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SUBSIDIARY BODY FOR IMPLEMENTATION

#### REPORT OF THE SUBSIDIARY BODY FOR IMPLEMENTATION ON ITS FIFTEENTH SESSION, HELD AT MARRAKESH, FROM 29 OCTOBER TO 8 NOVEMBER 2001

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#### I. OPENING OF THE SESSION

(Agenda item 1)

1. The fifteenth session of the Subsidiary Body for Implementation (SBI) was held at the Palais des Congrès, Marrakesh, Morocco, from 29 October to 8 November 2001.

2. The Chairman of the SBI, Mr. John Ashe (Antigua and Barbuda), opened the session on 29 October and welcomed all Parties and observers. He noted that, to date, a total of 186 Parties had ratified or acceded to the Convention and that 42 Parties had ratified or acceded to the Kyoto Protocol.

#### **II. ORGANIZATIONAL MATTERS**

(Agenda item 2)

#### A. Adoption of the agenda

(Agenda item 2 (a))

3. At its 1<sup>st</sup> meeting, on 29 October, the SBI considered the provisional agenda and annotations contained in document FCCC/SBI/2001/10.

- 4. At the same meeting, the SBI adopted the following agenda:
  - 1. Opening of the session.
  - 2. Organizational matters:
    - (a) Adoption of the agenda;
    - (b) Organization of the work of the session;
    - (c) Election of officers other than the Chairman.
  - 3. Matters referred to the Subsidiary Body for Implementation by the Conference of the Parties:
    - (a) Input to the World Summit on Sustainable Development;
    - (b) Report of the Global Environment Facility to the Conference of the Parties;
    - (c) Proposal to amend the lists in Annexes I and II to the Convention:
      - (i) 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, paragraph 2 (f);
      - (ii) Amendment proposed by Kazakhstan to add its name to the list in Annex I;

- (d) Arrangements for intergovernmental meetings:
  - (i) Date and venue of the eighth session of the Conference of the Parties;
  - (ii) Calendar of meetings of Convention bodies, 2005-2007;
- (e) Programme budget for the biennium 2002-2003;
- (f) Any other matters.
- 4. Matters relating to the least developed countries.
- 5. National communications from Parties included in Annex I to the Convention:
  - Ongoing activities on reporting and review of greenhouse gas inventories in Parties included in Annex I to the Convention (implementing decisions 3/CP.5 and 6/CP.5);
  - (b) Feasibility of developing guidelines for the review of national communications;
  - (c) Third national communications: review and the roster of experts.
- 6. National communications from Parties not included in Annex I to the Convention:
  - (a) Third compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention;
  - (b) Report of the Consultative Group of Experts to the subsidiary bodies;
  - (c) Provision of financial and technical support.
- 7. Administrative and financial matters:
  - (a) Interim financial performance for 2000-2001;
  - (b) Possible options to respond to late payment of contributions;
  - (c) Implementation of the Headquarters Agreement.
- 8. Other matters.
- 9. Report on the session.

#### B. Organization of the work of the session

(Agenda item 2 (b))

5. The SBI considered this sub-item at its  $1^{st}$  meeting, on 29 October, at which the Chairman informed the SBI of the schedule of meetings. It had before it document FCCC/SBI/2001/10.

6. At the same meeting, the SBI referred item 5 (a), "National communications from Parties included in Annex I to the Convention: Ongoing activities on reporting and review of greenhouse gas inventories in Parties included in Annex I to the Convention (implementing decisions 3/CP.5 and 6/CP.5)", to the SBSTA for its consideration at the present session. The SBI also referred a request from Croatia concerning the estimate of its base year emissions (FCCC/SBI/2001/MISC.3) to the SBSTA for its consideration.

#### C. Election of officers other than the Chairman

(Agenda item 2 (c))

#### 1. Proceedings

7. The SBI considered this sub-item at its  $1^{st}$  and  $3^{rd}$  meetings, on 29 October and 6 November respectively. It had before it document FCCC/SBI/2001/10.

8. At the 1<sup>st</sup> meeting, the Chairman recalled rule 27 of the draft rules of procedure being applied, whereby the SBI is expected to elect its own Vice-Chairman and Rapporteur. Such an election was last held at the end of 1998 leading to the election of the current incumbents. He thanked the current incumbents who had been serving since February 1999 and requested them to continue in office until their successors were elected. He also informed the SBI that consultations were still going on and that he would keep delegates informed of any progress made. A statement was made by the representative of one Party.

#### 2. Conclusions

9. At the 3<sup>rd</sup> meeting, the Chairman informed the meeting that an agreement had been reached among the regional groups and announced the nominees for Vice-Chairman and Rapporteur of the SBI. The SBI elected Ms. Daniela Stoytcheva (Bulgaria) as Vice-Chairman and Ms. Emily Ojoo-Massawa (Kenya) as Rapporteur, both serving for a term of one year, which could be renewed for another year. The Chairman noted that they will take up their office after the fifteenth session and thanked the current SBI Bureau for its work.

#### **III. MATTERS REFERRED TO THE SUBSIDIARY BODY FOR IMPLEMENTATION BY THE CONFERENCE OF THE PARTIES**

(Agenda item 3)

#### A. Input to the World Summit on Sustainable Development

(Agenda item 3 (a))

10. At its  $1^{st}$  meeting, on 29 October, the Chairman informed the SBI that, further to a decision taken by the Bureau at its meeting in Marrakesh on 10 September, it had been proposed that this sub-item should be dealt with by the COP under its agenda item 4 and this had been so decided by the COP at its  $1^{st}$  plenary meeting on 29 October. No action by the SBI was therefore envisaged under this sub-item.

#### B. <u>Report of the Global Environment Facility to the Conference of the Parties</u>

(Agenda item 3 (b))

#### 1. Proceedings

11. The SBI considered this sub-item at its 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> meetings on 29, 30 October and 6 November respectively. It had before it document FCCC/CP/2001/8. Statements were made by the representatives of three Parties, including one speaking on behalf of the European Community and its member States and another speaking on behalf of the Group of 77 and China.

12. At the 1<sup>st</sup> meeting, the Chairman invited the Global Environment Facility (GEF) secretariat to make an oral presentation on the GEF report at its 2<sup>nd</sup> meeting.

13. At the  $2^{nd}$  meeting, the representative of the GEF secretariat made an oral presentation.

#### 2. Conclusions

14. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal made by the Chairman, the SBI the adopted the following conclusions:

(a) The SBI took note of the report of the GEF to the Conference of the Parties (FCCC/CP/2001/8). This report includes information as to 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 GEF Council. The SBI welcomed the efforts made by the GEF to support capacity building through its Capacity Development Initiative;

(b) The SBI also noted the important role that the GEF, as an operating entity of the financial mechanism of the Convention, plays in supporting efforts made by Parties to address the problems of climate change, and urged the GEF (a) to streamline its procedures in order to reduce the time between project approval and disbursement of funds and, in addition, (b) to encourage its implementing agencies to be more responsive to the requests of developing countries for financial and technical support;

(c) The SBI 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;

(d) The SBI 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;

(e) The SBI also took note of the conclusions of the Subsidiary Body for Scientific and Technological Advice relating to the Third Assessment Report of the Intergovernmental Panel on Climate Change, urging the GEF to make financial resources available to ensure that the Third Assessment Report is widely disseminated;

(f) The SBI also took note 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. Proposal to amend the lists in Annexes I and II to the Convention

(Agenda item 3 (c))

#### (a) <u>Proposal to amend the lists in Annexes I and II to the Convention</u> <u>by removing the name of Turkey: review of information and</u> <u>possible decisions under Article 4, paragraph 2 (f)</u>

### 1. Proceedings

15. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. It had before it document FCCC/CP/2001/11. Statements were made by one Party speaking on behalf of the Group of 77 and China and an observer State.

16. At the 1<sup>st</sup> meeting, the Chairman invited Mr. Klaus Radunsky (Austria) to assist him in conducting informal consultations on this sub-item.

17. At the 3<sup>rd</sup> meeting, Mr. Radunsky reported to the SBI on the results of his informal consultations. At the invitation of the Chairman, a representative of an observer State made a statement after the adoption of the following conclusions.

#### 2. Conclusions

18. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI recommended a draft decision contained in document FCCC/SBI/2001/L.8 for adoption by the Conference of the Parties at its seventh session.<sup>1</sup>

# (b) Amendment proposed by Kazakhstan to add its name to the list in Annex I

1. Proceedings

19. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. Statements were made by six Parties, including one speaking on behalf of the Group of 77 and China and one speaking on behalf of the European Community and its member States.

20. At the 1<sup>st</sup> meeting, the Chairman invited Mr. Klaus Radunsky (Austria) to assist him in conducting informal consultations on this sub-item.

21. At the 3<sup>rd</sup> meeting, Mr. Radunsky reported to the SBI on the results of his informal consultations.

<sup>&</sup>lt;sup>1</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decision 26/CP.7.

#### 2. Conclusions

22. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI recommended draft conclusions contained in document FCCC/SBI/2001/L.9 for adoption by the Conference of the Parties at its seventh session.<sup>2</sup>

#### D. Arrangements for intergovernmental meetings

(Agenda item 3 (d))

# (i) Date and venue of the eighth session of the Conference of the Parties

#### 1. Proceedings

23. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. Statements were made by the representatives of five Parties, including one speaking on behalf of the European Community and its member States.

24. At its 1<sup>st</sup> meeting, the Chairman invited Mr. Karsten Sach (Germany) to assist him in conducting informal consultations on this sub-item.

25. At its  $3^{rd}$  meeting, Mr. Sach reported to the SBI on the results of his informal consultations and proposed to the Chairman that in view of the inconclusive result of these consultations, there was no time to complete this matter in the SBI; this item would therefore be returned to the Conference of the Parties for its consideration.

#### 2. Conclusions

26. At its 3<sup>rd</sup> meeting, on 6 November, based on the report and proposal made by Mr. Sach, the SBI returned this item to the Conference of the Parties for its consideration at its seventh session.

(ii) <u>Calendar of meetings of Convention bodies</u>, 2005-2007

#### 1. Proceedings

27. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. Statements were made by the representatives of three Parties.

28. At the 1<sup>st</sup> meeting, the Chairman invited Mr. Karsten Sach (Germany) to assist him in conducting informal consultations on this sub-item.

29. At the 3<sup>rd</sup> meeting, Mr. Sach reported to the SBI on the results of his informal consultations.

<sup>&</sup>lt;sup>2</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, section V, C.

#### 2. Conclusions

30. At its  $3^{rd}$  meeting, on 6 November, having considered a proposal by the Chairman, the SBI decided to recommend draft conclusions contained in document FCCC/CP/2001/CRP.15 for adoption by the Conference of the Parties at its seventh session.<sup>3</sup>

#### E. Programme budget for the biennium 2002-2003

(Agenda item 3 (e))

#### 1. Proceedings

31. The SBI considered this sub-item at its  $2^{nd}$  and  $3^{rd}$  meetings, on 30 October and 6 November respectively. It had before it documents FCCC/SBI/2001/17 and Add.1 and 2, which were presented by the Executive Secretary at the  $2^{nd}$  meeting. Statements were made by the representatives of seven Parties, including one speaking on behalf of the Group of 77 and China.

32. At the  $2^{nd}$  meeting, the Executive Secretary responded to questions and provided some clarification. The Chairman undertook to hold informal consultations on the revised proposed programme budget for the biennium 2002-2003.

33. At the 3<sup>rd</sup> meeting, a representative of one Party sought clarification on one point, which was provided by the Chairman.

#### 2. Conclusions

34. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI recommended a draft decision contained in document FCCC/SBI/2001/L.3 for adoption by the Conference of the Parties at its seventh session with an amendment: in paragraph 14 of the draft decision, the figure, US\$ 6.5 million should be replaced by US\$ 6.8 million.<sup>4</sup>

#### F. <u>Any other matters</u>

(Agenda item 3 (f))

35. There were no other matters referred to the SBI by the Conference of the Parties for consideration at its fifteenth session.

#### IV. MATTERS RELATING TO THE LEAST DEVELOPED COUNTRIES (Agenda item 4)

#### 1. Proceedings

36. The SBI considered this sub-item at its 2<sup>nd</sup> and 4<sup>th</sup> meetings on 30 October and 8 November respectively. Statements were made by the representatives of seven Parties, including one speaking on behalf of the group of least developed countries and one speaking on behalf of the European Community and its member States.

<sup>&</sup>lt;sup>3</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, section V, A.

<sup>&</sup>lt;sup>4</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decision 38/CP.7.

37. At the 2<sup>nd</sup> meeting, at the invitation of the Chairman, the representative of the United Nations Environment Programme (UNEP) made a statement. At the same meeting, the SBI agreed to address this item by way of a contact group chaired by Mr. Sibusiso Gamede (South Africa).

#### 2. Conclusions

38. At its 4<sup>th</sup> meeting, on 8 November, having considered a proposal by the Chairman, the SBI recommended draft conclusions contained in document FCCC/SBI/2001/L.11 with brackets removed, draft decisions contained in documents FCCC/SBI/2001/L.12 and FCCC/SBI/2001/L.14 with brackets removed and a draft decision contained in document FCCC/CP/2001/L.26 for adoption by the Conference of the Parties at its seventh session.<sup>5</sup>

### V. NATIONAL COMMUNICATIONS FROM PARTIES INCLUDED IN ANNEX I TO THE CONVENTION

(Agenda item 5)

#### A. <u>Ongoing activities on reporting and review of greenhouse gas inventories</u> <u>in Parties included in Annex I to the Convention (implementing decisions</u> <u>3/CP.5 and 6/CP.5)</u>

(Agenda item 5 (a))

39. At the  $2^{nd}$  meeting, on 30 October, the Chairman recalled that the SBI had decided, under its agenda item 2 (b), to refer this sub-item to the SBSTA for its consideration at the present session.

## **B.** <u>Feasibility of developing guidelines for the review of national communications</u>

(Agenda item 5 (b))

#### 1. Proceedings

40. The SBI considered this sub-item at its  $2^{nd}$  and  $3^{rd}$  meetings on 30 October and 6 November respectively. It had before it document FCCC/SBI/2001/INF.4. At the  $2^{nd}$  meeting, the representative of the secretariat introduced the document and made an oral report.

#### 2. Conclusions

41. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of the report of a workshop on exchanging information among Parties included in Annex I to the Convention (Annex I Parties) on preparations for third national communications and on ways of ensuring expertise in the review process (FCCC/SBI/2001/INF.4);

(b) The SBI also took note of the oral report by the secretariat on the feasibility of developing guidelines for the review of national communications from Annex I Parties;

<sup>&</sup>lt;sup>5</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decisions 27/CP.7, 28/CP.7, 29/CP.7 and section V, D.

(c) The SBI concluded that it would return to the question of developing guidelines for the review of national communications from Annex I Parties at a future session, taking into account the results of the in-depth review of national communications due by 30 November 2001 and the needs of the review process.

#### C. Third national communications: review and the roster of experts

(Agenda item 5 (c))

#### 1. Proceedings

42. The SBI considered this sub-item at its 2<sup>nd</sup> and 3<sup>rd</sup> meetings on 30 October and 6 November respectively. It had before it documents FCCC/SBI/2001/13, FCCC/SBI/2001/INF.6 and FCCC/SBI/2001/INF.7. A statement was made by the representative of one Party.

#### 2. Conclusions

43. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of document FCCC/SBI/2001/13 containing national greenhouse gas inventory data from Parties included in Annex I to the Convention (Annex I Parties) for 1990-1999;

(b) The SBI noted with satisfaction an increase in the number of Annex I Parties reporting in accordance with the UNFCCC reporting guidelines and in time. It urged those Annex I Parties which had not yet provided their national greenhouse gas inventories, or which had provided them but not in accordance with the UNFCCC reporting guidelines, to make every effort to do so as soon as possible;

(c) The SBI took note of document FCCC/SBI/2001/INF.7 and agreed to give further consideration to this document and to the matter of finding optimum ways of conducting the review process and of considering its outcomes at its sixteenth session.

44. At the same meeting, having considered a proposal by the Chairman, the SBI recommended a draft decision contained in document FCCC/SBI/2001/L.5 for adoption by the Conference of the Parties at its seventh session.<sup>6</sup>

#### VI. NATIONAL COMMUNICATIONS FROM PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION (Agenda item 6)

#### A. <u>Third compilation and synthesis of initial national communications</u> <u>from Parties not included in Annex I to the Convention</u> (Agenda item 6 (a))

1. Proceedings

<sup>&</sup>lt;sup>6</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decision 33/CP.7.

45. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. It had before it document FCCC/SBI/2001/14. Statements were made by the representatives of four Parties.

#### 2. Conclusions

46. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI recommended a draft decision contained in document FCCC/SBI/2001/L.4 for adoption by the Conference of the Parties at its seventh session.<sup>7</sup>

#### **B.** <u>Report of the Consultative Group of Experts to the subsidiary bodies</u> (Agenda item 6 (b))

#### 1. Proceedings

47. The SBI considered this sub-item at its 1<sup>st</sup>, 3<sup>rd</sup> and 4<sup>th</sup> meetings, on 29 October and 6 and 8 November respectively. It had before it documents FCCC/SBI/2001/15, FCCC/SBI/2001/INF.11, FCCC/SBI/2001/MISC.2 and FCCC/SBI/2001/MISC.2/Add.1. Statements were made by the representatives of nine Parties, including one speaking on behalf of the European Community and its member States.

48. At the 1<sup>st</sup> meeting, the Chairman recalled that the Consultative Group of Experts (CGE) on National Communications from Parties not included in Annex I to the Convention had presented to the fourteenth session of the SBI its preliminary report (FCCC/SBI/2001/8) containing recommendations for financial and technical support and improvement of the UNFCCC reporting guidelines, as well as improvement of the IPCC and other methodologies. The Chairman also recalled that the SBI at its fourteenth session had invited Parties to submit views by 15 September 2001 on (i) the preliminary report of the CGE, and (ii) current progress of the process aimed at improving the guidelines for national communications from non-Annex I Parties, in accordance with decision 8/CP.5. The Chairman noted that the secretariat had, as requested by the SBI, compiled these submissions as a miscellaneous document (FCCC/SBI/2001/INF.11) on the views of Parties on these issues. The Chairman of the CGE, Mr. Philip Weech (Bahamas), introduced the report of the CGE (FCCC/SBI/2001/15). At the same meeting, the SBI agreed to consider this sub-item by way of a contact group chaired by Ms. Emily Ojoo-Massawa (Kenya).

49. At the 3<sup>rd</sup> meeting, Ms. Emily Ojoo-Massawa reported to the SBI on the results of the contact group.

#### 2. Conclusions

50. At its  $3^{rd}$  meeting, on 6 November, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI expressed its gratitude to the CGE for its excellent work and for its report containing recommendations for improving national communications from Parties not included

<sup>&</sup>lt;sup>7</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decision 30/CP.7.

in Annex I to the Convention. The SBI also commended the secretariat for the significant support it had provided to the CGE in the discharge of its mandate as contained in the terms of reference annexed to decision 8/CP.5.

51. At its 3<sup>rd</sup> and 4<sup>th</sup> meetings, the SBI recommended draft decisions contained in document FCCC/CP/2001/L.20 and FCCC/SBI/2001/L.10/Rev.1 for adoption by the Conference of the Parties at its seventh session.<sup>8</sup>

#### C. Provision of financial and technical support

(Agenda item 6 (c))

#### 1. Proceedings

52. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. It had before it documents FCCC/SBI/2001/INF.8 and FCCC/SBI/2001/INF.9. A statement was made by the representative of one Party.

53. At the 1<sup>st</sup> meeting, the Chairman noted that a table entitled "Status of the preparation of national communications by Parties not included in Annex I to the Convention" had been prepared by the secretariat and posted on the UNFCCC web site (FCCC/WEB/2001/2). He also recalled that by its decision 12/CP.4 the Conference of the Parties had requested the secretariat to compile and make available to the Parties a list of projects submitted by non-Annex I Parties in accordance with Article 12, paragraph 4 of the Convention. This list of projects which was updated on a regular basis had been posted on the UNFCCC web site (FCCC/WEB/2001/1). These two documents would be made available in hard copy on request.

#### 2. Conclusions

54. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI adopted the following conclusions:

(a) The SBI took note of the report from the secretariat on its activities to facilitate the provision of financial and technical support, and information on communications from Parties not included in Annex I to the Convention (non-Annex I Parties)
(FCCC/SBI/2000/INF.8). It also noted the technical needs, concerns and probleMs. reported by those non-Annex I Parties that are still in the process of preparing their initial national communications;

(b) The SBI further took note of the progress made by non-Annex I Parties in the preparation of their national communications (FCCC/WEB/2001/2) and of the greenhouse gas (GHG) abatement projects submitted by non-Annex I Parties for funding in accordance with Article 12, paragraph 4, of the Convention (FCCC/WEB/2001/1), and recommended that these projects be brought to the attention of the GEF and, as appropriate, other bilateral and multilateral financing institutions, through the established channels;

(c) The SBI noted with appreciation the information provided by the operating entity of the financial mechanism, the GEF, on details of its financial support, namely, the dates of

<sup>&</sup>lt;sup>8</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decisions 31/CP.7 and 32/CP.7.

disbursement of funds for enabling activity projects for the preparation of initial national communications by non-Annex I Parties (FCCC/SBI/2001/INF.9), and it invited the GEF to continue to provide information on the effective availability of funds for enabling activity projects.

#### VII. ADMINISTRATIVE AND FINANCIAL MATTERS

(Agenda item 7)

#### A. Interim financial performance for 2000-2001

(Agenda item 7 (a))

#### 1. Proceedings

55. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. It had before it documents FCCC/SBI/2001/16, FCCC/SBI/2001/INF.5 and FCCC/SBI/2001/INF.10.

#### 2. Conclusions

56. At its 3<sup>rd</sup> meeting, on 6 November, having considered a proposal by the Chairman, the SBI recommended a draft decision contained in document FCCC/SBI/2001/L.6 for adoption by the Conference of the Parties at its seventh session.<sup>9</sup>

### B. Possible options to respond to late payment of contributions

(Agenda item 7 (b))

#### 1. Proceedings

57. The SBI considered this sub-item at its 1<sup>st</sup> and 3<sup>rd</sup> meetings, on 29 October and 6 November respectively. The secretariat referred to FCCC/SBI/2000/10, annex II as a possible basis for discussion. A statement was made by the representative of one Party, speaking on behalf of the Group of 77 and China.

58. At its 1<sup>st</sup> meeting, the Chairman invited Mr. Philip Weech (Bahamas) to assist him in conducting informal consultations on this sub-item.

59. At the 3<sup>rd</sup> meeting, Mr. Weech reported to the SBI that consultations were still continuing and proposed the postponement of finalizing the draft decision until the next session of the SBI.

#### 2. Conclusions

60. At its  $3^{rd}$  meeting, on 6 November, having considered the outcome of the informal consultations, the SBI decided to postpone further the consideration of this sub-item until its sixteenth session with a view to recommending a draft decision for adoption by the Conference of the Parties at its eighth session (see annex I below).

<sup>&</sup>lt;sup>9</sup> For the text, as adopted, see document FCCC/CP/2001/13/Add.4, decision 39/CP.7.

#### C. Implementation of the Headquarters Agreement

(Agenda item 7 (c))

#### 1. Proceedings

61. The SBI considered this sub-item at its  $1^{st}$  and  $3^{rd}$  meetings, on 29 October and 6 November respectively.

62. At the 1<sup>st</sup> meeting, the representative of Germany gave an oral report on the progress made by his Government in providing office space to the UNFCCC secretariat and other United Nations entities in Bonn, developing conference facilities and improving conditions for staff members and their families. The Executive Secretary, in response, looked forward to continuing improvements on all these fronts in the context of the Headquarters Agreement.

#### 2. Conclusions

63. At its 1<sup>st</sup> meeting, on 29 October, the SBI took note of the statements made by the host Government and the Executive Secretary.

64. At its  $3^{rd}$  meeting on 6 November, the SBI invited the host Government and the Executive Secretary to report on progress at its next session.

#### **VIII. OTHER MATTERS**

(Agenda item 8)

#### 1. Proceedings

65. Statements were made under this item by the representatives of four Parties at the  $2^{nd}$  and  $3^{rd}$  meetings, on 30 October and 6 November respectively.

66. At the  $2^{nd}$  meeting, one of these representatives, speaking on behalf of the group of least developed countries, informed the SBI of difficulties which delegations belonging to that group had encountered in connection with travel arrangements made for them by the secretariat.

#### 2. Conclusions

67. At its  $3^{rd}$  meeting, on 6 November, the SBI noted that the secretariat had taken note of the difficulties mentioned and had undertaken to address them in consultation with the delegations concerned in the contexts of the specific circumstances.

#### IX. REPORT ON THE SESSION

(Agenda item 9)

68. At its 4<sup>th</sup> meeting, on 8 November, the SBI considered the draft report on its fifteenth session (FCCC/SBI/2001/L.2). At the same meeting, following a proposal by the Chairman, the SBI authorized the Rapporteur, with the assistance of the secretariat, to complete the report on the session, under the guidance of the Chairman.

#### X. CLOSURE OF THE SESSION

69. The Chairman thanked the outgoing Bureau members and the delegates and observers for all their efforts under his chairmanship towards reaching the goals of the SBI, and stated that he had enjoyed working with them throughout his chairmanship. He also thanked the secretariat for its professional support and wished the SBI and its new Bureau every success in the future.

#### Annex I

#### DRAFT DECISION FOR CONSIDERATION BY THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS SIXTEENTH SESSION

#### Late payment of contributions: Response [options]

The Conference of the Parties,

*Recalling* paragraph 8 (b) of its financial procedures,<sup>10</sup>

*Having considered* the report of the Executive Secretary on options for responding to late payment of contributions (FCCC/SBI/2000/2);

1. *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;

2. *Requests* the Executive Secretary to continue to apply appropriate persuasion [and positive incentive measures], including posting of the status of contributions on the Convention's web site, in a more visible manner, to encourage Parties to make their contributions on time;

3. *[Decides* that, with effect from 1 July 2002, Parties having outstanding contributions of [two] [three] years or more will not be eligible, until they have paid their outstanding contributions:

- (a) For voting rights in decision-making by the Conference of the Parties and its subsidiary bodies;
- (b) For new appointment to membership of the Bureau of the Conference of the Parties and its subsidiary bodies;
- (c) For invitation to inter-sessional workshops or meetings of a similar nature;]

4. [Decides that, with effect from 1 July 2002, Parties which would normally be eligible for funding, and which have outstanding contributions for [two] full years or more, will not receive funding to attend any sessions;]<sup>11</sup>

5. *[Also decides* that Parties which are least developed countries or small island States are exempt from paragraphs 3 and 4 unless they have arrears of contributions of [three] [four] years or more.]<sup>12</sup>

<sup>&</sup>lt;sup>10</sup> As contained in FCCC/CP/1995/7/Add.1, decision 15/CP.1, Annex I.

<sup>&</sup>lt;sup>11</sup> A few Parties would like to retain this paragraph, while the representative of the Group of 77 and China strongly objected to its contents.

#### Annex II

#### LIST OF DOCUMENTS BEFORE THE SUBSIDIARY BODY FOR IMPLEMENTATION AT ITS FIFTEENTH SESSION

FCCC/SBI/2001/9	Report of the Subsidiary Body for Implementation on its fourteenth session, Bonn, 16-27 July 2001
FCCC/SBI/2001/10	Provisional agenda and annotations. Note by the Executive Secretary
FCCC/SBI/2001/11	Input to the World Summit on Sustainable Development
FCCC/SBI/2001/12	National communications from Parties included in Annex I to the Convention. Technical review of inventories, progress report on the implementation of decision 6/CP.5
FCCC/SBI/2001/13	National communications from Parties included in Annex I to the Convention. Greenhouse gas inventory data 1990-1999
FCCC/SBI/2001/14	National communications from Parties not included in Annex I to the Convention. Third compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention
FCCC/SBI/2001/15	National communications from Parties not included in Annex I to the Convention. Report of the Consultative Group of Experts to the subsidiary bodies
FCCC/SBI/2001/16	Administrative and financial matters. Income and budget performance in the biennium 2000-2001. Interim report as at June 2001
FCCC/SBI/2001/17 and Add.1 and 2	Administrative and financial matters. Programme budget for the biennium 2002-2003: Work programme of the secretariat and resource requirements
FCCC/SBI/2001/INF.4	National communications from Parties included in Annex I to the Convention. Guidelines for the review of national

<sup>&</sup>lt;sup>12</sup> Contingent to paragraphs 3 and 4. If this paragraph is retained, the European Community and its member States prefer to exempt least developed countries and small island States from paragraph 4 only.

	communications. Report of the workshop on the preparation of national communications
FCCC/SBI/2001/INF.5	Administrative and financial matters. Unaudited interim financial statements for the biennium 2000-2001 as at 31 December 2000
FCCC/SBI/2001/INF.6	National communications from Parties included in Annex I to the Convention. Roster of experts for the review of third national communications
FCCC/SBI/2001/INF.7	National communications from Parties included in Annex I to the Convention. Status report on in-depth reviews
FCCC/SBI/2001/INF.8	National communications from Parties not included in Annex I to the Convention. Provision of financial and technical support. Activities to facilitate the provision of financial and technical support
FCCC/SBI/2001/INF.9	National communications from Parties not included in Annex I to the Convention. Provision of financial and technical support. Information on the financial support provided by the Global Environment Facility
FCCC/SBI/2001/INF.10	Administrative and financial matters. Status of contributions as at 15 October 2001
FCCC/SBI/2001/INF.11	Consolidated report on the views of Parties on the report of the Consultative Group of Experts to the subsidiary bodies
FCCC/SBI/2001/MISC.1 and Add.1 and 2	Matters relating to the least developed countries. Compilation of submissions on financial needs for the preparation of national adaptation programmes of action by least developed countries
FCCC/SBI/2001/MISC.2 and Add.1	Report of the Consultative Group of Experts to the subsidiary bodies. Submissions from Parties
FCCC/SBI/2001/MISC.3	National communications from Parties included in Annex I to the Convention: Third national communications: review and the roster of experts. Views from a Party
FCCC/CP/2001/5 and Add.1 and 2	Report of the Conference of the Parties on the second part of its sixth session, held in Bonn from 16 to 27 July 2001

FCCC/CP/1999/2

Amendment to Annex I to the Convention. Proposal from the Republic of Kazakhstan to amend Annex I to the Convention

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