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**SUBSIDIARY BODY FOR IMPLEMENTATION**

**Twenty-fifth session**

**Nairobi, 6–14 November 2006**

**Item 2 (a) of the provisional agenda**

**Organizational matters**

**Adoption of the agenda**

**Provisional agenda and annotations**

**Note by the Executive Secretary**

**I. Provisional 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 Chair;
  - (d) Election of replacement officers.
3. National communications from Parties included in Annex I to the Convention:
  - (a) Synthesis of reports demonstrating progress in accordance with Article 3, paragraph 2, of the Kyoto Protocol;
  - (b) Report on national greenhouse gas inventory data from Parties included in Annex I to the Convention for the period 1990–2004.
4. National communications from Parties not included in Annex I to the Convention:
  - (a) Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention;
  - (b) Provision of financial and technical support.

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\*\* Reissued for technical reasons.

5. Financial mechanism (Convention):
  - (a) Special Climate Change Fund;
  - (b) Third review of the financial mechanism;
  - (c) Report of the Global Environment Facility to the Conference of the Parties;
  - (d) Additional guidance to the Global Environment Facility.
6. Financial mechanism (Kyoto Protocol): Adaptation Fund.
7. Article 6 of the Convention.
8. Implementation of Article 4, paragraphs 8 and 9, of the Convention:
  - (a) Progress on the implementation of decision 1/CP.10;
  - (b) Matters relating to the least developed countries.
9. Matters relating to Article 3, paragraph 14, of the Kyoto Protocol.
10. Capacity-building under the Convention.
11. Capacity-building under the Kyoto Protocol.
12. Amendment of the Kyoto Protocol in respect of procedures and mechanisms relating to compliance.
13. Report of the administrator of the international transaction log under the Kyoto Protocol.
14. Administrative, financial and institutional matters:
  - (a) Audited financial statements for the biennium 2004–2005;
  - (b) Budget performance for the biennium 2006–2007;
  - (c) Continuing review of the functions and operations of the secretariat;
  - (d) Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol.
15. Other matters:
  - (a) Level of emissions for the base year of Croatia;
  - (b) Any other matters.
16. Report on the session.

## II. Annotations to the provisional agenda

### 1. Opening of the session

1. The twenty-fifth session of the Subsidiary Body for Implementation (SBI) is scheduled to be opened by the Chair on Monday, 6 November 2006.

### 2. Organizational matters

(a) Adoption of the agenda

2. The provisional agenda for the session will be presented for adoption.

FCCC/SBI/2006/12	Provisional agenda and annotations. Note by the Executive Secretary
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(b) Organization of the work of the session

3. *Background:* The twenty-fifth session of the SBI will be held from Monday, 6 November to Tuesday, 14 November. A detailed schedule of the session will be posted on the UNFCCC website. The SBI will finalize as many matters as possible and transmit its results to the Conference of the Parties (COP) or the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP).
4. The SBI, at its twenty-fourth session, recommended that meetings should normally end by 6 p.m. but may, in exceptional circumstances, continue no later than 9 p.m. The increased pressure on meeting time arising from the new processes established under the Convention and the Kyoto Protocol was noted with concern.
5. The session will be organized to account for this limitation of available meeting time. Priority will be given to the most urgent issues. In addition, because of the heavy schedule of work anticipated for COP 12 and COP/MOP 2, the President of the COP and the COP/MOP may not be able to undertake consultations on items on which the SBI could not agree. Items that are not concluded at this session will be forwarded to the SBI at its twenty-sixth session.
6. To maximize the use of meeting time, the President of the COP and the COP/MOP or the chairs of the subsidiary bodies may, where possible and appropriate, propose that negotiating group co-chairs facilitate agreement by tabling initial draft conclusions at the first meeting of the negotiating groups to be established, based on relevant submissions and statements made during plenary meetings, taking into account any previous negotiations and/or consultations. In accordance with the conclusions<sup>1</sup> adopted by the SBI at its twenty-fourth session, representatives of Parties and international organizations are requested to keep their oral statements as brief as possible. Those representatives wishing to make a written statement available should bring copies for distribution.
7. *Action:* The SBI will be invited to agree on the organization of the work of the session.
8. Parties are invited to refer to the proposed schedule contained in the annotations<sup>2</sup> to the provisional agendas of the COP and the COP/MOP and to consult the Daily Programme, published during the session, for a detailed and up-to-date schedule of the work of the SBI.

<sup>1</sup> FCCC/SBI/2006/11, paragraph 102.

<sup>2</sup> FCCC/CP/2006/1, annex I and FCCC/KP/CMP/2006/1, annex I.

(c) Election of officers other than the Chair

9. *Background:* Pursuant to rule 27 of the draft rules of procedure<sup>3</sup> being applied, the SBI is expected to elect its Vice-Chair and Rapporteur. At the request of the President of COP 11, consultations with the coordinators of the regional groups were initiated at SBI 24, together with the consultations on the election of members of the other Kyoto Protocol and Convention bodies. If necessary, further consultations will be held during the session. Parties are invited to recall decision 36/CP.7 and to give active consideration to the nomination of women for elective posts in any body established under the Convention or the Kyoto Protocol. The current officers of the SBI will remain in office until their successors are elected.

10. *Action:* The SBI will be invited to elect its Vice-Chair and Rapporteur at the earliest opportunity following completion of consultations.

(d) Election of replacement officers

11. *Background:* Pursuant to Article 15, paragraph 3, of the Kyoto Protocol, when the SBI exercises its functions with regard to matters concerning the Kyoto Protocol, any member of its Bureau representing a State that is a Party to the Convention but, at that time, not a Party to the Protocol, shall be replaced by an additional member to be elected by and from among the Parties to the Protocol. If necessary, further consultations with the coordinators of the regional groups will be undertaken.

12. *Action:* If necessary, the SBI will be invited to elect additional officers to replace the Vice-Chair and/or Rapporteur representing a State that is not a Party to the Kyoto Protocol.

**3. National communications from Parties included in Annex I to the Convention**(a) Synthesis of reports demonstrating progress in accordance with Article 3, paragraph 2, of the Kyoto Protocol

13. *Background:* The COP, by its decision 25/CP.8, requested the secretariat to prepare a synthesis of reports demonstrating progress achieved by Parties included in Annex I to the Convention (Annex I Parties) in meeting their commitments under the Kyoto Protocol for consideration by the SBI at its first session in 2006. By the same decision, the COP requested the SBI to use the synthesis as the basis for reviewing progress, by 2005, with a view to providing advice on this matter to the subsequent session of the COP/MOP.

14. The SBI took up this matter at its twenty-fourth session. Unable to complete its consideration at this session, the SBI decided to continue its consideration at its twenty-fifth session.

15. *Action:* The SBI will be invited to complete its consideration of the information contained in the synthesis with a view to recommending a draft decision for adoption by the COP/MOP at its second session. It will also have for its review the status of submissions of fourth national communications and reports demonstrating progress under the Kyoto Protocol.

FCCC/SBI/2006/INF.2	<i>Synthesis of reports demonstrating progress in accordance with Article 3, paragraph 2, of the Kyoto Protocol. Note by the secretariat</i>
FCCC/SBI/2006/INF.7	<i>Status of submissions of fourth national communications and reports demonstrating progress under the Kyoto Protocol</i>

<sup>3</sup> FCCC/CP/1996/2.

- (b) Report on national greenhouse gas inventory data from Parties included in Annex I to the Convention for the period 1990–2004

16. *Background:* The COP, at its eighth session,<sup>4</sup> requested the secretariat to provide information relating to greenhouse gas inventory data submitted by Annex I Parties for consideration by the subsidiary bodies and the COP.

17. *Action:* The SBI will be invited to take note of the information contained in the document mentioned below.

<i>FCCC/SBI/2006/26</i>	<i>National greenhouse gas inventory data for the period 1990–2004 and status of reporting. Note by the secretariat</i>
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#### **4. National communications from Parties not included in Annex I to the Convention**

- (a) Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention

18. *Background:* Decision 3/CP.8 mandated the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) to conduct regional hands-on training workshops on national greenhouse gas inventories, vulnerability and adaptation, and mitigation, and to report on their outcomes. The CGE will present its report on the outcomes of the workshops on vulnerability and adaptation assessments for the Latin America and the Caribbean region, held in Asuncion, Paraguay, from 14 to 18 August 2006, and on national greenhouse gas inventories for the Africa region, held in Pretoria, South Africa, from 18 to 22 September 2006. The CGE will also report the outcomes of its seventh meeting, held in Pretoria, South Africa, from 25 to 26 September 2006.

19. As requested by Parties at SBI 24, the CGE will provide advice on the provision of technical assistance to Parties not included in Annex I to the Convention (non-Annex I Parties) that have requested assistance in identifying appropriate tools and methods needed to prepare their national communications. The group will also present its report on ways and means to improve access to financial and technical support to prepare the second and, where appropriate, third national communications of non-Annex I Parties (FCCC/SBI/2006/24). This report will be considered under SBI agenda item 4 (b), provision of financial and technical support, as concluded at SBI 23.<sup>5</sup>

20. *Action:* The SBI will be invited to consider the report below and make recommendations thereon.

<i>FCCC/SBI/2006/25</i>	<i>Progress report on the activities of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention. Note by the secretariat</i>
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- (b) Provision of financial and technical support

21. *Background:* The SBI, at its twenty-third session,<sup>6</sup> invited Parties to provide information to the secretariat on existing activities and programmes, including those of bilateral and multilateral funding sources, to enable the CGE to report to the SBI at its twenty-fifth session on ways to improve access to financial and technical support provided for the preparation of national communications. The SBI, at its twenty-fourth session,<sup>7</sup> reiterated its request to Parties and relevant international organizations to submit to the secretariat, by 4 August 2006, information on their activities relating to the preparation of national

<sup>4</sup> FCCC/CP/2002/8, page 92, paragraphs 42 and 43.

<sup>5</sup> FCCC/SBI/2005/23, paragraph 30.

<sup>6</sup> FCCC/SBI/2005/23, paragraph 30.

<sup>7</sup> FCCC/SBI/2006/11, paragraph 41.

communications, for compilation into a miscellaneous document for consideration by the SBI at its twenty-fifth session.

22. Decision 10/CP.2, paragraph 1 (b), requests the secretariat to make available to the SBI, at each of its sessions, details of the financial support made available to non-Annex I Parties by the Global Environment Facility (GEF). The SBI, at its twenty-fourth session,<sup>8</sup> invited the GEF to continue to provide information on activities of non-Annex I Parties relevant to the status of the preparation of their national communications and to provide, in addition to the dates of approval, information on the dates of disbursement of funds. It requested the secretariat to report this information to the SBI at its twenty-fifth session.

23. *Action:* The SBI will be invited to consider the information provided by the GEF and the recommendations of the CGE in preparing guidance on ways and means to improve access to financial and technical support for the preparation of national communications from non-Annex I Parties.

<i>FCCC/SBI/2006/24</i>	<i>Report by the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention on ways to improve access to financial and technical support to prepare second and subsequent national communications. Note by the Chair of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention</i>
<i>FCCC/SBI/2006/INF.5</i>	<i>Information on financial support provided by the Global Environment Facility for the preparation of initial and subsequent national communications from Parties not included in Annex I to the Convention. Note by the secretariat</i>
<i>FCCC/SBI/2006/MISC.14</i>	<i>Information on activities relating to the preparation of national communications from Parties not included in Annex I to the Convention. Submissions from Parties and relevant international organizations</i>

## 5. Financial mechanism (Convention)

### (a) Special Climate Change Fund

24. *Background:* At SBI 24, Parties decided to continue consideration of this matter at SBI 25 on the basis of the draft text<sup>9</sup> produced at SBI 22, with a view to finalizing its recommendation on the operation of the Special Climate Change Fund to the COP at its twelfth session.

25. *Action:* The SBI will be invited to further consider this issue and to recommend a draft decision for adoption by the COP at its twelfth session.

### (b) Third review of the financial mechanism

26. *Background:* The COP, by its decision 3/CP.4, decided, in accordance with Article 11, paragraph 4, of the Convention, to review the financial mechanism every four years. By its decision 5/CP.8, the COP requested the SBI 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 COP at its twelfth session.

<sup>8</sup> FCCC/SBI/2006/11, paragraph 40.

<sup>9</sup> FCCC/SBI/2005/10, annex I.

27. At its twenty-fourth session, the SBI made progress on its consideration of the third review of the financial mechanism and prepared a draft text,<sup>10</sup> based on the compilation of views expressed and text submitted by Parties at that session.

28. *Action:* The SBI will be invited to continue deliberating on this matter, on the basis of the text referred to in paragraph 27 above, with a view to recommending a draft decision for adoption by the COP at its twelfth session.

(c) Report of the Global Environment Facility to the Conference of the Parties

29. *Background:* The memorandum of understanding between the COP and the Council of the GEF, annexed to decision 12/CP.2, provides, inter alia, that the GEF will make available to the COP annual reports and other official public documentation on implementation of COP guidance to the GEF.

30. With regard to its twelfth session, in particular, the COP:

- (a) By its decision 5/CP.11, requested the GEF to report to the COP on the following issues:
  - (i) The initial application of the Resource Allocation Framework (RAF) to resources allocated in the fourth replenishment of the GEF and how the RAF is likely to affect funding available to developing countries for the implementation of their commitments under the Convention;
  - (ii) Specific steps undertaken to assist, if so requested, non-Annex I Parties in formulating and developing project proposals identified in their national communications, when Parties are formulating their national programmes to address climate change issues;
  - (iii) Consideration of 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;
- (b) By its decision 3/CP.11, requested the GEF to report to the COP information on the specific steps it has taken to implement guidance for the operation of the Least Developed Countries Fund, for consideration by the COP at subsequent sessions;
- (c) By its decisions 1/CP.10 and 8/CP.10, invited the GEF to provide feedback to the COP 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 COP adopting a decision on further action at its thirteenth session.

31. *Action:* The SBI will be invited to consider the report of the GEF with a view to recommending a draft decision for adoption by the COP at its twelfth session.

FCCC/CP/2006/3

*Report of the Global Environment Facility to the Conference of the Parties.  
Note by the secretariat*

(d) Additional guidance to the Global Environment Facility

32. *Background:* Several actions relevant to this agenda item are expected to be taken up by the COP at its twelfth session. These may include action on national communications from non-Annex I Parties (item 4 of the SBI 25 provisional agenda), capacity-building under the Convention (item 10 of the

<sup>10</sup> FCCC/SBI/2006/11, annex I.

SBI 25 provisional agenda and item 5 (d) of the COP 12 provisional agenda), Article 6 of the Convention (item 7 of the SBI 25 provisional agenda), and development and transfer of technologies (item 4 of the Subsidiary Body for Scientific and Technological Advice (SBSTA) 25 provisional agenda).

33. In particular, the SBI, at its twenty-fourth session,<sup>11</sup> recommended that the COP, at its twelfth session, invite the GEF to further simplify its procedures and improve the efficiency of the process by which non-Annex I Parties receive funding to meet their obligations under Article 12, paragraph 1, of the Convention, with the aim of ensuring the timely disbursement of funds to meet the agreed full costs incurred by developing country Parties in complying with these obligations.

34. In addition, the SBSTA, at its twenty-fourth session,<sup>12</sup> invited the SBI, at its twenty-fifth session, to request the GEF, when providing support for technology needs assessments, to take into account barriers and constraints and the need to create enabling environments and fill capacity gaps identified by non-Annex I Parties and outlined in document FCCC/SBSTA/2006/INF.1.

35. *Action:* The SBI will be invited to consider additional guidance to the GEF, relating to the issues mentioned above, with a view to recommending a draft decision for adoption by the COP at its twelfth session.

#### **6. Financial mechanism (Kyoto Protocol): Adaptation Fund**

36. *Background:* Decision 10/CP.7 established the Adaptation Fund. The COP/MOP, by its decision 28/CMP.1, adopted initial guidance to an entity entrusted with the operation of the financial mechanism of the Convention for the operation of the Adaptation Fund and decided that the Adaptation Fund shall function under the guidance of, and be accountable to, the COP/MOP. The COP/MOP also decided to adopt, at its second session, further guidance on policies, programme priorities and eligibility criteria for the operation of the Adaptation Fund.

37. The SBI, at its twenty-fourth session, made progress in its consideration of the Adaptation Fund and prepared a compilation document containing possible elements for a draft decision on the Adaptation Fund,<sup>13</sup> without prejudice to further input by Parties.

38. At the same session, the SBI invited relevant international institutions including, among others, those contained in the compilation document referred to in paragraph 37 above, without prejudice to any institution, to submit to the secretariat, by 4 August 2006, information on issues contained in the compilation document, and taking into account views expressed by Parties, including those contained in documents FCCC/SBI/2006/MISC.7 and Add.1 and FCCC/SBI/2006/MISC.11.

39. *Action:* The SBI will be invited to continue its deliberations on this matter, on the basis of the compilation document referred to in paragraph 37 above and of responses provided by institutions, with a view to recommending a draft decision for adoption by the COP/MOP at its second session.

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<sup>11</sup> FCCC/SBI/2006/11, paragraph 42.

<sup>12</sup> FCCC/SBSTA/2006/5, paragraph 27.

<sup>13</sup> FCCC/SBI/2006/11, annex II.



<i>FCCC/SBI/2006/MISC.16</i>	<i>Information on issues contained in the annex to the Subsidiary Body for Implementation conclusions on the Adaptation Fund. Submissions from relevant international institutions</i>
<i>FCCC/SBI/2006/MISC.7 and Add.1</i>	<i>Views on specific policies, programme priorities and eligibility criteria and possible arrangements for the management of the Adaptation Fund. Submissions from Parties</i>
<i>FCCC/SBI/2006/MISC.11</i>	<i>Adaptation Fund. Submissions from Parties</i>

## 7. Article 6 of the Convention

40. *Background:* The SBI, at its twenty-third session, welcomed the progress made by Parties, in the four regions in which workshops have been held to date, in implementing activities relating to Article 6 of the Convention and the New Delhi work programme on Article 6 of the Convention. It requested the secretariat to prepare a synthesis report, based on the reports of the workshops, highlighting common themes and issues as a way of providing broader insights into the results of the workshops, for consideration at SBI 25.

41. The SBI also welcomed the launch of the prototype information network clearing house for Article 6 of the Convention (CC:iNet) and noted that the clearing house was one of many tools for promoting the further implementation of Article 6. The SBI requested Parties to submit to the secretariat, by 4 August 2006, their views on advancing work on the clearing house and on making it fully functional, multilingual and user-friendly, and requested the secretariat to compile these views into a miscellaneous document for consideration by the SBI at its twenty-fifth session.

42. *Action:* The SBI will be invited to consider the reports listed below, with a view to using the information contained in the reports in the review of the New Delhi work programme, in accordance with decision 11/CP.8, paragraph 3, and to decide on further action for the development of regional strategies for implementing Article 6 of the Convention.

<i>FCCC/SBI/2006/17</i>	<i>Synthesis report on regional workshops on Article 6 of the Convention. Note by the secretariat</i>
<i>FCCC/SBI/2006/MISC.15</i>	<i>Views on advancing work on the prototype information network clearing house for Article 6 of the Convention. Submissions from Parties</i>

## 8. Implementation of Article 4, paragraphs 8 and 9, of the Convention

(a) Progress on the implementation of decision 1/CP.10

43. *Background:* The COP, by its decision 1/CP.10, mandated a number of inter- and pre-sessional activities to address the adverse effects of climate change and the impact of implementation of response measures. The outcome of the two expert meetings relating to response measures will be considered by the SBI at its twenty-fifth session and the outcome of the three regional workshops on adaptation, and the expert meeting on issues of priority identified by small island developing States, will be considered by the SBI at its twenty-sixth session.

44. *Action:* The secretariat will provide an oral report on the status of implementation of the provisions of decision 1/CP.10, and the SBI will be invited to consider the outcome of the expert meetings on response measures with a view to recommending what further actions may be required by the COP at its thirteenth session.

<i>FCCC/SBI/2006/13</i>	<i>Report on the expert meeting on response measures. Note by the secretariat</i>
<i>FCCC/SBI/2006/18</i>	<i>Report on the expert meeting on economic diversification. Note by the secretariat</i>
<i>FCCC/SBI/2006/19</i>	<i>Report on the Latin American regional workshop on adaptation. Note by the secretariat</i>

(b) Matters relating to the least developed countries

45. *Background:* The COP, at its eleventh session, extended the mandate of the Least Developed Countries Expert Group (LEG) under the terms of reference in decision 29/CP.7. The LEG held its ninth meeting under its extended mandate in Dhaka, Bangladesh, in April 2006 and reported at SBI 24 on its work programme for 2006–2007, which includes work directed towards the implementation of national adaptation programmes of action. The LEG held its tenth meeting in Kampala, Uganda, from 4 to 6 September 2006, where it reviewed its work programme and planned activities for 2007.

46. *Action:* The SBI will be invited to consider the report of the LEG and adopt conclusions thereon.

<i>FCCC/SBI/2006/23</i>	<i>Report on the work of the Least Developed Countries Expert Group. Note by the secretariat</i>
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**9. Matters relating to Article 3, paragraph 14, of the Kyoto Protocol**

47. *Background:* The COP/MOP, by its decision 31/CMP.1, requested the secretariat to organize, before COP/MOP 2, 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 Annex I Parties in achieving their quantified emission limitation and reduction commitments under Article 3, paragraph 1, of the Kyoto Protocol. This workshop is scheduled to be held in Abu Dhabi, United Arab Emirates, from 4 to 6 September 2006.

48. *Action:* The SBI will be invited to consider the outcome of the workshop with a view to making recommendations to the COP/MOP at its second session.

<i>FCCC/SBI/2006/27</i>	<i>Report on the workshop on reporting methodologies in the context of Article 3, paragraph 14, of the Kyoto Protocol. Note by the secretariat</i>
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**10. Capacity-building under the Convention**

49. *Background:* The COP, by its decision 2/CP.10, invited Parties to submit to the secretariat, by 15 February 2006, their views on steps to be taken by the SBI to regularly monitor capacity-building activities undertaken pursuant to decision 2/CP.7, for consideration by the SBI at its twenty-fourth session.

50. By the same decision, the COP also requested the secretariat to prepare a synthesis report on the steps to be taken to regularly monitor capacity-building activities pursuant to decision 2/CP.7 based on views from Parties expressed in the submissions mentioned above, and taking into account the work of the GEF on capacity-building performance indicators for the climate change focal area consistent with decision 4/CP.9 and to make this report available at SBI 24. Also by decision 2/CP.10, the COP requested the secretariat to disseminate, in cooperation with the GEF and its implementing agencies, an information document on best practices and lessons learned in capacity-building projects and programmes.

51. The COP, by its decision 2/CP.7, requested the secretariat to provide reports to the COP at each of its sessions on activities to implement the framework for capacity-building in developing countries.<sup>14</sup> At SBI 24, Parties considered steps for regularly monitoring the capacity-building framework but did not reach a conclusion. The SBI decided to continue discussion on this issue at its twenty-fifth session.

52. *Action:* The SBI will be invited to consider the documents listed below with a view to recommending a draft decision on steps to monitor the progress of the implementation of the framework for capacity-building in developing countries for adoption by the COP at its twelfth session.

<i>FCCC/SBI/2006/16</i>	<i>Report on activities to implement the framework for capacity-building under decision 2/CP.7. Note by the secretariat</i>
<i>FCCC/SBI/2006/22</i>	<i>Report on progress of the Global Environment Facility in developing capacity-building performance indicators. Note by the secretariat</i>
<i>FCCC/SBI/2006/5</i>	<i>Synthesis report on steps to be taken to monitor capacity-building activities. Note by the secretariat</i>
<i>FCCC/SBI/2006/MISC.4 and Corr.1 and Add.1</i>	<i>Views on steps to be taken to regularly monitor capacity-building activities. Submissions from Parties</i>

### 11. Capacity-building under the Kyoto Protocol

53. *Background:* In accordance with decisions 29/CMP.1 and 30/CMP.1, the frameworks for capacity-building in decisions 2/CP.7 and 3/CP.7 are also applicable to the implementation of the Kyoto Protocol. Furthermore, the COP/MOP requested the secretariat to take these decisions into account in preparing its synthesis report on the steps taken to regularly monitor capacity-building activities pursuant to decision 2/CP.7. The documents referred to under agenda item 10 above are also relevant for the discussion on this agenda item.

54. At SBI 24, Parties considered steps to monitor the progress of the implementation of the framework for capacity-building in developing countries<sup>15</sup> with respect to the Kyoto Protocol but did not reach a conclusion thereon. The SBI decided to continue discussion on this issue at its twenty-fifth session.

55. *Action:* The SBI will be invited to consider the documents listed below and to agree on any action to take.

<i>FCCC/SBI/2006/16</i>	<i>Report on activities to implement the framework for capacity-building under decision 2/CP.7. Note by the secretariat</i>
<i>FCCC/SBI/2006/22</i>	<i>Report on progress of the Global Environment Facility in developing capacity-building performance indicators. Note by the secretariat</i>
<i>FCCC/SBI/2006/5</i>	<i>Synthesis report on steps to be taken to monitor capacity-building activities. Note by the secretariat</i>
<i>FCCC/SBI/2006/MISC.4 and Corr.1 and Add.1</i>	<i>Views on steps to be taken to regularly monitor capacity-building activities. Submissions from Parties</i>

<sup>14</sup> Decision 2/CP.7, annex.

<sup>15</sup> Decision 2/CP.7, annex.

## 12. Amendment of the Kyoto Protocol in respect of procedures and mechanisms relating to compliance

56. *Background:* The SBI, at its twenty-fourth session,<sup>16</sup> agreed to consider this item at its twenty-fifth session, with a view to completing its consideration at its twenty-seventh session. The item is based on a proposal from Saudi Arabia contained in document FCCC/KP/CMP/2005/2.

57. *Action:* The SBI will be invited to consider this matter.

## 13. Report of the administrator of the international transaction log under the Kyoto Protocol

58. *Background:* The COP, by its decision 16/CP.10, requested the administrator of the international transaction log (ITL) to report annually to the COP/MOP on organizational arrangements, activities and resource requirements and to make any necessary recommendations to enhance the operation of registry systems.

59. The COP/MOP, by its decision 12/CMP.1, requested the SBI to consider, at its future sessions, annual reports of the administrator of the ITL, with a view to requesting the COP/MOP to provide guidance, as necessary, in relation to the operation of registry systems.

60. *Action:* The SBI will be invited to consider the report of the administrator of the ITL for 2006 and to prepare a draft decision for adoption by the COP/MOP at its second session.

<i>FCCC/KP/CMP/2006/7</i>	<i>Annual report of the administrator of the international transaction log under the Kyoto Protocol. Note by the secretariat</i>
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## 14. Administrative, financial and institutional matters

### (a) Audited financial statements for the biennium 2004–2005

61. *Background:* The financial procedures of the Convention require that the Executive Secretary prepare audited financial statements at the end of each biennium. The financial statements for 2004–2005 have been audited by the United Nations Board of Auditors.

62. *Action:* The SBI will be invited to take note of the report listed below with a view to recommending a draft decision for adoption by the COP at its twelfth session on the status of implementation of the recommendations contained in the report by the United Nations Board of Auditors.

<i>FCCC/SBI/2006/14</i>	<i>Report of the United Nations Board of Auditors. Note by the Executive Secretary</i>
<i>FCCC/SBI/2006/14/Add.1</i>	<i>Report of the United Nations Board of Auditors. Note by the Executive Secretary. Addendum. Comments by the secretariat</i>
<i>FCCC/SBI/2006/14/Add.2</i>	<i>Report of the United Nations Board of Auditors. Note by the Executive Secretary. Addendum. Audited financial statements for the biennium 2004–2005</i>

<sup>16</sup> FCCC/SBI/2006/11, paragraph 87.

(b) Budget performance for the biennium 2006–2007

63. *Background:* The COP, by its decision 12/CP.11, approved the programme budget for the biennium 2006–2007 and requested the Executive Secretary to report to the COP at its twelfth session on income and budget performance, and to propose any adjustments that might be needed in the programme budget for the biennium 2006–2007.

64. *Action:* The SBI will be invited to consider the reports listed below with a view to recommending a draft decision for adoption by the COP at its twelfth session, based on information relating to income and budget performance in the first half of 2006.

<i>FCCC/SBI/2006/15</i>	<i>Budget performance for the biennium 2006–2007 as at 30 June 2006. Note by the secretariat</i>
<i>FCCC/SBI/2006/INF.6</i>	<i>Status of contributions as at 15 October 2006. Note by the secretariat</i>

(c) Continuing review of the functions and operations of the secretariat

65. *Background:* The SBI, at its twenty-first session,<sup>17</sup> decided to continue consideration of this item annually.

66. *Action:* The SBI will be invited to consider this issue with a view to recommending, as appropriate, a draft decision for adoption by the COP at its twelfth session on the continuation of the review of the functions and operations of the secretariat.

(d) Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol

67. *Background:* The SBI, at its twenty-fourth session,<sup>18</sup> requested the Executive Secretary to continue consultations with the Secretary-General of the United Nations to obtain the views of the Secretary-General on whether the Convention on the privileges and immunities of the United Nations, adopted on 13 February 1946, (1946 Convention) may be enjoyed by individuals serving on constituted bodies and expert review teams established under the Kyoto Protocol, and whether the COP/MOP could invite the United Nations General Assembly to adopt a resolution that recognizes or applies the 1946 Convention to such individuals.

68. The SBI also requested the secretariat to prepare a note that analyzes the issues and implications of obtaining written agreement from private or national entities seeking to participate in the mechanisms pursuant to the Kyoto Protocol that any complaints, claims or disputes against the constituted bodies or individuals serving on constituted bodies and expert review teams be brought in accordance with the decisions of the COP/MOP and be made at the headquarters of the secretariat, and for the secretariat to provide assistance to such individuals who are faced with complaints, claims or disputes concerning their official functions.

69. *Action:* The SBI will be invited to continue deliberating on this matter, on the basis of the documents listed below, with a view to recommending a draft decision for adoption by the COP/MOP at its second session.

<sup>17</sup> FCCC/SBI/2004/19 and Corr.1, paragraph 105.

<sup>18</sup> FCCC/SBI/2006/11, paragraph 124.

<i>FCCC/SBI/2006/20</i>	<i>Consultations by the secretariat with the Secretary-General of the United Nations on privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol. Note by the secretariat</i>
<i>FCCC/SBI/2006/21</i>	<i>Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol. Note by the secretariat</i>

### **15. Other matters**

(a) Level of emissions for the base year of Croatia

70. *Background:* By an official communication dated 15 February 2006, the Government of Croatia requested that its base year emissions be considered, with reference to Article 4, paragraph 6, of the Convention, by the SBI at its twenty-fourth session. The SBI did not finalize its consideration of this matter and agreed to continue the consideration at its twenty-fifth session.

71. *Action:* The SBI will be invited to consider this issue with a view to recommending a draft decision for adoption by the COP at its twelfth session.

(b) Any other matters

72. Any other matters arising during the session or referred by the COP at its twelfth session or by the COP/MOP at its second session will be taken up under this sub-item.

### **16. Report on the session**

73. *Background:* A draft report on the work of the session will be prepared for adoption by the SBI at the end of the session.

74. *Action:* The SBI will be invited to adopt the draft report and authorize the Rapporteur to complete the report after the session, under the guidance of the Chair and with the assistance of the secretariat.

Annex

**Documents before the Subsidiary Body for Implementation  
at its twenty-fifth session**

**Documents prepared for the session**

FCCC/SBI/2006/12	Provisional agenda and annotations. Note by the Executive Secretary
FCCC/SBI/2006/13	Report on the expert meeting on response measures. Note by the secretariat
FCCC/SBI/2006/14	Report of the United Nations Board of Auditors. Note by the Executive Secretary
FCCC/SBI/2006/14/Add.1	Report of the United Nations Board of Auditors. Note by the Executive Secretary. Addendum. Comments by the secretariat
FCCC/SBI/2006/14/Add.2	Report of the United Nations Board of Auditors. Note by the Executive Secretary. Addendum. Audited financial statements for the biennium 2004–2005
FCCC/SBI/2006/15	Budget performance for the biennium 2006–2007 as at 30 June 2006. Note by the secretariat
FCCC/SBI/2006/16	Report on activities to implement the framework for capacity-building under decision 2/CP.7. Note by the secretariat
FCCC/SBI/2006/17	Synthesis report on regional workshops on Article 6 of the Convention. Note by the secretariat
FCCC/SBI/2006/18	Report on the expert meeting on economic diversification. Note by the secretariat
FCCC/SBI/2006/19	Report on the Latin American regional workshop on adaptation. Note by the secretariat
FCCC/SBI/2006/20	Consultations by the secretariat with the Secretary-General of the United Nations on privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2006/21	Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2006/22	Report on progress of the Global Environment Facility in developing capacity-building performance indicators. Note by the secretariat
FCCC/SBI/2006/23	Report on the work of the Least Developed Countries Expert Group. Note by the secretariat

FCCC/SBI/2006/24	Report by the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention on ways to improve access to financial and technical support to prepare second and subsequent national communications. Note by the Chair of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention
FCCC/SBI/2006/25	Progress report on the activities of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention. Note by the secretariat
FCCC/SBI/2006/26	National greenhouse gas inventory data for the period 1990–2004 and status of reporting. Note by the secretariat
FCCC/SBI/2006/27	Report on the workshop on reporting methodologies in the context of Article 3, paragraph 14, of the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2006/INF.5	Information on financial support provided by the Global Environment Facility for the preparation of initial and subsequent national communications from Parties not included in Annex I to the Convention. Note by the secretariat
FCCC/SBI/2006/INF.6	Status of contributions as at 15 October 2006. Note by the secretariat
FCCC/SBI/2006/INF.7	Status of submissions of fourth national communications and reports demonstrating progress under the Kyoto Protocol
FCCC/SBI/2006/MISC.7 and Add.1	Views on specific policies, programme priorities and eligibility criteria and possible arrangements for the management of the Adaptation Fund. Submissions from Parties
FCCC/SBI/2006/MISC.11	Adaptation Fund. Submissions from Parties
FCCC/SBI/2006/MISC.14	Information on activities relating to the preparation of national communications from Parties not included in Annex I to the Convention. Submissions from Parties and relevant international organizations
FCCC/SBI/2006/MISC.15	Views on advancing work on the prototype information network clearing house for Article 6 of the Convention. Submissions from Parties
FCCC/SBI/2006/MISC.16	Information on issues contained in the annex to the Subsidiary Body for Implementation conclusions on the Adaptation Fund. Submissions from relevant international institutions
<b>Other documents before the session</b>	
FCCC/CP/2006/3	Report of the Global Environment Facility to the Conference of the Parties. Note by the secretariat
FCCC/KP/CMP/2006/7	Annual report of the administrator of the international transaction log under the Kyoto Protocol. Note by the secretariat
FCCC/KP/CMP/2005/2	Proposal from Saudi Arabia to amend the Kyoto Protocol. Note by the secretariat



FCCC/SBI/2006/5	Synthesis report on steps to be taken to monitor capacity-building activities. Note by the secretariat
FCCC/SBI/2006/11	Report of the Subsidiary Body for Implementation on its twenty-fourth session, held at Bonn from 18 to 25 May 2006
FCCC/SBI/2006/INF.2	Synthesis of reports demonstrating progress in accordance with Article 3, paragraph 2, of the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2006/MISC.4 and Corr.1 and Add.1	Views on steps to be taken to regularly monitor capacity-building activities. Submissions from Parties
FCCC/SBSTA/2006/5	Report of the Subsidiary Body for Scientific and Technological Advice on its twenty-fourth session, held at Bonn from 18 to 26 May 2006
FCCC/SBSTA/2006/INF.1	Synthesis report on technology needs identified by Parties not included in Annex I to the Convention. Note by the secretariat

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