.1, annex I.

<sup>3</sup> See FCCC/SBI/2005/8 and Add.1.

<sup>4</sup> See decision 34/CMP.1 (FCCC/KP/CMP/2005/8/Add.4).



12. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of the estimated expenditure;

13. *Invites* all Parties to the Convention to note that contributions to the core budget are due on 1 January of each year in accordance with paragraph 8 (b) of the financial procedures and to pay promptly and in full, for each of the years 2006 and 2007, the contributions required to finance expenditures approved under paragraph 1 above, as offset by the contributions noted in paragraph 2 above, and any contributions required to finance the expenditures arising from the decisions referred to in paragraph 8 above;

14. *Decides* that the meetings of each of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, the Expert Group on Technology Transfer and the Least Developed Countries Expert Group to be financed from the core budget shall number not more than three per biennium, bearing in mind that additional meetings will be financed from the Trust Fund for Supplementary Activities;

15. *Takes note* of the funding estimates for the Trust Fund for Participation in the UNFCCC Process specified by the Executive Secretary (USD 5,650,000 (EUR 4,254,450) for the biennium 2006–2007) (see table 4 below), and invites Parties to make contributions to this fund;

16. *Takes note* of the funding estimates for the Trust Fund for Supplementary Activities specified by the Executive Secretary (USD 28,119,395 (EUR 21,173,906) for the biennium 2006–2007) (see table 5 below) and invites Parties to make contributions to this fund;

17. *Requests* the Executive Secretary to report to the Conference of the Parties at its twelfth session (November 2006) on income and budget performance, and to propose any adjustments that might be needed in the programme budget for the biennium 2006–2007.

**Table 1. Core programme budget for 2006–2007 by cluster**

Programme	2006	2007	Total 2006–2007	
	(USD)	(USD)	(USD)	(EUR <sup>a</sup> )
EDM	1 156 173	1 156 172	2 312 345	1 741 196
Cluster 1	7 111 617	7 115 117	14 226 734	10 712 730
Cluster 2	7 006 414	7 044 914	14 051 328	10 580 651
Cluster 3	8 207 917	8 242 497	16 450 414	12 387 162
<b>A. Programme expenditures</b>	<b>23 482 121</b>	<b>23 558 700</b>	<b>47 040 821</b>	<b>35 421 739</b>
B. Programme support costs (overhead)	3 052 676	3 062 631	6 115 307	4 604 826
C. Working Capital Reserve <sup>b</sup>	338 273	7 182	345 455	260 128
<b>TOTAL (A + B + C)</b>	<b>26 873 070</b>	<b>26 628 513</b>	<b>53 501 583</b>	<b>40 286 693</b>
<b>Income:</b>				
Contribution from the host Government	1 018 510	1 018 510	2 037 020	1 533 876
Unspent balances or contributions from previous financial periods (carry-over)	1 000 000	1 000 000	2 000 000	1 506 000
Indicative contribution	24 854 560	24 610 003	49 464 563	37 246 817
<b>GRAND TOTAL</b>	<b>26 873 070</b>	<b>26 628 513</b>	<b>53 501 583</b>	<b>40 286 693</b>

<sup>a</sup> The exchange rate used (0.753) is the average rate for the period January–March 2005.

<sup>b</sup> In accordance with financial procedures (decision 15/CP.1, annex I, paragraph 14), the working capital reserve will be brought up to USD 2,202,388 in 2006 and to USD 2,209,570 in 2007.

**Table 2. Secretariat-wide staffing from the core budget in the biennium 2006–2007**

	2006	2007
<b>Professional category and above</b>		
ASG	1	1
D-2	4	4
D-1	6	6
P-5	10	10
P-4	22	22
P-3	30	30
P-2	10	10
<b>Total Professional category and above</b>	<b>83</b>	<b>83</b>
<b>Total General Service category</b>	<b>46.5</b>	<b>46.5</b>
<b>TOTAL</b>	<b>129.5<sup>a</sup></b>	<b>129.5<sup>a</sup></b>

<sup>a</sup> Because of resource shortfalls, one D-2, one P-5, one P-4 (for 2006 only), two P-3, and one General Service category positions will be frozen.

**Table 3. Resource requirements for the conference services contingency in the biennium 2006–2007**

Object of expenditure	2006	2007	Total 2006–2007	
	(USD)	(USD)	(USD)	(EUR <sup>d</sup> )
Interpretation <sup>a</sup>	1 012 707	1 043 088	2 055 795	1 548 014
Documentation <sup>b</sup>				
Translation	1 545 339	1 591 699	3 137 038	2 362 190
Reproduction	478 192	492 537	970 729	730 959
Meetings services support <sup>c</sup>	238 642	245 801	484 443	364 786
<b>Subtotal</b>	<b>3 274 880</b>	<b>3 373 125</b>	<b>6 648 005</b>	<b>5 005 949</b>
Programme support costs (overhead)	425 734	438 506	864 240	650 773
Working capital reserve	307 151	9 215	316 366	238 224
<b>TOTAL</b>	<b>4 007 765</b>	<b>3 820 846</b>	<b>7 828 611</b>	<b>5 894 946</b>

<sup>a</sup> Includes salaries, travel and daily subsistence allowance for interpreters.

<sup>b</sup> Includes all costs relating to the processing of pre-, in- and post-session documentation; translation costs include revision and typing of documents.

<sup>c</sup> Includes salaries, travel and daily subsistence allowance for meetings services support staff and costs for shipment and telecommunications.

<sup>d</sup> The exchange rate used (0.753) is the average rate for the period January–March 2005.

**Table 4. Resource requirements for the Trust Fund for Participation in the UNFCCC Process in the biennium 2006–2007**

Object of expenditure	2006	2007	Total 2006–2007	
	(USD)	(USD)	(USD)	(EUR <sup>c</sup> )
Support for one delegate from each eligible Party to participate in two two-week sessions per year <sup>a</sup>	1 700 000	1 700 000	3 400 000	2 560 200
Support for a second delegate from each least developed country and each small island developing State to participate in two two-week sessions per year <sup>a, b</sup>	800 000	800 000	1 600 000	1 204 800
<b>Subtotal</b>	<b>2 500 000</b>	<b>2 500 000</b>	<b>5 000 000</b>	<b>3 765 000</b>
Programme support costs (overhead)	325 000	325 000	650 000	489 450
<b>TOTAL</b>	<b>2 825 000</b>	<b>2 825 000</b>	<b>5 650 000</b>	<b>4 254 450</b>

<sup>a</sup> One two-week session of the subsidiary bodies and one two-week session of the Conference of the Parties, of the Conference of the Parties serving as meeting of the Parties to the Kyoto Protocol and of the subsidiary bodies.

<sup>b</sup> Support for participation of least developed countries and small island developing States in accordance with decision 16/CP.9, paragraph 18.

<sup>c</sup> The exchange rate used (0.753) is the average rate for the period January–March 2005.

**Table 5: Resource requirements for the Trust Fund for Supplementary Activities in the biennium 2006–2007**

Activities to be undertaken by the secretariat	Total cost		
	(USD)	(EUR) <sup>a</sup>	
<b>Convention</b>			
Greenhouse gas (GHG) emissions inventory database and software support for the GHG inventory review process	999 720	752 789	
Meeting of lead reviewers of national inventories	140 000	105 420	
Greenhouse gas (GHG) inventory review training programme	70 000	52 710	
Support for the Least Developed Countries Expert Group (LEG) in 2006–2007	369 320	278 098	
Support for non-Annex I Parties to implement the Convention	1 346 020	1 013 553	
UNFCCC workshop on the use of guidelines for the preparation of national communications from non-Annex I Parties	151 500	114 080	
Dissemination (web-based) of information by the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) on bilateral and multilateral support programmes for the preparation of national communications	100 000	75 300	
Activities under the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10)	926 000	697 278	
Methodological work on mitigation of climate change	82 500	62 123	
Research and systematic observation to address the needs of the Convention	72 500	54 593	
Support for the UNFCCC technology information clearing house (TT:CLEAR)	218 500	164 531	
Support for the implementation of the programme of work of the Expert Group on Technology Transfer (EGTT)	369 000	277 857	
Support to the Subsidiary Body for Scientific and Technological Advice for consideration of issues relating to land use, land-use change and forestry (LULUCF)	48 000	36 144	
Handbook on the United Nations Framework Convention on Climate Change	98 000	73 794	
One expert group meeting each of the LEG, CGE and EGTT	356 000	268 068	
<b>Subtotal</b>	<b>5 347 060</b>	<b>4 026 338</b>	
<b>Kyoto Protocol</b>			
Development of the database system for the annual compilation and accounting of emissions inventories and assigned amounts under the Kyoto Protocol	396 000	298 188	
Activities relating to the international transaction log (ITL) administrator	1 383 180	1 041 535	
Greenhouse gas (GHG) inventory review training programme	44 000	33 132	
Support to operations relating to the clean development mechanism	11 232 960	8 458 419	
Support to operations relating to joint implementation (JI) under Article 6 of the Kyoto Protocol	3 356 000	2 527 068	
Support to the Compliance Committee	697 160	524 961	
Support to the Subsidiary Body for Scientific and Technological Advice for consideration of issues relating to land use, land-use change and forestry (LULUCF)	48 000	36 144	
<b>Subtotal</b>	<b>17 157 300</b>	<b>12 919 447</b>	
<b>Convention and Kyoto Protocol<sup>b</sup></b>			
	<b>Convention</b>	<b>Kyoto Protocol</b>	<b>Total cost</b>
	(USD)	(USD)	(USD) (EUR) <sup>a</sup>
Education and outreach activities	462 194	269 126	731 320 550 684
Building secretariat capacity for capacity-building	180 954	105 366	286 320 215 599
Archives and records management	282 517	164 503	447 020 336 606
Web site support activities	94 800	55 200	150 000 112 950
Consolidation of information and communication technologies (ICT) infrastructure	311 386	181 314	492 700 371 003
Knowledge networking: building an integrated database for information exchange	172 346	100 354	272 700 205 343
<b>Subtotal</b>	<b>1 504 197</b>	<b>875 863</b>	<b>2 380 060 1 792 185</b>
<b>Total estimated expenditures</b>			<b>24 884 420 18 737 970</b>
Programme support costs (overhead)			3 234 975 2 435 936
<b>GRAND TOTAL</b>			<b>28 119 395 21 173 906</b>

<sup>a</sup> The exchange rate used (0.753) is the average rate for the period January–March 2005.<sup>b</sup> Applying the ratio 63.2 per cent (Convention) and 36.8 per cent (Kyoto Protocol).

## ANNEX

**Indicative scale of contributions from Parties to the Convention<sup>1</sup>  
for the biennium 2006–2007**

<b>Party</b>	<b>United Nations scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2007</b>
Afghanistan	0.002	0.002	0.002
Albania	0.005	0.005	0.005
Algeria	0.076	0.074	0.074
Angola	0.001	0.001	0.001
Antigua and Barbuda	0.003	0.003	0.003
Argentina	0.956	0.933	0.933
Armenia	0.002	0.002	0.002
Australia	1.592	1.553	1.553
Austria	0.859	0.838	0.838
Azerbaijan	0.005	0.005	0.005
Bahamas	0.013	0.013	0.013
Bahrain	0.030	0.029	0.029
Bangladesh	0.010	0.010	0.010
Barbados	0.010	0.010	0.010
Belarus	0.018	0.018	0.018
Belgium	1.069	1.043	1.043
Belize	0.001	0.001	0.001
Benin	0.002	0.002	0.002
Bhutan	0.001	0.001	0.001
Bolivia	0.009	0.009	0.009
Bosnia and Herzegovina	0.003	0.003	0.003
Botswana	0.012	0.012	0.012
Brazil	1.523	1.486	1.486
Bulgaria	0.017	0.017	0.017
Burkina Faso	0.002	0.002	0.002
Burundi	0.001	0.001	0.001
Cambodia	0.002	0.002	0.002
Cameroon	0.008	0.008	0.008
Canada	2.813	2.744	2.744
Cape Verde	0.001	0.001	0.001
Central African Republic	0.001	0.001	0.001
Chad	0.001	0.001	0.001
Chile	0.223	0.218	0.218
China	2.053	2.003	2.003
Colombia	0.155	0.151	0.151
Comoros	0.001	0.001	0.001
Congo	0.001	0.001	0.001
Cook Islands	0.001	0.001	0.001
Costa Rica	0.030	0.029	0.029
Côte d'Ivoire	0.010	0.010	0.010
Croatia	0.037	0.036	0.036
Cuba	0.043	0.042	0.042
Cyprus	0.039	0.038	0.038
Czech Republic	0.183	0.179	0.179

<sup>1</sup> New Parties will be added as they ratify.

<b>Party</b>	<b>United Nations scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2007</b>
Democratic People's Republic of Korea	0.010	0.010	0.010
Democratic Republic of the Congo	0.003	0.003	0.003
Denmark	0.718	0.700	0.700
Djibouti	0.001	0.001	0.001
Dominica	0.001	0.001	0.001
Dominican Republic	0.035	0.034	0.034
Ecuador	0.019	0.019	0.019
Egypt	0.120	0.117	0.117
El Salvador	0.022	0.021	0.021
Equatorial Guinea	0.002	0.002	0.002
Eritrea	0.001	0.001	0.001
Estonia	0.012	0.012	0.012
Ethiopia	0.004	0.004	0.004
European Community	2.500	2.500	2.500
Fiji	0.004	0.004	0.004
Finland	0.533	0.520	0.520
France	6.030	5.882	5.882
Gabon	0.009	0.009	0.009
Gambia	0.001	0.001	0.001
Georgia	0.003	0.003	0.003
Germany	8.662	8.450	8.450
Ghana	0.004	0.004	0.004
Greece	0.530	0.517	0.517
Grenada	0.001	0.001	0.001
Guatemala	0.030	0.029	0.029
Guinea	0.003	0.003	0.003
Guinea-Bissau	0.001	0.001	0.001
Guyana	0.001	0.001	0.001
Haiti	0.003	0.003	0.003
Honduras	0.005	0.005	0.005
Hungary	0.126	0.123	0.123
Iceland	0.034	0.033	0.033
India	0.421	0.411	0.411
Indonesia	0.142	0.139	0.139
Iran (Islamic Republic of)	0.157	0.153	0.153
Ireland	0.350	0.341	0.341
Israel	0.467	0.456	0.456
Italy	4.885	4.765	4.765
Jamaica	0.008	0.008	0.008
Japan	19.468	18.992	18.992
Jordan	0.011	0.011	0.011
Kazakhstan	0.025	0.024	0.024
Kenya	0.009	0.009	0.009
Kiribati	0.001	0.001	0.001
Kuwait	0.162	0.158	0.158
Kyrgyzstan	0.001	0.001	0.001
Lao People's Democratic Republic	0.001	0.001	0.001
Latvia	0.015	0.015	0.015
Lebanon	0.024	0.023	0.023
Lesotho	0.001	0.001	0.001

<b>Party</b>	<b>United Nations scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2007</b>
Liberia	0.001	0.001	0.001
Libyan Arab Jamahiriya	0.132	0.129	0.129
Liechtenstein	0.005	0.005	0.005
Lithuania	0.024	0.023	0.023
Luxembourg	0.077	0.075	0.075
Madagascar	0.003	0.003	0.003
Malawi	0.001	0.001	0.001
Malaysia	0.203	0.198	0.198
Maldives	0.001	0.001	0.001
Mali	0.002	0.002	0.002
Malta	0.014	0.014	0.014
Marshall Islands	0.001	0.001	0.001
Mauritania	0.001	0.001	0.001
Mauritius	0.011	0.011	0.011
Mexico	1.883	1.837	1.837
Micronesia (Federated States of)	0.001	0.001	0.001
Monaco	0.003	0.003	0.003
Mongolia	0.001	0.001	0.001
Morocco	0.047	0.046	0.046
Mozambique	0.001	0.001	0.001
Myanmar	0.010	0.010	0.010
Namibia	0.006	0.006	0.006
Nauru	0.001	0.001	0.001
Nepal	0.004	0.004	0.004
Netherlands	1.690	1.649	1.649
New Zealand	0.221	0.216	0.216
Nicaragua	0.001	0.001	0.001
Niger	0.001	0.001	0.001
Nigeria	0.042	0.041	0.041
Niue	0.001	0.001	0.001
Norway	0.679	0.662	0.662
Oman	0.070	0.068	0.068
Pakistan	0.055	0.054	0.054
Palau	0.001	0.001	0.001
Panama	0.019	0.019	0.019
Papua New Guinea	0.003	0.003	0.003
Paraguay	0.012	0.012	0.012
Peru	0.092	0.090	0.090
Philippines	0.095	0.093	0.093
Poland	0.461	0.450	0.450
Portugal	0.470	0.458	0.458
Qatar	0.064	0.062	0.062
Republic of Korea	1.796	1.752	1.752
Republic of Moldova	0.001	0.001	0.001
Romania	0.060	0.059	0.059
Russian Federation	1.100	1.073	1.073
Rwanda	0.001	0.001	0.001
Saint Kitts and Nevis	0.001	0.001	0.001
Saint Lucia	0.002	0.002	0.002
Saint Vincent and the Grenadines	0.001	0.001	0.001

<b>Party</b>	<b>United Nations scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2006</b>	<b>UNFCCC adjusted scale of assessment for 2007</b>
Samoa	0.001	0.001	0.001
San Marino	0.003	0.003	0.003
São Tomé and Príncipe	0.001	0.001	0.001
Saudi Arabia	0.713	0.696	0.696
Senegal	0.005	0.005	0.005
Serbia and Montenegro	0.019	0.019	0.019
Seychelles	0.002	0.002	0.002
Sierra Leone	0.001	0.001	0.001
Singapore	0.388	0.379	0.379
Slovakia	0.051	0.050	0.050
Slovenia	0.082	0.080	0.080
Solomon Islands	0.001	0.001	0.001
South Africa	0.292	0.285	0.285
Spain	2.520	2.458	2.458
Sri Lanka	0.017	0.017	0.017
Sudan	0.008	0.008	0.008
Suriname	0.001	0.001	0.001
Swaziland	0.002	0.002	0.002
Sweden	0.998	0.974	0.974
Switzerland	1.197	1.168	1.168
Syrian Arab Republic	0.038	0.037	0.037
Tajikistan	0.001	0.001	0.001
Thailand	0.209	0.204	0.204
The former Yugoslav Republic of Macedonia	0.006	0.006	0.006
Togo	0.001	0.001	0.001
Tonga	0.001	0.001	0.001
Trinidad and Tobago	0.022	0.021	0.021
Tunisia	0.032	0.031	0.031
Turkey	0.372	0.363	0.363
Turkmenistan	0.005	0.005	0.005
Tuvalu	0.001	0.001	0.001
Uganda	0.006	0.006	0.006
Ukraine	0.039	0.038	0.038
United Arab Emirates	0.235	0.229	0.229
United Kingdom of Great Britain and Northern Ireland	6.127	5.977	5.977
United Republic of Tanzania	0.006	0.006	0.006
United States of America	22.000	21.462	21.462
Uruguay	0.048	0.047	0.047
Uzbekistan	0.014	0.014	0.014
Vanuatu	0.001	0.001	0.001
Venezuela	0.171	0.167	0.167
Viet Nam	0.021	0.020	0.020
Yemen	0.006	0.006	0.006
Zambia	0.002	0.002	0.002
Zimbabwe	0.007	0.007	0.007
<b>TOTAL</b>	<b>102.445</b>	<b>100.000</b>	<b>100.000</b>

## Decision 13/CP.11

### Budget performance in the biennium 2004–2005 as at 30 June 2005

*The Conference of the Parties,*

*Having considered* the reports of the Subsidiary Body for Implementation on its work on administrative and financial matters at its twenty-second and twenty-third sessions,

*Having considered also* documents prepared by the secretariat on related subjects,

1. *Takes note* of the interim financial statements as at 31 December 2004;
2. *Takes note also* of income and budget performance in the biennium 2004–2005;
3. *Expresses* its appreciation to the Parties that made their contributions to the core budget in a timely manner, and to those that made additional voluntary contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities;
4. *Expresses* its appreciation to the Government of Germany for its special contribution to cover costs of events held in Germany (the Bonn Fund);
5. *Urges* all Parties that have not yet paid their contributions to do so without delay;
6. *Calls* for more and continued contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities in order to ensure wider participation in the process and delivery of important outputs and results.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*



## **Resolution 1/CP.11**

### **Expression of gratitude to the Government of Canada and the people of the city of Montreal**

*The Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Having met* in Montreal from 28 November to 9 December 2005 at the invitation of the Government of Canada,

1. *Express their profound gratitude* to the Government of Canada for having made it possible for the eleventh session of the Conference of the Parties and the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to be held in Montreal;

2. *Request* the Government of Canada to convey to the city and the people of Montreal the gratitude of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for the hospitality and warmth extended to the participants.

*8<sup>th</sup> plenary meeting  
9–10 December 2005*

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NATIONS**



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CONFERENCE OF THE PARTIES

**Report of the Conference of the Parties  
on its eleventh session, held at Montreal  
from 28 November to 10 December 2005**

**Addendum**

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

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## **Decision 14/CP.11**

### **Tables of the common reporting format for land use, land-use change and forestry**

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 1, Article 10, paragraph 2, and Article 12, paragraph 1, of the Convention,

*Further recalling* its decisions 18/CP.8 and 13/CP.9,

1. *Adopts* the tables of the common reporting format and their notes, contained in the annex to this decision, for the purpose of submission of annual inventory information on land use, land-use change and forestry;

2. *Decides* that each Party included in Annex I to the Convention shall use these tables for the purpose of submission of the annual inventory due in and after 2007;

3. *Requests* the secretariat to incorporate these tables and their notes and the technical modifications resulting from decision 13/CP.9 into the “Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories”, adopted by decision 18/CP.8, and to prepare, before the twenty-fifth session of the Subsidiary Body for Scientific and Technological Advice (November 2006), a single document containing updated UNFCCC reporting guidelines on annual inventories.

## ANNEX

**Tables of the common reporting format and their notes****Notes on the common reporting format**

1. The common reporting format (CRF) is an integral part of the national inventory submission. It is designed to ensure that Parties included in Annex I to the Convention (Annex I Parties) report quantitative data in a standardized format, and to facilitate the comparison of inventory data across Annex I Parties. Details regarding any information of a non-quantitative character should be provided in the national inventory report (NIR).
2. The information provided in the CRF is aimed at enhancing the comparability and transparency of inventories by facilitating, inter alia, activity data and implied emission factor (IEF) or carbon-stock-change factor cross-comparisons among Annex I Parties, and easy identification of possible mistakes, misunderstandings and omissions in the inventories.
3. As stated in the reporting guidelines,<sup>1</sup> the CRF consists of summary report and sectoral report tables from the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* (Revised 1996 IPCC Guidelines) plus newly developed sectoral background data tables and other tables that are consistent with the Revised 1996 IPCC Guidelines and the *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* of the Intergovernmental Panel on Climate Change (IPCC).
4. Some sectoral background tables call for the calculation of IEFs or carbon-stock-change factors. These are top-down ratios between the Annex I Party's emissions or removals estimate and aggregate activity data. The IEFs or carbon-stock-change factors are intended solely for purposes of comparison. They will not necessarily be the emission/removal factors actually used in the original emissions estimate, unless this was a simple multiplication based on the same aggregate activity data used to calculate the IEF or the carbon-stock-change factors.
5. Consistent with the Revised 1996 IPCC Guidelines, memo items, such as emissions estimates from international marine and aviation bunker fuels, CO<sub>2</sub> emissions from biomass and emissions from multilateral operations, should be reported in the appropriate tables, but not included in the national totals.
6. Annex I Parties should use the documentation boxes below the tables to provide specific references to the relevant sections of the NIR where full details for a given sector/category are to be provided.
7. Annex I Parties should fill in all the cells calling for emissions or removals estimates, activity data, or emission factors. Notation keys, as described in paragraph 28 of the reporting guidelines, should be used where data have not been entered.
8. In the sectoral background tables, below the category "Other", an empty row indicates that country-specific categories may be added. These categories will automatically be included in the sectoral report tables.

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<sup>1</sup> The notes on the common reporting format will become part of the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual inventories" as contained in document FCCC/SBSTA/2004/8. Any reference to "the reporting guidelines" in the present notes refers to those guidelines.

9. Annex I Parties should complete the data in the additional information boxes. Where the information called for is inappropriate because of the methodological tier used by the Annex I Party, the corresponding cells should be completed using the indicator "NA".

10. Neither the order nor the notations of the columns, rows or cells should be changed in the tables as this will complicate data compilation. Any additions to the existing disaggregation of source and sink categories should be provided under "Other", if appropriate.

11. To simplify the layout of the tables and indicate clearly the specific reporting requirements for each table, only those cells that require entries by Annex I Parties have been left blank. Slight shading in cells indicates that they are expected to be filled in by software to be provided by the secretariat. However, Annex I Parties that choose not to use any software for completing the CRF would have to provide entries in those cells as well.

12. As in the current CRF, dark shading has been used in those cells that are not expected to contain any information.

13. Carbon gains and losses should be listed separately in the land use, land-use change and forestry (LULUCF) sectoral background data tables except in cases where, due to the methods used, it may be technically impossible to separate information on gains and losses.

14. Consistent with paragraph 18 of the reporting guidelines, each Annex I Party shall communicate a national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol.

15. According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and by changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+).

**Tables of the common reporting format for land use, land-use change and forestry and related tables (tables Summary 2, table 8 (a) (recalculations) and table 10 (trends))**

Year  
 Submission  
 Country

**TABLE 5 SECTORAL REPORT FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
 (Sheet 1 of 1)

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Net CO <sub>2</sub> emissions/ removals <sup>(1), (2)</sup>	CH <sub>4</sub> <sup>(2)</sup>	N <sub>2</sub> O <sup>(2)</sup>	NO <sub>x</sub>	CO	NM VOC
	(Gg)					
<b>Total Land-Use Categories</b>						
<b>A. Forest Land</b>						
1. Forest Land remaining Forest Land						
2. Land converted to Forest Land						
<b>B. Cropland</b>						
1. Cropland remaining Cropland						
2. Land converted to Cropland						
<b>C. Grassland</b>						
1. Grassland remaining Grassland						
2. Land converted to Grassland						
<b>D. Wetlands</b>						
1. Wetlands remaining Wetlands <sup>(3)</sup>						
2. Land converted to Wetlands						
<b>E. Settlements</b>						
1. Settlements remaining Settlements <sup>(3)</sup>						
2. Land converted to Settlements						
<b>F. Other Land</b>						
1. Other Land remaining Other Land <sup>(4)</sup>						
2. Land converted to Other Land						
<b>G. Other (please specify)<sup>(5)</sup></b>						
<i>Harvested Wood Products<sup>(6)</sup></i>						
<b>Information items<sup>(7)</sup></b>						
Forest Land converted to other Land-Use Categories						
Grassland converted to other Land-Use Categories						

- <sup>(1)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+).
- <sup>(2)</sup> For each land-use category and sub-category, this table sums net CO<sub>2</sub> emissions and removals shown in tables 5.A to 5.F, and the CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions showing in tables 5(I) to 5(V).
- <sup>(3)</sup> Parties may decide not to prepare estimates for these categories contained in appendices 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.
- <sup>(4)</sup> This land-use category is to allow the total of identified land area to match the national area.
- <sup>(5)</sup> The total for category 5.G Other includes items specified only under category 5.G in this table as well as sources and sinks specified in category 5.G in tables 5(I) to 5(V).
- <sup>(6)</sup> Parties may decide not to prepare estimates for this category contained in appendix 3a.1 of the IPCC good practice guidance for LULUCF, although they may do so if they wish and report in this row.
- <sup>(7)</sup> These items are listed for information only and will not be added to the totals, because they are already included in subcategories 5.A.2 to 5.F.2.

**Documentation box:**

- Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.
- If estimates are reported under 5.G Other, use this documentation box to provide information regarding activities covered under this category and to provide reference to the section in the NIR where background information can be found.





- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Forest Land report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> Implied carbon-stock-change factors for mineral soils are calculated by dividing the net C stock change estimate for mineral soil by the difference between the area and the area of organic soil.
- <sup>(6)</sup> When Parties are estimating fluxes for organic soils but cannot separate these fluxes from mineral soils, these fluxes should be reported under mineral soils.
- <sup>(7)</sup> The value reported for organic soils is estimated as a flux. For consistency with other entries in this column, these fluxes should be expressed in the unit required in this column, i.e. in Gg C.
- <sup>(8)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(9)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(10)</sup> A Party may report aggregate estimates for all conversions of land to forest land when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for grassland conversion should be provided in table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

Year  
Submission  
Country

**TABLE 5.B SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

**Cropland**

(Sheet 1 of 1)

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA		IMPLIED CARBON-STOCK-CHANGE FACTORS					CHANGES IN CARBON STOCK					Net CO <sub>2</sub> emissions/removals <sup>(10) (11)</sup>		
Land-Use Category	Sub-division <sup>(1)</sup>	Area <sup>(2)</sup> (kha)	Area of organic soil (kha) <sup>(2)</sup>	Carbon stock change in living biomass per area <sup>(3) (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>		Carbon stock change in living biomass <sup>(3), (4), (6)</sup>			Net carbon stock change in dead organic matter <sup>(4) (7)</sup>		Net carbon stock change in soils <sup>(4)(8)</sup>	
				Gains	Losses	Net change		Mineral soils <sup>(5)</sup>	Organic soils	Gains	Losses	Net change			Mineral soils	Organic soils <sup>(9)</sup>
								(Mg C/ha)				(Gg C)				(Gg)
<b>B. Total Cropland</b>																
1. Cropland remaining Cropland																
2. Land converted to Cropland <sup>(12)</sup>																
2.1 Forest Land converted to Cropland																
2.2 Grassland converted to Cropland																
2.3 Wetlands converted to Cropland																
2.4 Settlements converted to Cropland																
2.5 Other Land converted to Cropland																

- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Cropland report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> Implied carbon-stock-change factors for mineral soils are calculated by dividing the net C stock change estimate for mineral soil by the difference between the area and the area of organic soil.
- <sup>(6)</sup> For category 5.B.1 Cropland remaining Cropland this column only includes changes in perennial woody biomass.
- <sup>(7)</sup> No reporting on dead organic matter pools is required for category 5.B.1. Cropland remaining Cropland.
- <sup>(8)</sup> When Parties are estimating fluxes for organic soils but cannot separate these fluxes from mineral soils, these fluxes should be reported under mineral soils.
- <sup>(9)</sup> The value reported for organic soils is estimated as a flux. For consistency with other entries in this column, these fluxes should be expressed in the unit required in this column, i.e. in Gg C.
- <sup>(10)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(11)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(12)</sup> A Party may report aggregate estimates for all land conversions to cropland, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest land and grassland conversion should be provided in table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

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**TABLE 5.C SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

**Grassland**

(Sheet 1 of 1)

Year  
 Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA		IMPLIED CARBON-STOCK-CHANGE FACTORS					CHANGES IN CARBON STOCK					Net CO <sub>2</sub> emissions/removals <sup>(10) (11)</sup>		
Land-Use Category	Sub-division <sup>(1)</sup>	Area <sup>(2)</sup> (kha)	Area of organic soil (kha) <sup>(2)</sup>	Carbon stock change in living biomass per area <sup>(3) (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>		Carbon stock change in living biomass <sup>(3) (4) (6)</sup>			Net carbon stock change in dead organic matter <sup>(4) (7)</sup>		Net carbon stock change in soils <sup>(4) (8)</sup>	
				Gains	Losses	Net change		Mineral soils <sup>(5)</sup>	Organic soils	Gains	Losses	Net change			Mineral soils	Organic soils <sup>(9)</sup>
				(Mg C/ha)								(Gg C)				
<b>C. Total Grassland</b>																
1. Grassland remaining Grassland																
2. Land converted to Grassland <sup>(12)</sup>																
2.1 Forest Land converted to Grassland																
2.2 Cropland converted to Grassland																
2.3 Wetlands converted to Grassland																
2.4 Settlements converted to Grassland																
2.5 Other Land converted to Grassland																

- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Grassland report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> Implied carbon-stock-change factors for mineral soils are calculated by dividing the net C stock change estimate for mineral soil by the difference between the area and the area of organic soil.
- <sup>(6)</sup> For category 5.C.1 Grassland remaining Grassland this column only includes changes in perennial woody biomass.
- <sup>(7)</sup> No reporting on dead organic matter pools is required for category 5.C.1 Grassland remaining Grassland.
- <sup>(8)</sup> When Parties are estimating fluxes for organic soils but cannot separate these fluxes from mineral soils, these fluxes should be reported under mineral soils.
- <sup>(9)</sup> The value reported for organic soils is estimated as a flux. For consistency with other entries in this column, these fluxes should be expressed in the unit required in this column, i.e. in Gg C.
- <sup>(10)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(11)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(12)</sup> A Party may report aggregate estimates for all land conversions to grassland, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest land conversion should be provided in table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5.D SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

Year

**Wetlands**

Submission

(Sheet 1 of 1)

Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED CARBON-STOCK-CHANGE FACTORS					CHANGES IN CARBON STOCK					Net CO <sub>2</sub> emissions/removals <sup>(5)</sup> (6)
Land-Use Category	Sub-division <sup>(1)</sup>	Area <sup>(2)</sup> (kha)	Carbon stock change in living biomass per area <sup>(3) (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in living biomass <sup>(3) (4)</sup>			Net carbon stock change in dead organic matter <sup>(4)</sup>	Net carbon stock change in soils <sup>(4)</sup>	
			Gains	Losses	Net change			Gains	Losses	Net change			
			(Mg C/ha)					(Gg C)					
<b>D. Total Wetlands</b>													
1. Wetlands remaining Wetlands <sup>(7)</sup>													
2. Land converted to Wetlands <sup>(8)</sup>													
2.1 Forest Land converted to Wetlands													
2.2 Cropland converted to Wetlands													
2.3 Grassland converted to Wetlands													
2.4 Settlements converted to Wetlands													
2.5 Other Land converted to Wetlands													

- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Wetlands report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(6)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(7)</sup> Parties may decide not to prepare estimates for this category contained in appendix 3a.3 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.
- <sup>(8)</sup> A Party may report aggregate estimates for all land conversions to wetlands, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest land and grassland conversion should be provided in table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.



**TABLE 5.E SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

**Settlements**

(Sheet 1 of 1)

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA		IMPLIED CARBON-STOCK-CHANGE FACTORS				CHANGES IN CARBON STOCK					Net CO <sub>2</sub> emissions/removals <sup>(6)</sup> (7)
Land-Use Category	Sub-division <sup>(1)</sup>	Area <sup>(2)</sup> (kha)	Carbon stock change in living biomass per area <sup>(3) (4)</sup>			Net carbon stock change in dead organic matter per area <sup>(4)</sup>	Net carbon stock change in soils per area <sup>(4)</sup>	Carbon stock change in living biomass <sup>(3), (4) (5)</sup>			Net carbon stock change in dead organic matter <sup>(4)</sup>	Net carbon stock change in soils <sup>(4)</sup>	
			Gains	Losses	Net change			Gains	Losses	Net change			
			(Mg C/ha)						(Gg C)				
<b>E. Total Settlements</b>													
1. Settlements remaining Settlements <sup>(8)</sup>													
2. Land converted to Settlements <sup>(9)</sup>													
2.1 Forest Land converted to Settlements													
2.2 Cropland converted to Settlements													
2.3 Grassland converted to Settlements													
2.4 Wetlands converted to Settlements													
2.5 Other Land converted to Settlements													

- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Settlements report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> For category 5.E.1 Settlements remaining Settlements this column only includes changes in perennial woody biomass.
- <sup>(6)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(7)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(8)</sup> Parties may decide not to prepare estimates for this category contained in appendix 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.
- <sup>(9)</sup> A Party may report aggregate estimates for all land conversions to settlements, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest land and grassland conversion should be provided in table 5 as an information item.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.



- <sup>(1)</sup> Land categories may be further divided according to climate zone, management system, soil type, vegetation type, tree species, ecological zone or national land classification.
- <sup>(2)</sup> The total area of the subcategories, in accordance with the sub-division used, should be entered here. For lands converted to Other Land report the cumulative area remaining in the category in the reporting year.
- <sup>(3)</sup> Carbon stock gains and losses should be listed separately except in cases where, due to the methods used, it is technically impossible to separate information on gains and losses.
- <sup>(4)</sup> The signs for estimates of gains in carbon stocks are positive (+) and of losses in carbon stocks are negative (-).
- <sup>(5)</sup> According to the Revised 1996 IPCC Guidelines, for the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+). Net changes in carbon stocks are converted to CO<sub>2</sub> by multiplying C by 44/12 and changing the sign for net CO<sub>2</sub> removals to be negative (-) and for net CO<sub>2</sub> emissions to be positive (+). Note that carbon stock changes in a single pool are not necessarily equal to emissions or removals, because some carbon stock changes result from carbon transfers among pools rather than exchanges with the atmosphere.
- <sup>(6)</sup> Where Parties directly estimate emissions and removals rather than carbon stock changes, they may report emissions/removals directly in this column and use notation keys in the stock change columns.
- <sup>(7)</sup> This land-use category is to allow the total of identified land area to match the national area.
- <sup>(8)</sup> A Party may report aggregate estimates for all land conversions to other land, when data are not available to report them separately. A Party should specify in the documentation box which types of land conversion are included. Separate estimates for forest land and grassland conversion should be provided in table 5 as an information item.

**Documentation box:**  
 Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (I) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**Direct N<sub>2</sub>O emissions from N fertilization<sup>(1)</sup> of Forest Land and Other**  
 (Sheet 1 of 1)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS <sup>(4)</sup>
Land-Use Category <sup>(2)</sup>	Total amount of fertilizer applied (Gg N/yr)	N <sub>2</sub> O-N emissions per unit of fertilizer (kg N <sub>2</sub> O-N/kg N) <sup>(3)</sup>	N <sub>2</sub> O (Gg)
<b>Total for all Land Use Categories</b>			
<b>A. Forest Land<sup>(5)(6)</sup></b>			
1. Forest Land remaining Forest Land			
2. Land converted to Forest Land			
<b>G. Other (please specify)</b>			

<sup>(1)</sup> Direct N<sub>2</sub>O emissions from fertilization are estimated using equations 3.2.17 and 3.2.18 of the IPCC good practice guidance for LULUCF based on the amounts of fertilizers applied to forest land.

<sup>(2)</sup> N<sub>2</sub>O emissions from N fertilization of cropland and grassland are reported in the Agriculture sector; therefore only Forest land is included in this table.

<sup>(3)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

<sup>(4)</sup> Emissions are reported with a positive sign.

<sup>(5)</sup> If a Party is not able to separate the fertilizer applied to forest land from that applied to agriculture, it may report all N<sub>2</sub>O emissions from fertilization in the Agriculture sector. This should be explicitly indicated in the documentation box.

<sup>(6)</sup> A Party may report aggregate estimates for all N fertilization on forest land in the category Forest Land remaining Forest Land when data are not available to report Forest Land remaining Forest Land and Land converted to Forest Land separately.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (II) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**

Year

**Non-CO<sub>2</sub> emissions from drainage of soils and wetlands<sup>(1)</sup>**  
 (Sheet 1 of 1)

Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES		ACTIVITY DATA	IMPLIED EMISSION FACTORS		EMISSIONS <sup>(5)</sup>	
Land-Use Category <sup>(2)</sup>	Sub-division <sup>(3)</sup>	Area	N <sub>2</sub> O-N per area <sup>(4)</sup>	CH <sub>4</sub> per area	N <sub>2</sub> O	CH <sub>4</sub>
		(kha)	(kg N <sub>2</sub> O-N/ha)	(kg CH <sub>4</sub> /ha)	(Gg)	
<b>Total all Land-Use Categories</b>						
<b>A. Forest Land<sup>(6)</sup></b>						
Organic Soil						
Mineral Soil						
<b>D. Wetlands</b>						
Peatland <sup>(7)</sup>						
Flooded Lands <sup>(7)</sup>						
<b>G. Other (please specify)</b>						

<sup>(1)</sup> Parties may decide not to prepare estimates for these categories contained in appendices 3a.2 and 3a.3 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.

<sup>(2)</sup> N<sub>2</sub>O emissions from drained cropland and grassland soils are covered in the Agriculture tables of the CRF under Cultivation of Histosols.

<sup>(3)</sup> A Party should report further disaggregations of drained soils corresponding to the methods used. Tier 1 disaggregates soils into "nutrient rich" and "nutrient poor" areas, whereas higher-tier methods can further disaggregate into different peatland types, soil fertility or tree species.

<sup>(4)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.

<sup>(5)</sup> Emissions are reported with a positive sign.

<sup>(6)</sup> In table 5, these emissions will be added to 5.A.1 Forest Land remaining Forest Land.

<sup>(7)</sup> In table 5, these emissions will be added to 5.D.2 Land converted to Wetlands.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

**TABLE 5 (III) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**N<sub>2</sub>O emissions from disturbance associated with land-use conversion to cropland <sup>(1)</sup>**  
 (Sheet 1 of 1)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS <sup>(4)</sup>
Land-Use Category <sup>(2)</sup>	Land area converted (kha)	N <sub>2</sub> O-N emissions per area converted <sup>(3)</sup> (kg N <sub>2</sub> O-N/ha)	N <sub>2</sub> O (Gg)
<b>Total all Land-Use Categories <sup>(5)</sup></b>			
<b>B. Cropland</b>			
2. Lands converted to Cropland <sup>(6)</sup>			
Organic Soils			
Mineral Soils			
2.1 Forest Land converted to Cropland			
Organic Soils			
Mineral Soils			
2.2 Grassland converted to Cropland			
Organic Soils			
Mineral Soils			
2.3 Wetlands converted to Cropland <sup>(7)</sup>			
Organic Soils			
Mineral Soils			
2.5 Other Land converted to Cropland			
Organic Soils			
Mineral Soils			
<b>G. Other (please specify)</b>			

- <sup>(1)</sup> Methodologies for N<sub>2</sub>O emissions from disturbance associated with land-use conversion are based on equations 3.3.14 and 3.3.15 of the IPCC good practice guidance for LULUCF. N<sub>2</sub>O emissions from fertilization in the preceding land use and new land use should not be reported.
- <sup>(2)</sup> According to the IPCC good practice guidance for LULUCF, N<sub>2</sub>O emissions from disturbance of soils are only relevant for land conversions to cropland. N<sub>2</sub>O emissions from Cropland remaining Cropland are included in the Agriculture sector of the good practice guidance. The good practice guidance provides methodologies only for mineral soils.
- <sup>(3)</sup> In the calculation of the implied emission factor, N<sub>2</sub>O emissions are converted to N<sub>2</sub>O-N by multiplying by 28/44.
- <sup>(4)</sup> Emissions are reported with a positive sign.
- <sup>(5)</sup> Parties can separate between organic and mineral soils, if they have data available.
- <sup>(6)</sup> If activity data cannot be disaggregated to all initial land uses, Parties may report some initial land uses aggregated under Other Land converted to Cropland (indicate in the documentation box what this category includes).
- <sup>(7)</sup> Parties should avoid double counting with N<sub>2</sub>O emissions from drainage and from cultivation of organic soils reported in Agriculture under Cultivation of Histosols.

<p><b>Documentation box:</b></p> <p>Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF Sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.</p>
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**TABLE 5 (IV) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**CO<sub>2</sub> emissions from agricultural lime application<sup>(1)</sup>**  
 (Sheet 1 of 1)

Year  
 Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA	IMPLIED EMISSION FACTORS	EMISSIONS <sup>(3)</sup>
Land-Use Category	Total amount of lime applied (Mg/yr)	CO <sub>2</sub> -C per unit of lime <sup>(2)</sup> (Mg CO <sub>2</sub> -C /Mg)	CO <sub>2</sub> (Gg)
<b>Total all Land-Use Categories</b> <sup>(4), (5), (6)</sup>			
<b>B. Cropland</b> <sup>(6),(7)</sup>			
Limestone CaCO <sub>3</sub>			
Dolomite CaMg(CO <sub>3</sub> ) <sub>2</sub>			
<b>C. Grassland</b> <sup>(6),(8)</sup>			
Limestone CaCO <sub>3</sub>			
Dolomite CaMg(CO <sub>3</sub> ) <sub>2</sub>			
<b>G. Other (please specify)</b> <sup>(6),(9)</sup>			

<sup>(1)</sup> CO<sub>2</sub> emissions from agricultural lime application are addressed in equations 3.3.6 and 3.4.11 of the IPCC good practice guidance for LULUCF.

<sup>(2)</sup> The implied emission factor is expressed in unit of carbon to facilitate comparison with published emission factors.

<sup>(3)</sup> Emissions are reported with a positive sign.

<sup>(4)</sup> If Parties are not able to separate liming application for different land-use categories, they should include liming for all land-use categories in the category 5.G Other.

<sup>(5)</sup> Parties that are able to provide data for lime application to forest land should provide this information under 5.G Other and specify in the documentation box that forest land application is included in this category.

<sup>(6)</sup> A Party may report aggregate estimates for total lime applications when data are not available for limestone and dolomite.

<sup>(7)</sup> In table 5, these CO<sub>2</sub> emissions will be added to 5.B.1 Cropland remaining Cropland.

<sup>(8)</sup> In table 5, these CO<sub>2</sub> emissions will be added to 5.C.1 Grassland remaining Grassland.

<sup>(9)</sup> If a Party has data broken down to limestone and dolomite at national level, it can report these data under 5.G Other.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.



**TABLE 5 (V) SECTORAL BACKGROUND DATA FOR LAND USE, LAND-USE CHANGE AND FORESTRY**  
**Biomass Burning** <sup>(1)</sup>  
 (Sheet 1 of 1)

Year  
 Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	ACTIVITY DATA			IMPLIED EMISSION FACTOR			EMISSIONS <sup>(5)</sup>		
	Description <sup>(3)</sup>	Unit	Values	CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	CO <sub>2</sub> <sup>(4)</sup>	CH <sub>4</sub>	N <sub>2</sub> O
Land-Use Category <sup>(2)</sup>	(ha or kg dm)			(Mg/activity data unit)			(Gg)		
<b>Total for Land-Use Categories</b>									
<b>A. Forest Land</b>									
1. Forest land remaining Forest Land									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2. Land converted to Forest Land									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
<b>B. Cropland</b>									
1. Cropland remaining Cropland <sup>(6)</sup>									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2. Land converted to Cropland									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2.1. Forest Land converted to Cropland									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
<b>C. Grassland</b>									
1. Grassland remaining Grassland <sup>(7)</sup>									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2. Land converted to Grassland									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2.1. Forest Land converted to Grassland									
<i>Controlled Burning</i>									
<i>Wildfires</i>									

<b>D. Wetlands</b>									
1. Wetlands remaining Wetlands <sup>(8)</sup>									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2. Land converted to Wetlands									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
2.1. Forest Land converted to Wetlands									
<i>Controlled Burning</i>									
<i>Wildfires</i>									
<b>E. Settlements <sup>(8)</sup></b>									
<b>F. Other Land <sup>(9)</sup></b>									
<b>G. Other (please specify)</b>									

<sup>(1)</sup> Methodological guidance on burning can be found in sections 3.2.1.4 and 3.4.1.3 of the IPCC good practice guidance for LULUCF.

<sup>(2)</sup> Parties should report both controlled/prescribed burning and wildfires emissions, where appropriate, in a separate manner.

<sup>(3)</sup> For each category activity data should be selected between area burned or biomass burned. Units for area will be ha and for biomass burned kg dm. The implied emission factor will refer to the selected activity data with an automatic change in the units.

<sup>(4)</sup> If CO<sub>2</sub> emissions from biomass burning are not already included in tables 5.A - 5.F, they should be reported here. This should be clearly documented in the documentation box and in the NIR. Double counting should be avoided. Parties that include all carbon stock changes in the carbon stock tables (5.A, 5.B, 5.C, 5.D, 5.E and 5.F), should report IE (included elsewhere) in this column.

<sup>(5)</sup> Emissions are reported with a positive sign.

<sup>(6)</sup> In-situ above-ground woody biomass burning is reported here. Agricultural residue burning is reported in the Agriculture sector.

<sup>(7)</sup> Includes only emissions from controlled biomass burning on grasslands outside the tropics (prescribed savanna burning is reported under the Agriculture sector).

<sup>(8)</sup> Parties may decide not to prepare estimates for these categories contained in appendices 3a.2, 3a.3 and 3a.4 of the IPCC good practice guidance for LULUCF, although they may do so if they wish.

<sup>(9)</sup> This land-use category is to allow the total of identified land area to match the national area.

**Documentation box:**

Parties should provide detailed explanations on the Land Use, Land-Use Change and Forestry sector in Chapter 7: Land Use, Land-Use Change and Forestry (CRF sector 5) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and/or further details are needed to understand the content of this table.

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**SUMMARY 2 SUMMARY REPORT FOR CO<sub>2</sub> EQUIVALENT EMISSIONS**  
 (Sheet 1 of 1)

Year  
 Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	CO <sub>2</sub> <sup>(1)</sup>	CH <sub>4</sub>	N <sub>2</sub> O	HFCs <sup>(2)</sup>	PFCs <sup>(2)</sup>	SF <sub>6</sub> <sup>(2)</sup>	Total
	CO <sub>2</sub> equivalent (Gg)						
<b>Total (Net Emissions)<sup>(1)</sup></b>							
<b>1. Energy</b>							
A. Fuel Combustion (Sectoral Approach)							
1. Energy Industries							
2. Manufacturing Industries and Construction							
3. Transport							
4. Other Sectors							
5. Other							
B. Fugitive Emissions from Fuels							
1. Solid Fuels							
2. Oil and Natural Gas							
<b>2. Industrial Processes</b>							
A. Mineral Products							
B. Chemical Industry							
C. Metal Production							
D. Other Production							
E. Production of Halocarbons and SF <sub>6</sub>							
F. Consumption of Halocarbons and SF <sub>6</sub> <sup>(2)</sup>							
G. Other							
<b>3. Solvent and Other Product Use</b>							
<b>4. Agriculture</b>							
A. Enteric Fermentation							
B. Manure Management							
C. Rice Cultivation							
D. Agricultural Soils <sup>(3)</sup>							
E. Prescribed Burning of Savannas							
F. Field Burning of Agricultural Residues							
G. Other							

<b>5. Land Use, Land-Use Change and Forestry<sup>(1)</sup></b>							
A. Forest Land							
B. Cropland							
C. Grassland							
D. Wetlands							
E. Settlements							
F. Other Land							
G. Other							
<b>6. Waste</b>							
A. Solid Waste Disposal on Land							
B. Waste-water Handling							
C. Waste Incineration							
D. Other							
<b>7. Other (as specified in Summary I.A)</b>							
<b>Memo Items:<sup>(4)</sup></b>							
<b>International Bunkers</b>							
Aviation							
Marine							
<b>Multilateral Operations</b>							
<b>CO<sub>2</sub> Emissions from Biomass</b>							
Total CO <sub>2</sub> Equivalent Emissions without Land Use, Land-Use Change and Forestry							
Total CO <sub>2</sub> Equivalent Emissions with Land Use, Land-Use Change and Forestry							

<sup>(1)</sup> For CO<sub>2</sub> from Land Use, Land-use Change and Forestry the net emissions/removals are to be reported. For the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+).

<sup>(2)</sup> Actual emissions should be included in the national totals. If no actual emissions were reported, potential emissions should be included.

<sup>(3)</sup> Parties which previously reported CO<sub>2</sub> from soils in the Agriculture sector should note this in the NIR.

<sup>(4)</sup> See footnote 8 to table Summary I.A.

**TABLE 8(a) RECALCULATION - RECALCULATED DATA**

(Sheet 1 of 4) Recalculated year:

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	CO <sub>2</sub>						CH <sub>4</sub>						N <sub>2</sub> O					
	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>
	CO <sub>2</sub> equivalent (Gg)			(% )			CO <sub>2</sub> equivalent (Gg)			(% )			CO <sub>2</sub> equivalent (Gg)			(% )		
<b>Total National Emissions and Removals</b>																		
<b>I. Energy</b>																		
1.A. Fuel Combustion Activities																		
1.A.1. Energy Industries																		
1.A.2. Manufacturing Industries and Construction																		
1.A.3. Transport																		
1.A.4. Other Sectors																		
1.A.5. Other																		
1.B. Fugitive Emissions from Fuels																		
1.B.1. Solid fuel																		
1.B.2. Oil and Natural Gas																		
<b>2. Industrial Processes</b>																		
2.A. Mineral Products																		
2.B. Chemical Industry																		
2.C. Metal Production																		
2.D. Other Production																		
2.G. Other																		

Note: All footnotes for this table are given at the end of the table on sheet 4.

**TABLE 8(a) RECALCULATION - RECALCULATED DATA**

(Sheet 2 of 4) Recalculated year:

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	CO <sub>2</sub>						CH <sub>4</sub>						N <sub>2</sub> O					
	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>
	CO <sub>2</sub> equivalent (Gg)			%			CO <sub>2</sub> equivalent (Gg)			%			CO <sub>2</sub> equivalent (Gg)			%		
Total National Emissions and Removals																		
3. Solvent and Other Product Use																		
4. Agriculture																		
4.A. Enteric Fermentation																		
4.B. Manure Management																		
4.C. Rice Cultivation																		
4.D. Agricultural Soils <sup>(4)</sup>																		
4.E. Prescribed Burning of Savannas																		
4.F. Field Burning of Agricultural Residues																		
4.G. Other																		
5. Land Use, Land-Use Change and Forestry (net) <sup>(5)</sup>																		
5.A. Forest Land																		
5.B. Cropland																		
5.C. Grassland																		
5.D. Wetlands																		
5.E. Settlements																		
5.F. Other Land																		
5.G. Other																		

Note: All footnotes for this table are given at the end of the table on sheet 4.

**TABLE 8(a) RECALCULATION - RECALCULATED DATA**

(Sheet 3 of 4) Recalculated year:

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	CO <sub>2</sub>						CH <sub>4</sub>						N <sub>2</sub> O					
	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>
	CO <sub>2</sub> equivalent (Gg)			(%)			CO <sub>2</sub> equivalent (Gg)			(%)			CO <sub>2</sub> equivalent (Gg)			(%)		
6. Waste																		
6.A. Solid Waste Disposal on Land																		
6.B. Waste-water Handling																		
6.C. Waste Incineration																		
6.D. Other																		
7. Other (as specified in Summary I.A)																		
Memo Items:																		
International Bunkers																		
Multilateral Operations																		
CO <sub>2</sub> Emissions from Biomass																		

Note: All footnotes for this table are given at the end of the table on sheet 4.

**TABLE 8(a) RECALCULATION - RECALCULATED DATA**

(Sheet 4 of 4)

Recalculated year:

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	HFCs						PFCs						SF <sub>6</sub>																									
	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>	Impact of recalculation on total emissions excluding LULUCF <sup>(2)</sup>	Impact of recalculation on total emissions including LULUCF <sup>(3)</sup>																				
	CO <sub>2</sub> equivalent (Gg)			(%)			CO <sub>2</sub> equivalent (Gg)			(%)			CO <sub>2</sub> equivalent (Gg)			(%)																						
<b>Total Actual Emissions</b>																																						
2.C.3. Aluminium Production																																						
2.E. Production of Halocarbons and SF <sub>6</sub>																																						
2.F. Consumption of Halocarbons and SF <sub>6</sub>																																						
2.G. Other																																						
<b>Potential Emissions from Consumption of HFCs/PFCs and SF<sub>6</sub></b>																																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Previous submission</th> <th>Latest submission</th> <th>Difference</th> <th>Difference<sup>(1)</sup></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="3" style="text-align: center;">CO<sub>2</sub> equivalent (Gg)</td> <td style="text-align: center;">(%)</td> </tr> <tr> <td>Total CO<sub>2</sub> Equivalent Emissions with Land Use, Land-Use Change and Forestry</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Total CO<sub>2</sub> Equivalent Emissions without Land Use, Land-Use Change and Forestry</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>																				Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>		CO <sub>2</sub> equivalent (Gg)			(%)	Total CO <sub>2</sub> Equivalent Emissions with Land Use, Land-Use Change and Forestry					Total CO <sub>2</sub> Equivalent Emissions without Land Use, Land-Use Change and Forestry				
	Previous submission	Latest submission	Difference	Difference <sup>(1)</sup>																																		
	CO <sub>2</sub> equivalent (Gg)			(%)																																		
Total CO <sub>2</sub> Equivalent Emissions with Land Use, Land-Use Change and Forestry																																						
Total CO <sub>2</sub> Equivalent Emissions without Land Use, Land-Use Change and Forestry																																						



<sup>(1)</sup> Estimate the percentage change due to recalculation with respect to the previous submission (percentage change =  $100 \times [(LS-PS)/PS]$ , where LS = latest submission and PS = previous submission. All cases of recalculation of the estimate of the source/sink category should be addressed and explained in table 8(b).

<sup>(2)</sup> Total emissions refer to total aggregate GHG emissions expressed in terms of CO<sub>2</sub> equivalent, excluding GHGs from the LULUCF sector. The impact of the recalculation on the total emissions is calculated as follows: impact of recalculation (%) =  $100 \times [(source (LS) - source (PS))/total emissions (LS)]$ , where LS = latest submission, PS = previous submission.

<sup>(3)</sup> Total emissions refer to total aggregate GHG emissions expressed in terms of CO<sub>2</sub> equivalent, including GHGs from the LULUCF sector. The impact of the recalculation on the total emissions is calculated as follows: impact of recalculation (%) =  $100 \times [(source (LS) - source (PS))/total emissions (LS)]$ , where LS = latest submission, PS = previous submission.

<sup>(4)</sup> Parties which previously reported CO<sub>2</sub> from soils in the Agriculture sector should note this in the NIR.

<sup>(5)</sup> Net CO<sub>2</sub> emissions/removals to be reported.

**Documentation box:**

Parties should provide detailed information on recalculations in Chapter 10: Recalculations and Improvements, and in the relevant sections of Chapters 3 to 9 (see section 2.5 of each of Chapters 3 - 9) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and further details are needed to understand the content of this table.

**TABLE 8(b) RECALCULATION - EXPLANATORY INFORMATION**  
**(Sheet 1 of 1)**

Year  
 Submission  
 Country

Specify the sector and source/sink category <sup>(1)</sup> where changes in estimates have occurred:	GHG	RECALCULATION DUE TO				
		CHANGES IN:			Addition/removal/reallocation of source/sink categories	Other changes in data (e.g. statistical or editorial changes, correction of errors)
		Methods <sup>(2)</sup>	Emission factors <sup>(2)</sup>	Activity data <sup>(2)</sup>		

<sup>(1)</sup> Enter the identification code of the source/sink category (e.g. 1.B.1) in the first column and the name of the category (e.g. Fugitive Emissions from Solid Fuels) in the second column of the table. Note that the source categories entered in this table should match those used in table 8(a).

<sup>(2)</sup> Explain changes in methods, emission factors and activity data that have resulted in recalculation of the estimate of the source/sink as indicated in table 8(a). Include changes in the assumptions and coefficients in the Methods column.

**Documentation box:**

Parties should provide the full information on recalculations in Chapter 10: Recalculations and Improvements, and in the relevant sections of Chapters 3 to 9 (see section 2.5 of each of Chapters 3 to 9) of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and further details are needed to understand the content of this table. References should point particularly to the sections of the NIR in which justifications of the changes as to improvements in the accuracy, completeness and consistency of the inventory are reported.

**TABLE 10 EMISSIONS TRENDS**

CO<sub>2</sub>

(Sheet 1 of 5)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
	(Gg)			%
<b>1. Energy</b>				
A. Fuel Combustion (Sectoral Approach)				
1. Energy Industries				
2. Manufacturing Industries and Construction				
3. Transport				
4. Other Sectors				
5. Other				
B. Fugitive Emissions from Fuels				
1. Solid Fuels				
2. Oil and Natural Gas				
<b>2. Industrial Processes</b>				
A. Mineral Products				
B. Chemical Industry				
C. Metal Production				
D. Other Production				
E. Production of Halocarbons and SF <sub>6</sub>				
F. Consumption of Halocarbons and SF <sub>6</sub>				
G. Other				
<b>3. Solvent and Other Product Use</b>				
<b>4. Agriculture</b>				
A. Enteric Fermentation				
B. Manure Management				
C. Rice Cultivation				
D. Agricultural Soils				
E. Prescribed Burning of Savannas				
F. Field Burning of Agricultural Residues				
G. Other				

<b>5. Land Use, Land-Use Change and Forestry<sup>(2)</sup></b>				
A. Forest Land				
B. Cropland				
C. Grassland				
D. Wetlands				
E. Settlements				
F. Other Land				
G. Other				
<b>6. Waste</b>				
A. Solid Waste Disposal on Land				
B. Waste-water Handling				
C. Waste Incineration				
D. Other				
<b>7. Other (as specified in Summary 1.A)</b>				
<b>Total CO<sub>2</sub> emissions including net CO<sub>2</sub> from LULUCF</b>				
<b>Total CO<sub>2</sub> emissions excluding net CO<sub>2</sub> from LULUCF</b>				
<b>Memo Items:</b>				
<b>International Bunkers</b>				
Aviation				
Marine				
<b>Multilateral Operations</b>				
<b>CO<sub>2</sub> Emissions from Biomass</b>				

**Note:** All footnotes for this table are given at the end of the table on sheet 5.

**TABLE 10 EMISSIONS TRENDS**

**CH<sub>4</sub>**

(Sheet 2 of 5)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
	(Gg)			%
<b>1. Energy</b>				
A. Fuel Combustion (Sectoral Approach)				
1. Energy Industries				
2. Manufacturing Industries and Construction				
3. Transport				
4. Other Sectors				
5. Other				
B. Fugitive Emissions from Fuels				
1. Solid Fuels				
2. Oil and Natural Gas				
<b>2. Industrial Processes</b>				
A. Mineral Products				
B. Chemical Industry				
C. Metal Production				
D. Other Production				
E. Production of Halocarbons and SF <sub>6</sub>				
F. Consumption of Halocarbons and SF <sub>6</sub>				
G. Other				
<b>3. Solvent and Other Product Use</b>				
<b>4. Agriculture</b>				
A. Enteric Fermentation				
B. Manure Management				
C. Rice Cultivation				
D. Agricultural Soils				
E. Prescribed Burning of Savannas				
F. Field Burning of Agricultural Residues				
G. Other				

<b>5. Land Use, Land-Use Change and Forestry</b>				
A. Forest Land				
B. Cropland				
C. Grassland				
D. Wetlands				
E. Settlements				
F. Other Land				
G. Other				
<b>6. Waste</b>				
A. Solid Waste Disposal on Land				
B. Waste-water Handling				
C. Waste Incineration				
D. Other				
<b>7. Other (as specified in Summary I.A)</b>				
Total CH <sub>4</sub> emissions including CH <sub>4</sub> from LULUCF				
Total CH <sub>4</sub> emissions excluding CH <sub>4</sub> from LULUCF				
<b>Memo Items:</b>				
<b>International Bunkers</b>				
Aviation				
Marine				
<b>Multilateral Operations</b>				
<b>CO<sub>2</sub> Emissions from Biomass</b>				

**Note:** All footnotes for this table are given at the end of the table on sheet 5.

**TABLE 10 EMISSIONS TRENDS**

**N<sub>2</sub>O**

(Sheet 3 of 5)

Year  
Submission  
Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
	(Gg)			%
<b>1. Energy</b>				
A. Fuel Combustion (Sectoral Approach)				
1. Energy Industries				
2. Manufacturing Industries and Construction				
3. Transport				
4. Other Sectors				
5. Other				
B. Fugitive Emissions from Fuels				
1. Solid Fuels				
2. Oil and Natural Gas				
<b>2. Industrial Processes</b>				
A. Mineral Products				
B. Chemical Industry				
C. Metal Production				
D. Other Production				
E. Production of Halocarbons and SF <sub>6</sub>				
F. Consumption of Halocarbons and SF <sub>6</sub>				
G. Other				
<b>3. Solvent and Other Product Use</b>				
<b>4. Agriculture</b>				
A. Enteric Fermentation				
B. Manure Management				
C. Rice Cultivation				
D. Agricultural Soils				
E. Prescribed Burning of Savannas				
F. Field Burning of Agricultural Residues				
G. Other				

<b>5. Land Use, Land-Use Change and Forestry</b>				
A. Forest Land				
B. Cropland				
C. Grassland				
D. Wetlands				
E. Settlements				
F. Other Land				
G. Other				
<b>6. Waste</b>				
A. Solid Waste Disposal on Land				
B. Waste-water Handling				
C. Waste Incineration				
D. Other				
<b>7. Other (as specified in Summary I.A)</b>				
Total N <sub>2</sub> O emissions including N <sub>2</sub> O from LULUCF				
Total N <sub>2</sub> O emissions excluding N <sub>2</sub> O from LULUCF				
<b>Memo Items:</b>				
<b>International Bunkers</b>				
Aviation				
Marine				
<b>Multilateral Operations</b>				
<b>CO<sub>2</sub> Emissions from Biomass</b>				

**Note:** All footnotes for this table are given at the end of the table on sheet 5.



**TABLE 10 EMISSION TRENDS**  
**HFCs, PFCs and SF<sub>6</sub>**  
 (Sheet 4 of 5)

Year  
 Submission  
 Country

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
		(Gg)		%
<b>Emissions of HFCs<sup>(3)</sup> - (Gg CO<sub>2</sub> equivalent)</b>				
HFC-23				
HFC-32				
HFC-41				
HFC-43-10mee				
HFC-125				
HFC-134				
HFC-134a				
HFC-152a				
HFC-143				
HFC-143a				
HFC-227ea				
HFC-236fa				
HFC-245ca				
Unspecified mix of listed HFCs <sup>(4)</sup> - (Gg CO <sub>2</sub> equivalent)				
<b>Emissions of PFCs<sup>(3)</sup> - (Gg CO<sub>2</sub> equivalent)</b>				
CF <sub>4</sub>				
C <sub>2</sub> F <sub>6</sub>				
C <sub>3</sub> F <sub>8</sub>				
C <sub>4</sub> F <sub>10</sub>				
c-C <sub>4</sub> F <sub>8</sub>				
C <sub>5</sub> F <sub>12</sub>				
C <sub>6</sub> F <sub>14</sub>				
Unspecified mix of listed PFCs <sup>(4)</sup> - (Gg CO <sub>2</sub> equivalent)				
<b>Emissions of SF<sub>6</sub><sup>(3)</sup> - (Gg CO<sub>2</sub> equivalent)</b>				
SF <sub>6</sub>				

**Note:** All footnotes for this table are given at the end of the table on sheet 5.

**TABLE 10 EMISSION TRENDS  
SUMMARY  
(Sheet 5 of 5)**

Year  
Submission  
Country

GREENHOUSE GAS EMISSIONS	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
	CO <sub>2</sub> equivalent (Gg)			(%)
CO <sub>2</sub> emissions including net CO <sub>2</sub> from LULUCF				
CO <sub>2</sub> emissions excluding net CO <sub>2</sub> from LULUCF				
CH <sub>4</sub> emissions including CH <sub>4</sub> from LULUCF				
CH <sub>4</sub> emissions excluding CH <sub>4</sub> from LULUCF				
N <sub>2</sub> O emissions including N <sub>2</sub> O from LULUCF				
N <sub>2</sub> O emissions excluding N <sub>2</sub> O from LULUCF				
HFCs				
PFCs				
SF <sub>6</sub>				
<b>Total (including LULUCF)</b>				
<b>Total (excluding LULUCF)</b>				

GREENHOUSE GAS SOURCE AND SINK CATEGORIES	Base year <sup>(1)</sup>	1990	(Years 1991 to latest reported year)	Change from base to latest reported year
	CO <sub>2</sub> equivalent (Gg)			(%)
1. Energy				
2. Industrial Processes				
3. Solvent and Other Product Use				
4. Agriculture				
5. Land Use, Land-Use Change and Forestry <sup>(5)</sup>				
6. Waste				
7. Other				
<b>Total (including LULUCF)<sup>(5)</sup></b>				

<sup>(1)</sup> The column "Base year" should be filled in only by those Parties with economies in transition that use a base year different from 1990 in accordance with the relevant decisions of the COP. For these Parties, this different base year is used to calculate the percentage change in the final column of this table.

<sup>(2)</sup> Fill in net emissions/removals as reported in table Summary 1.A. For the purposes of reporting, the signs for removals are always negative (-) and for emissions positive (+).

<sup>(3)</sup> Enter actual emissions estimates. If only potential emissions estimates are available, these should be reported in this table and an indication for this be provided in the documentation box. Only in these rows are the emissions expressed as CO<sub>2</sub> equivalent emissions.

<sup>(4)</sup> In accordance with the UNFCCC reporting guidelines, HFC and PFC emissions should be reported for each relevant chemical. However, if it is not possible to report values for each chemical (i.e. mixtures, confidential data, lack of disaggregation), this row could be used for reporting aggregate figures for HFCs and PFCs, respectively. Note that the unit used for this row is Gg of CO<sub>2</sub> equivalent and that appropriate notation keys should be entered in the cells for the individual chemicals.

<sup>(5)</sup> Includes net CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O from LULUCF.

**Documentation box:**

- Parties should provide detailed explanations on emissions trends in Chapter 2: Trends in Greenhouse Gas Emissions and, as appropriate, in the corresponding Chapters 3 - 9 of the NIR. Use this documentation box to provide references to relevant sections of the NIR if any additional information and further details are needed to understand the content of this table.
- Use the documentation box to provide explanations if potential emissions are reported.

## Decision 15/CP.11

### Issues relating to adjustments under Article 5, paragraph 2, of the Kyoto Protocol

*The Conference of the Parties,*

*Recalling* its decisions 21/CP.7 and 20/CP.9,

*Having* considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice regarding the completion of the technical guidance on adjustments,

1. *Decides* to incorporate the technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol, contained below in the annex to this decision, into the annex of draft decision -/CMP.1 (*Article 5.2*) attached to decision 21/CP.7;<sup>1</sup>

2. *Recommends* that the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, adopt draft decision -/CMP.1 (*Issues relating to adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) below,<sup>2</sup> to replace draft decision -/CMP.1 (*Technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol*) attached to decision 20/CP.9.

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<sup>1</sup> The annex containing the technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol is not reproduced here. Following the adoption of decision 15/CP.11, the technical guidance (originally contained in FCCC/SBSTA/2005/4/Add.1) was incorporated into the annex of the draft decision attached to decision 21/CP.7. This draft decision was adopted by the COP/MOP as 20/CMP.1 (FCCC/KP/CMP/2005/8/Add.3).

<sup>2</sup> This draft decision was adopted unamended by the COP/MOP as decision 21/CMP.1 (FCCC/KP/CMP/2005/8/Add.3).

## Draft decision -/CMP.1

### Issues relating to adjustments under Article 5, paragraph 2, of the Kyoto Protocol

*The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,*

*Having considered decisions 21/CP.7, 23/CP.7, 20/CP.9 and -/CP.11 (Issues relating to adjustments under Article 5, paragraph 2, of the Kyoto Protocol),*

1. *Requests* that lead reviewers, as defined in paragraphs 36–42 of the guidelines for review under Article 8 of the Kyoto Protocol (decision 23/CP.7), collectively consider and make recommendations on:

- (a) Means to improve the consistent application, by expert review teams, of the technical guidance on methodologies for adjustments under Article 5, paragraph 2, of the Kyoto Protocol, especially the approaches to ensure conservativeness of adjusted estimates;
- (b) The development and regular update of the information in the inventory review resources listed in appendix I to the technical guidance;
- (c) Means to ensure a common approach in applying the provisions of paragraph 57 of the technical guidance and to limit the flexibility given to the expert review teams in this regard, if considered necessary;
- (d) Updating, as appropriate, before the beginning of reporting for the commitment period and thereafter, whenever necessary, the tables of conservativeness factors included in appendix III to the technical guidance, including the underlying construction and structure of the uncertainty bands of those tables;

2. *Requests* the secretariat to include any recommendations from the collective consideration of the lead reviewers in their annual report, referred to in paragraph 40 of the guidelines for review under Article 8 of the Kyoto Protocol, to the Subsidiary Body for Scientific and Technological Advice for its consideration;

3. *Requests* the Subsidiary Body for Scientific and Technological Advice, following the consideration of the report referred to in paragraph 2 above, to take any appropriate action pursuant to the recommendations from lead reviewers referred to in paragraph 1 (c) and (d) above;

4. *Requests* the secretariat, following the collective recommendation of lead reviewers, to regularly update the information in the inventory review resources listed in appendix I to the technical guidance;

5. *Requests* the secretariat to archive information on adjustments contained in review reports and other relevant information, and make it available and easily accessible for expert review teams;

6. *Decides* that with respect to any adjustments applied retroactively in accordance with paragraph 12 of the technical guidance, only the adjustment applied for the inventory year under review shall be relevant for the eligibility requirement laid out in paragraph 3 (e) of draft decision -/CMP.1 (*Guidelines for the preparation of the information required under Article 7 of the Kyoto Protocol*) attached to decision 22/CP.7.

*1<sup>st</sup> plenary meeting  
28 November 2005*

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