



CONFERENCE OF THE PARTIES
Thirteenth session
Bali, 3–14 December 2007

Agenda item 13 (a)
Conclusion of the session
Adoption of the report of the Conference on its thirteenth session

Draft report of the Conference of the Parties on its thirteenth session

Rapporteur: Ms. Karen Nicole Smith (Barbados)

Part One: Proceedings

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[to be completed]

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

[to be completed]

I. Opening of the session

(Agenda items 1 and 2 (a))

1. The thirteenth session of the Conference of the Parties (COP), convened pursuant to Article 7, paragraph 4, of the Convention,¹ was opened at the Bali International Convention Centre, Bali, Indonesia, on 3 December 2007, by Mr. David Mwiraria (Kenya), President of the COP at its twelfth session.

A. Statement by the President of the Conference of the Parties at its twelfth session

2. The President of the COP at its twelfth session thanked all conference participants for working with the Government of Kenya during its Presidency and for making the past year a watershed for global climate change policy. He noted that discussions at COP 12 had been informed by the following objectives: (1) taking real action on adaptation; (2) kick-starting the clean development mechanism (CDM) in Africa; (3) introducing new thinking on technology transfer; (4) maintaining the political momentum; and (5) expanding the creative space.²

3. Referring to the Nairobi work programme on impacts, vulnerability and adaptation to climate change and progress made in the operationalization of the Adaptation Fund, the President noted that the twelfth session of the COP and the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) had been a turning point in putting adaptation at the top of the climate change agenda. He stated that some progress had been made in achieving equitable distribution of CDM projects in Africa, but that work in this area needed to be accelerated. Despite the limited progress in the area of technology transfer, creative ideas had been raised since COP 12 and he noted that the stage was set for meaningful progress at COP 13. The President expressed the view that the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention (the Dialogue) and the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) had created political momentum and expanded the creative space. He noted that the momentum had been further fuelled in 2007 by several high-level events and the findings of the Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC).

4. The President called on all Parties to the Convention to recognize that the challenge was extremely urgent, and that there was a need to build on the existing climate change regime to develop fair agreements.

B. Election of the President of the Conference of the Parties at its thirteenth session

(Agenda item 2 (a))

5. At its 1st meeting,³ on 3 December, on the proposal of the outgoing President, the COP elected by acclamation Mr. Rachmat Witoelar, State Minister for the Environment of Indonesia, as its President. The outgoing President congratulated Mr. Witoelar on his election and wished him every success in guiding the work of the COP at its thirteenth session.

¹ The COP was held in conjunction with the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP). The proceedings of the CMP are contained in a separate report. Joint elements such as the addresses of welcome and the proceedings of the joint meetings of the COP and the CMP convened during the high-level segment of the sessions are reproduced in both reports.

² FCCC/CP/2006/5, paragraph 7.

³ Meetings of the COP referred to in this report are plenary meetings.

C. Statement by the President

6. On assuming office, the President welcomed all participants to the thirteenth session of the COP. The President described his being elected to lead the process at this critical juncture as a great honour and weighty responsibility and assured Parties that he would endeavour to deliver to the best of his ability. Noting that the scientific debate had been conclusively laid to rest by the latest scientific findings contained in the AR4 of the IPCC, he said that climate change was unequivocal and accelerating. He expressed the view that climate protection must form an integral part of sustainable economic development and that it was critical to act now.

7. Noting that there had been an unprecedented number of high-level discussions in 2007 calling for strong action at the United Nations Climate Change Conference in Bali, the President invited Parties to use this session to send a strong statement to the international community that the COP could act with the requisite sense of urgency and responsibility. As well as continuing the excellent work already under way, Parties needed at this session to build on the lessons learned over the years and begin deliberations on the future of the climate change regime. The President said that in his consultations he had heard widespread support from Parties for launching a process under the Convention to conduct negotiations on the future climate change regime and for agreeing on an agenda for these negotiations. Many had also expressed support for a target date of 2009 for concluding an outcome.

8. The President stressed that the carbon market was key to the efforts to tackle climate change and called for the appropriate signals to be sent to the market. He pointed out that there was extensive support for the four “building blocks” of a future climate regime identified by the Dialogue: mitigation, adaptation, technology and finance. He encouraged Parties in Bali to harness the momentum generated by the work carried out in the Dialogue and by the AWG. The President noted that the Nairobi work programme was helping to enhance decision-making on adaptation action and to improve assessment of vulnerability and adaptation to climate change. The President noted that the world was watching closely and with considerable interest as Parties continue deliberations, and he invited all to step up to the task.

9. In concluding his remarks, the President stated that he would do everything in his power to facilitate the negotiations and build bridges towards consensus so that Bali could deliver the breakthrough the world was waiting for.

D. Address of welcome

10. On the occasion of the opening of the thirteenth session of the COP and the third session of the CMP, the Governor of Bali, Mr. Dewa Made Beratha, delivered an address of welcome.

11. Welcoming all delegates to Indonesia and the island of Bali, the Governor said that hosting the conference was both an honour and, owing to its size, a challenge. He noted that even Bali would experience the adverse effects of climate change and expressed the hope that this meeting would result in concrete steps and a “Bali Road Map”.

E. Statement by the Executive Secretary

12. Congratulating Mr. Witoelar on his election as President, the Executive Secretary extended his gratitude to the Government of Indonesia for its special efforts in hosting the conference.

13. The Executive Secretary stated that 2007 could be termed an incredible year for climate change, with the European Union adopting at the start of the year a target to reduce greenhouse gas emissions by 20 to 30 per cent by 2020, depending on action by others, major developing countries such as China adopting national climate change strategies and delegates at major summits adopting policy positions on climate change. He recalled that the United States of America had launched meetings of the major

economies aimed at contributing, by the end of 2008, to the UNFCCC process. The Executive Secretary noted that 2007 had, above all, been the year of the IPCC, whose AR4 had been applauded at every stage of finalization and crowned by the award of the Nobel Peace Prize. He stated that 2007 culminated in a call from more than 80 heads of State or government, at the high-level event of the Secretary-General of the United Nations, for a breakthrough in Bali.

14. Noting that expectations for the Bali conference to provide answers were very high, the Executive Secretary emphasized that there was a huge responsibility for the conference to deliver. He underlined the relevance of the Convention and the opportunity to build on the unique architecture of its Kyoto Protocol. Calling for continued leadership by industrialized countries and cooperation with developing countries, the Executive Secretary expressed his belief that shaping the future was possible even in a context of conflicting interests. He called for a comprehensive framework that would allow all countries to adapt and stressed the need to use fossil fuels responsibly without destroying the environment.

15. The Executive Secretary encouraged Parties to focus their attention on creating opportunities and to consider the legal form of a potential agreement at the end of the process. In closing, he expressed the hope that Parties would make a breakthrough at the Bali conference through the formal adoption of a negotiating agenda for the future process.

F. Other statements

16. At the 1st meeting, on 3 December, general statements were made by the representatives of Australia, Pakistan (on behalf of the Group of 77 and China), Grenada (on behalf of the Alliance of Small Island States (AOSIS)), Nigeria (on behalf of the African Group), Switzerland (on behalf of the Environmental Integrity Group), the Maldives (on behalf of the least developed countries), Portugal (on behalf of the European Community and its member States),⁴ Bangladesh and Oman.

II. Organizational matters

(Agenda item 2)

A. Adoption of the rules of procedure

(Agenda item 2 (b))

17. At the 1st meeting, on 3 December, the President informed the COP that the President of the COP at its twelfth session had undertaken consultations with Parties on the draft rules of procedure but that no consensus had been reached.

18. A representative of one Party made a statement underlining the importance of finding a solution to the question of voting rules.

19. On the proposal of the President, the COP decided that, in the meantime, as at previous sessions, the draft rules of procedure contained in document FCCC/CP/1996/2 should continue to be applied, with the exception of draft rule 42. The President announced that he would hold consultations and report back to the COP in the event of any new developments in this matter.

⁴ The position expressed in this statement and all subsequent statements made by Portugal on behalf of the European Community and its member States were supported by Albania, Bosnia and Herzegovina, Croatia, The former Yugoslav Republic of Macedonia, Serbia, Montenegro and Ukraine.

B. Adoption of the agenda

(Agenda item 2 (c))

20. For its consideration of this sub-item at its 1st meeting, on 3 December, the COP had before it a note by the Executive Secretary containing the provisional agenda and annotations (FCCC/CP/2007/1). The provisional agenda had been prepared in agreement with the President of the COP at its twelfth session, taking into account views expressed by Parties during the twenty-sixth session of the Subsidiary Body for Implementation (SBI) and by members of the Bureau of the COP.

21. The President recalled that item 8 of the provisional agenda, "Second review of the adequacy of Article 4, paragraph 2 (a) and (b), of the Convention", which had been held in abeyance at the twelfth session, was included in the provisional agenda in accordance with rules 10 (c) and 16 of the draft rules of procedure being applied. The President of the COP at its twelfth session had consulted with Parties on this item but no consensus had been reached on how to include it in the agenda. He therefore proposed that the provisional agenda be adopted as contained in document FCCC/CP/2007/1, with the exception of item 8, which would be held in abeyance. He said that he would consider how to deal with this item and report back at a future meeting.

22. Following the proposal of the President, the COP adopted the agenda as follows:

1. Opening of the session.
2. Organizational matters:
 - (a) Election of the President of the Conference of the Parties at its thirteenth session;
 - (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 fourteenth session of the Conference of the Parties and the calendar of meetings of Convention bodies;
 - (h) 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. Report of the co-facilitators of the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention.
5. Fourth Assessment Report of the Intergovernmental Panel on Climate Change.
6. Review of implementation of commitments and of other provisions of the Convention:
 - (a) Financial mechanism of the Convention;
 - (b) National communications:
 - (i) National communications from Parties included in Annex I to the Convention;
 - (ii) National communications from Parties not included in Annex I to the Convention;
 - (c) Development and transfer of technologies;

- (d) Capacity-building under the Convention;
 - (e) Implementation of Article 4, paragraphs 8 and 9, of the Convention:
 - (i) Implementation of the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10);
 - (ii) Matters relating to the least developed countries;
 - (f) Other matters referred to the Conference of the Parties by the subsidiary bodies.
7. Reducing emissions from deforestation in developing countries: approaches to stimulate action.
 8. *Agenda item held in abeyance.*
 9. Administrative, financial and institutional matters:
 - (a) Budget performance in the biennium 2006–2007;
 - (b) Programme budget for the biennium 2008–2009.
 10. High-level segment.
 11. Statements by observer organizations.
 12. Other matters.
 13. Conclusion of the session:
 - (a) Adoption of the report of the Conference on its thirteenth session;
 - (b) Closure of the session.

[to be completed]

C. Election of officers other than the President

(Agenda item 2 (d))

23. At the 1st meeting, on 3 December, the President informed the COP that Mr. William Kojo Agyemang-Bonsu (Ghana) had undertaken consultations on this matter during the twenty-sixth sessions of the subsidiary bodies held in May 2007. However, nominations had not yet been received from all regional groups. On a proposal by the President, the COP decided to postpone the election of the Bureau until all nominations were finalized. Mr. Agyemang-Bonsu was invited to continue consultations during the session.

[to be completed]

D. Admission of organizations as observers

(Agenda item 2 (e))

24. At its 1st meeting, on 3 December, the COP considered a note by the secretariat on the admission of organizations as observers (FCCC/CP/2007/2 and Add.1), listing two intergovernmental organizations and 79 non-governmental organizations that had asked to be admitted as observers. Pursuant to Article 7, paragraph 6, of the Convention, and following a recommendation by the Bureau of the COP, which had reviewed the list of applicant organizations, the COP decided to admit those organizations as observers.

25. Emphasizing the importance of the involvement of intergovernmental and non-governmental organizations in the Convention process, the President welcomed the organizations newly admitted to the COP at its thirteenth session and invited them to play an active role.

E. Organization of work, including the sessions of the subsidiary bodies

(Agenda item 2 (f))

26. In introducing this sub-item at the 1st meeting, on 3 December, the President drew the attention of the COP to the annotations to the provisional agenda contained in document FCCC/CP/2007/1. He noted that the subsidiary bodies would be convened with the aim of developing, before their sessions ended on 11 December, draft decisions and conclusions for submission to the COP.

27. On a proposal by the President, which took into account a request by a group of Parties,⁵ the COP decided to refer items to the subsidiary bodies for consideration and the submission of appropriate draft decisions or conclusions, as follows:

Subsidiary Body for Implementation

- Item 6 (a) Financial mechanism of the Convention
- Item 6 (b)(i) National communications from Parties included in Annex I to the Convention
- Item 6 (b)(ii) National communications from Parties not included in Annex I to the Convention
- Item 6 (c) Development and transfer of technologies
- Item 6 (d) Capacity-building under the Convention
- Item 6 (e)(i) Implementation of the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10)
- Item 6 (e)(ii) Matters relating to the least developed countries
- Item 9 (a) Budget performance in the biennium 2006–2007

Subsidiary Body for Scientific and Technological Advice

- Item 5 Fourth Assessment Report of the Intergovernmental Panel on Climate Change
- Item 6 (c) Development and transfer of technologies
- Item 6 (e)(i) Implementation of the Buenos Aires programme of work on adaptation and response measures (decision 1/CP.10)
- Item 7 Reducing emissions from deforestation in developing countries: approaches to stimulate action.

28. Delegates were reminded that the SBI and the Subsidiary Body for Scientific and Technological Advice would consider different aspects of sub-items 6 (c) and 6 (e)(i).

29. With regard to agenda item 10, “High-level segment”, the President recalled that the SBI at its twenty-sixth session had endorsed the dates of 12–14 December for the high-level segment. The high-level segment would be convened on the understanding that there would be one speakers’ list and each Party, including Parties to the Convention that are also Parties to the Kyoto Protocol, would speak only once. No decisions would be taken in the joint meetings. The President, with the endorsement of the Bureau of the COP, proposed a time limit of three minutes for the statements at the high-level segment.

30. The COP agreed to proceed on the basis of the proposals made by the President.

⁵ A representative of Pakistan speaking on behalf of the Group of 77 and China requested that the COP refer sub-item 6 (c) “Development and transfer of technologies” of its agenda to the SBI for the consideration of implementation aspects in addition to referring it to the Subsidiary Body for Scientific and Technological Advice for the consideration of scientific and technological aspects.

F. Date and venue of the fourteenth session of the Conference of the Parties and the calendar of meetings of Convention bodies

(Agenda item 2 (g))

[to be completed]

G. Adoption of the report on credentials

(Agenda item 2 (h))

[to be completed]

**III. Reports of the subsidiary bodies and decisions
and conclusions arising therefrom**

(Agenda item 3)

[to be completed]

**IV. Report of the co-facilitators of the dialogue on long-term cooperative action
to address climate change by enhancing implementation of the Convention**

(Agenda item 4)

31. At the 2nd meeting, on 3 December, the President recalled that the COP, by its decision 1/CP.11, had resolved to engage in a dialogue to exchange experiences and analyse strategic approaches for long-term cooperative action to address climate change. The COP had requested the co-facilitators of the Dialogue to report to the COP at its thirteenth session on the Dialogue and on the information and diversity of views presented by Parties. Upon the invitation of the President, the co-facilitators of the Dialogue, Ms. Sandea de Wet (South Africa) and Mr. Howard Bamsey (Australia), presented their report.⁶

32. The co-facilitators noted that the report contained their observations on the debate during the two years since the Dialogue process had been launched on how to take forward long-term cooperative action to address climate change. It also contained a factual account of the information and diversity of views expressed during the Dialogue workshops.

33. The co-facilitators pointed out that the Dialogue had been a unique experiment for the Convention. It had been an open and non-binding exchange of views, undertaken without prejudice to any future negotiations, commitments, process, framework or mandate under the Convention. The debate in the Dialogue had seen the emergence of the common understanding of what would be the key features for the success of any future international response to climate change.

34. The co-facilitators recalled that at the last workshop of the Dialogue, held in August 2007 in Vienna, Austria, they had asked governments to articulate what they saw as the essential building blocks of an effective response to climate change. They expressed the view that there was strong agreement that, at a minimum, the following building blocks would need to form part of such a response: action on mitigation and adaptation; and supporting elements for advancing such action, in particular technology, investment and finance. Such a response would also need to address unintended consequences of mitigation measures for the economies of other countries, as well as enhance enabling mechanisms, such as capacity-building and awareness-raising.

35. The co-facilitators said that discussions in the Dialogue had made it clear that continuation of business as usual was not adequate to provide an effective response to the ever-increasing challenge.

⁶ FCCC/CP/2007/4 and Add.1.

More needed to be done through enhancing implementation of existing commitments or through strengthening existing commitments to the extent necessary for an effective response.

36. The co-facilitators recalled that many Party representatives at the last workshop of the Dialogue had spoken of the need for further action and that various proposals had been made on how such action could be achieved. They noted that, on the basis of these discussions, they had made some proposals in the report on the process options for enhancing future cooperative action to address climate change. The co-facilitators suggested that the COP, at its thirteenth session, might wish to consider these options and determine the steps necessary to develop an effective response to climate change.

37. In concluding, the co-facilitators expressed the hope that the constructive and creative spirit that had characterized the Dialogue process would facilitate the challenging task of constructing an effective global response to climate change.

38. Statements were made by representatives of 26 Parties, including representatives speaking on behalf of AOSIS, and the European Community and its member States.

39. Following these statements, the President noted agreement among all Parties that, given the latest scientific assessment of the IPCC, it was important to strengthen their collective efforts to address climate change. He recalled that a great deal had been learned during the Dialogue and highlighted the discussions on: innovative approaches to addressing adaptation and mitigation while advancing sustainable development; new ideas on accelerating the development and deployment of cleaner technologies; and approaches to finance and investment necessary to address both mitigation and adaptation. He also noted many strong calls to launch a process with the aim of enhancing long-term cooperative action to address climate change.

40. On a proposal by the President, the COP took note, with appreciation, of the report of the co-facilitators of the Dialogue, and declared the implementation of decision 1/CP.11 complete.

41. On a further proposal by the President, the COP established a contact group to determine the next steps in enhancing long-term cooperative action to address climate change. The President clarified that the group would have a limited mandate. It would not be asked to conclude on the issue, but would instead be asked to prepare options for consideration by ministers. He gave the contact group the task of identifying and narrowing down the options for the issues that such a process would need to consider, the potential modalities of working, taking into account other relevant processes under way under the Convention, and the time frame for completing the process. He suggested that the group focus on the form of the process and the scope of the substantive issues that the process should address.

42. The President indicated his intention to be personally involved in the group and said that he would request the assistance of Mr. Bamsey and Ms. De Wet. He requested the group to make as much progress as possible and conclude its task by Tuesday, 11 December. He would then assess the issues on which agreement had been reached and identify options on which agreement had not been possible. Thereafter, he intends to establish a process to reach an agreement during the high-level segment on the outstanding issues.

[to be completed]

V. Fourth Assessment Report of the Intergovernmental Panel on Climate Change

(Agenda item 5)

[to be completed]

**VI. Review of implementation of commitments and of other provisions
of the Convention**

(Agenda item 6)

[to be completed]

**VII. Reducing emissions from deforestation in developing countries:
approaches to stimulate action**

(Agenda item 7)

[to be completed]

VIII. [To be completed]

IX. Administrative, financial and institutional matters

(Agenda item 9)

[to be completed]

X. High-level segment

(Agenda item 10)

[to be completed]

XI. Statements by observer organizations

(Agenda item 11)

[to be completed]

XII. Other matters

(Agenda item 12)

[to be completed]

XIII. Conclusion of the session

(Agenda item 13)

[to be completed]

Annexes

[to be completed]

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

[to be completed]
