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Subsidiary Body for Implementation**Report of the Subsidiary Body for Implementation
on its thirty-second session, held in Bonn
from 31 May to 9 June 2010****Contents**

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Addendum – FCCC/SBI/2010/10/Add.1

Draft decision forwarded for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

Draft decision -/CMP.6. Methodology for the collection of international transaction log fees in the biennium 2012–2013

I. Opening of the session

(Agenda item 1)

1. The thirty-second session of the Subsidiary Body for Implementation (SBI) was held at the Maritim Hotel, Bonn, Germany, from 31 May to 9 June 2010.
2. The Chair of the SBI, Mr. Robert Owen-Jones (Australia), opened the session and welcomed all Parties and observers. He also welcomed Mr. Samuel Ortiz Basualdo (Argentina) as Vice-Chair and Mr. Kadio Ahossane (Côte d'Ivoire) as Rapporteur of the SBI.

II. Organizational matters

(Agenda item 2)

A. Adoption of the agenda

(Agenda item 2 (a))

3. At its 1st and 2nd meetings, on 31 May, the SBI considered a note by the Executive Secretary containing the provisional agenda and annotations (FCCC/SBI/2010/1). Statements were made by representatives of 10 Parties, including one speaking on behalf of the Group of 77 and China, one on behalf of the European Union and its member States, one on behalf of the Umbrella Group, one on behalf of the Alliance of Small Island States (AOSIS), one on behalf of the least developed countries (LDCs) and one on behalf of the African Group.
4. At the 2nd meeting, the agenda was adopted as follows with sub-item 4 (b) held in abeyance:
 1. Opening of the session.
 2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of the work of the session.
 3. National communications and greenhouse gas inventory data from Parties included in Annex I to the Convention:
 - (a) Report on national greenhouse gas inventory data from Parties included in Annex I to the Convention for the period 1990–2007;
 - (b) Status of submission and review of fifth national communications;
 - (c) Date of submission of sixth national communications.
 - (d) National communications from Parties not included in Annex I to the Convention:
 - (e) Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention;

- (f) *Agenda item held in abeyance*;¹
 - (g) Further implementation of Article 12, paragraph 5, of the Convention;
 - (h) Provision of financial and technical support.
4. Financial mechanism of the Convention:
 - (a) Fourth review of the financial mechanism;
 - (b) Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility;
 - (c) Assessment of the Special Climate Change Fund.
 5. Article 6 of the Convention.
 6. Matters relating to 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.
 7. Development and transfer of technologies.
 8. Capacity-building under the Convention.
 9. Capacity-building under the Kyoto Protocol.
 10. Review of the Adaptation Fund.
 11. Matters relating to Article 3, paragraph 14, of the Kyoto Protocol.
 12. Annual compilation and accounting report for Annex B Parties under the Kyoto Protocol.
 13. Amendment of the Kyoto Protocol in respect of procedures and mechanisms relating to compliance.
 14. Proposal from Kazakhstan to amend Annex B to the Kyoto Protocol.
 15. Arrangements for intergovernmental meetings:
 - (a) Sixteenth session of the Conference of the Parties;
 - (b) Sixth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
 - (c) Future sessional periods;
 - (d) Organization of the intergovernmental process.
 16. Administrative, financial and institutional matters:
 - (a) Budget performance for the biennium 2010–2011;
 - (b) Implementation of the Headquarters Agreement;
 - (c) Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol;
 - (d) Methodology for the collection of international transaction log fees.

¹ As there was no consensus to include this item on the agenda, it was held in abeyance. On a proposal by the Chair, the SBI decided to include the item on information contained in national communications from Parties not included in Annex I to the Convention on the provisional agenda of its thirty-third session with an appropriate footnote.

17. Other matters.
18. 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 1st meeting, on 31 May, at which the Chair drew attention to the proposed programme of work posted on the UNFCCC website. On a proposal by the Chair, the SBI agreed to proceed on the basis of that programme of work.

6. The SBI agreed to the provisional admittance of observer organizations that had applied to join the process,² on the basis of the provisions of Article 7, paragraph 6, of the Convention, without prejudice to subsequent action to be taken by the Conference of the Parties (COP).

III. National communications and greenhouse gas inventory data from Parties included in Annex I to the Convention

(Agenda item 3)

A. Report on national greenhouse gas inventory data from Parties included in Annex I to the Convention for the period 1990–2007

(Agenda item 3 (a))

7. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2009/12. Statements were made by representatives of four Parties, including one speaking on behalf of the Group of 77 and China and one on behalf of the European Union and its member States.

8. At its 1st meeting, the SBI agreed to consider this sub-item together with sub-items 3 (b) and (c) in a contact group co-chaired by Mr. William Koyo Agyemang-Bonsu (Ghana) and Mr. Makio Miyagawa (Japan). At the 4th meeting, Mr. Agyemang-Bonsu reported on the contact group's consultations.

9. As the group could not reach conclusions on this matter, the SBI agreed to include this sub-item on the provisional agenda for SBI 33, in accordance with rule 16 of the draft rules of procedure being applied.

B. Status of submission and review of fifth national communications

(Agenda item 3 (b))

10. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/INF.1. Statements were made by representatives of four Parties, including one speaking on behalf of the Group of 77 and China and one on behalf of the European Union and its member States.

11. At its 1st meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 3 (a) and (c) (see para. 8 above).

² The observer organizations requesting provisional admittance are listed in the annex to document FCCC/2010/II/OD/1.

12. As the group could not reach conclusions on this matter, the SBI agreed to include this sub-item on the provisional agenda for SBI 33, in accordance with rule 16 of the draft rules of procedure being applied.

C. Date of submission of sixth national communications

(Agenda item 3 (c))

13. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2009/INF.9. Statements were made by representatives of four Parties, including one speaking on behalf of the Group of 77 and China and one on behalf of the European Union and its member States.

14. At its 1st meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 3 (a) and (b) (see para. 8 above).

15. As the group could not reach conclusions on this matter, the SBI agreed to include this sub-item on the provisional agenda for SBI 33, in accordance with rule 16 of the draft rules of procedure being applied. In addition, the Group of 77 and China requested that an additional sub-item entitled "Further implementation of Article 12, paragraph 5, of the Convention" be included on the provisional agenda for SBI 33.

IV. National communications from Parties not included in Annex I to the Convention

(Agenda item 4)

A. Work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention

(Agenda item 4 (a))

1. Proceedings

16. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/INF.2. Statements were made by representatives of three Parties, including one speaking on behalf of the Group of 77 and China.

17. At the 1st meeting, the Chair informed the SBI of the members of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) (see annex I) and invited Mr. Eric Kamoga Mugurusi (United Republic of Tanzania), Chair of the CGE, to make a statement.

18. At the same meeting, the SBI agreed to consider this sub-item together with sub-items 4 (c) and (d) in a contact group co-chaired by Mr. Agyemang-Bonsu and Mr. Miyagawa. At the 4th meeting, Mr. Miyagawa reported on the contact group's consultations.

19. At its 4th meeting, the SBI considered and adopted conclusions³ proposed by the Chair.

³ Adopted as document FCCC/SBI/2010/L.18.

2. Conclusions

20. The SBI welcomed the reconstitution of the CGE and congratulated the new members of the group. It highlighted the importance of the work of the group and emphasized the importance of providing technical advice and support to Parties not included in Annex I to the Convention (non-Annex I Parties), including those that have not yet completed their initial national communications, in improving the process of and preparation of their national communications.

21. The SBI commended the group for its work at its first meeting held in Bonn, Germany, in March 2010 and welcomed the progress report of the CGE.⁴ It took note of and welcomed the work programme of the CGE for 2010–2012 contained in that report.

22. The SBI encouraged Parties included in Annex II to the Convention, and other Parties in a position to do so, to contribute financial resources and any relevant technical support to enable the CGE to implement its work programme.

23. The SBI invited the CGE, in implementing its work programme, to take into account the current and future needs of non-Annex I Parties and to take into consideration the provisions under the Convention and the relevant decisions of the COP.

24. The SBI took note of the two surveys planned by the CGE under its work programme in accordance with paragraph 2 (a–c) of its terms of reference, contained in the annex to decision 5/CP.15, and invited non-Annex I Parties to provide the CGE with the required information in a timely manner. It stressed that, when the CGE is implementing the workshops identified in the work programme, emphasis be given to the work included in paragraph 2 (c), and to the extent possible paragraph 2 (a), of its terms of reference.⁵

B. Agenda item held in abeyance

(Agenda item 4 (b) *held in abeyance*)

C. Further implementation of Article 12, paragraph 5, of the Convention

(Agenda item 4 (c))

1. Proceedings

25. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. Statements were made by representatives of two Parties, including one speaking on behalf of the Group of 77 and China.

26. At its 1st meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 4 (a) and (d) (see para. 18 above).

27. At its 4th meeting, the SBI considered and adopted conclusions⁶ proposed by the Chair.

2. Conclusions

28. As the group could not reach conclusions on this matter, the SBI will continue the consideration of this agenda sub-item at its thirty-third session.

⁴ FCCC/SBI/2010/INF.2.

⁵ Decision 5/CP.15, annex.

⁶ Adopted as document FCCC/SBI/2010/L.20.

D. Provision of financial and technical support

(Agenda item 4 (d))

1. Proceedings

29. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SBI/2009/INF.11 and FCCC/SBI/2010/INF.3. Statements were made by representatives of 13 Parties, including one speaking on behalf of the Group of 77 and China and one on behalf of the European Union and its member States.

30. At the 1st meeting, the Chair invited the representative of the secretariat of the Global Environment Facility (GEF) to make a statement.

31. At the same meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 4 (a) and (c) (see para. 18 above).

32. At its 4th meeting, the SBI considered and adopted conclusions⁷ proposed by the Chair.

2. Conclusions

33. The SBI took note of the information on financial support provided by the secretariat of the GEF for the preparation of national communications from non-Annex I Parties.⁸

34. The SBI invited the GEF to continue to provide information, ensuring that it is detailed, accurate, timely and complete, on its activities relating to the preparation of national communications from non-Annex I Parties,⁹ including information on the dates of approval of funding and disbursement of funds. It also invited the GEF to provide information on the approximate date of completion of the draft national communications and the approximate date of submission of the national communications to the secretariat for consideration by the SBI at its thirty-third session.

35. The SBI invited the GEF to provide detailed, accurate, timely and complete information on the outcomes of the most recent GEF Assembly¹⁰ related to the national communications from non-Annex I Parties, in accordance with Article 11 of the Convention, including on the implications of the System for Transparent Allocation of Resources on the funding of national communications, and on modalities and procedures established by the GEF to ensure that financial resources are provided, in an efficient and timely manner, to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1, of the Convention.

36. The SBI took note of the announcement made by the GEF representative on the completion of the fifth replenishment of the GEF.

37. The SBI recalled the request to the GEF made by the COP in its decisions 7/CP.13 and 4/CP.14, to assist, as appropriate, non-Annex I Parties in formulating and developing project proposals identified in their national communications in accordance with Article 12, paragraph 4, of the Convention and decision 5/CP.11, paragraph 2. It invited the GEF to report on such submitted or approved project proposals in its report to the COP at its sixteenth session.

⁷ Adopted as document FCCC/SBI/2010/L.17.

⁸ FCCC/CP/2009/9, FCCC/SBI/2009/INF.11 and FCCC/SBI/2010/INF.3.

⁹ Decision 10/CP.2, paragraph 1 (b).

¹⁰ Held in May 2010.

38. The SBI noted that some non-Annex I Parties expressed concerns about the way the GEF implementing agencies are disbursing funds for national communications, and invited the GEF to include in its report to the COP at its sixteenth session the specific steps it has taken to respond to these concerns.

39. The SBI encouraged the GEF, in accordance with decision 4/CP.14, to continue to ensure, as a top priority, that sufficient financial resources are provided to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1, of the Convention, and for the preparation of third and, where appropriate, subsequent national communications.

40. The SBI noted with appreciation that, as at June 2010, 23 second national communications from non-Annex I Parties had been submitted, and that, as at March 2010, 77 other non-Annex I Parties were expected to complete their draft second national communications, and one Party its third national communication, by the end of 2010.

41. The SBI stressed the importance of the timely provision of the necessary funding for the preparation of national communications by non-Annex I Parties in accordance with Article 4, paragraph 3, of the Convention.

42. The SBI took note of the concerns expressed by some non-Annex I Parties that the funding provided for national communications through the expedited procedures is not adequate for some non-Annex I Parties to implement activities that they are undertaking as part of the process of preparation of national communications.

43. The SBI encouraged non-Annex I Parties to submit proposals for the funding of their subsequent national communications before completion of their current national communications in order to ensure continuity of financing. It stressed the importance of the maintenance of the national technical teams for the preparation of national communications.

V. Financial mechanism of the Convention

(Agenda item 5)

A. Fourth review of the financial mechanism

(Agenda item 5 (a))

1. Proceedings

44. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2009/MISC.10 and Add.1. Statements were made by representatives of five Parties, including one speaking on behalf of the Group of 77 and China.

45. At its 1st meeting, the SBI agreed to consider this sub-item together with sub-items 5 (b) and (c) in a contact group co-chaired by Mr. Zaheer Fakir (South Africa) and Ms. Sandrine de Guio (France). At the 4th meeting, Ms. de Guio reported on the contact group's consultations.

46. At its 4th meeting, the SBI considered and adopted conclusions¹¹ proposed by the Chair.

¹¹ Adopted as document FCCC/SBI/2010/L.15.

2. Conclusions

47. The SBI decided to conclude its consideration of issues under this sub-item at its thirty-third session, on the basis of the draft text contained in annex II, with a view to recommending a draft decision for adoption by the COP at its sixteenth session.

48. The SBI noted the implementation of its request¹² made at SBI 28 for the secretariat to provide information on the assessment of financing needs of non-Annex I Parties to implement mitigation and adaptation measures in its consideration of the fourth review of the financial mechanism through the national, economic, environment and development studies (NEEDS), in which 11 non-Annex I Parties participated with the support of the Governments of Norway, the United States of America and Spain.

49. The SBI requested the secretariat to compile and synthesize the information contained in the NEEDS reports of those 11 countries for consideration by the SBI at its thirty-third session.

B. Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility

(Agenda item 5 (b))

1. Proceedings

50. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/CP/2009/9. Statements were made by representatives of two Parties, including one speaking on behalf of AOSIS.

51. At its 4th meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 5 (a) and (c) (see para. 45 above).

52. At its 4th meeting, the SBI considered and adopted conclusions¹³ proposed by the Chair.

2. Conclusions

53. The SBI decided to continue its consideration of issues under this sub-item at its thirty-third session, with a view to recommending a draft decision for adoption by the COP at its sixteenth session which incorporates the outcome of discussions under other relevant agenda items as well as any further guidance based on, but not limited to, the report of the GEF, an operating entity of the financial mechanism of the Convention, to the COP at its sixteenth session.

54. The SBI invited the GEF to provide information on the outcome of its fifth replenishment cycle in its report to the COP at its sixteenth session.

55. The SBI further invited Parties to submit to the secretariat, by 20 September 2010, their views on the elements to be taken into account in developing guidance to the GEF, and requested the secretariat to compile the submissions into a miscellaneous document for consideration by the SBI at its thirty-third session.

¹² FCCC/SBI/2008/8, paragraph 30.

¹³ Adopted as document FCCC/SBI/2010/L.16.

C. Assessment of the Special Climate Change Fund

(Agenda item 5 (c))

1. Proceedings

56. The SBI considered this sub-item at its 1st and 4th meetings, on 31 May and 9 June, respectively. A statement was made by a representative of one Party, speaking on behalf of the Group of 77 and China.

57. At its 4th meeting, the SBI agreed to consider this sub-item in a contact group, together with sub-items 5 (a) and (b) (see para. 45 above).

58. At its 4th meeting, the SBI considered and adopted conclusions¹⁴ proposed by the Chair.

2. Conclusions

59. The SBI agreed to conclude its consideration of issues under this sub-item at its thirty-third session.

VI. Article 6 of the Convention

(Agenda item 6)

1. Proceedings

60. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SBI/2010/2, FCCC/SBI/2010/3 and FCCC/SBI/2010/9. A statement was made by a representative of one Party. In addition, statements were made by the representatives of youth non-governmental organizations (NGOs) and women and gender NGOs.

61. At its 2nd meeting, the SBI agreed to consider this item in a contact group chaired by Ms. Liana Bratasida (Indonesia). At the 4th meeting, Ms. Bratasida reported on the contact group's consultations.

62. At its 4th meeting, the SBI considered and adopted conclusions¹⁵ proposed by the Chair.

2. Conclusions

63. The SBI took note of the reports of the thematic regional workshops on the implementation of Article 6 of the Convention in Europe (Stockholm, Sweden, 18–20 May 2009), Asia and the Pacific (Bali, Indonesia, 14–16 October 2009) and Latin America and the Caribbean (Bavaro, Dominican Republic, 27–30 April 2010),¹⁶ which provide useful inputs to the intermediate review of progress in the implementation of the amended New Delhi work programme on Article 6 of the Convention.

64. The SBI invited Parties in a position to do so to provide, as a matter of urgency, financial resources for the organization of long-planned thematic regional workshops on the implementation of Article 6 of the Convention in Africa and small island developing States (SIDS), which are among the most vulnerable regions, pursuant to decision 9/CP.13.

¹⁴ Adopted as document FCCC/SBI/2010/L.19.

¹⁵ Adopted as document FCCC/SBI/2010/L.5.

¹⁶ FCCC/SBI/2010/2, FCCC/SBI/2010/3 and FCCC/SBI/2010/9.

65. It also invited Parties in a position to do so to provide financial resources for the full-scale implementation of the information network clearing house (CC:iNet), pursuant to decision 9/CP.13.

66. The SBI endorsed the terms of reference for the intermediate review of progress in the implementation of the amended New Delhi work programme as contained in annex III.

67. The SBI invited Parties and relevant intergovernmental organizations and NGOs, as well as relevant stakeholders, to submit to the secretariat, by 16 August 2010, information and views that may be relevant to the completion of the intermediate review, including information on best practices and lessons learned from the implementation of the amended New Delhi work programme and on remaining barriers to the effective implementation of Article 6 of the Convention.

68. The SBI requested the secretariat to prepare reports to support the intermediate review, for consideration at its thirty-third session, in accordance with the terms of reference.

69. The SBI encouraged Parties to consider opportunities for the engagement of relevant stakeholders in the national processes related to the intermediate review.

VII. Matters relating to Article 4, paragraphs 8 and 9, of the Convention

(Agenda item 7)

A. Progress on the implementation of decision 1/CP.10

(Agenda item 7 (a))

1. Proceedings

70. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/MISC.1 and Add.1. A statement was made by a representative of one Party, speaking on behalf of AOSIS.

71. At its 2nd meeting, the SBI agreed to consider this sub-item in a contact group chaired by Mr. Ortiz Basualdo. At the 4th meeting, Mr. Ortiz Basualdo reported on the contact group's consultations.

72. At its 4th meeting, the SBI considered and adopted conclusions¹⁷ proposed by the Chair.

2. Conclusions

73. The SBI took note of the draft decision text prepared following the request by the SBI referred to in the report of the SBI on its thirty-first session.¹⁸

74. The SBI agreed to continue its consideration of this matter at its thirty-third session, based on the draft decision text contained in annex IV, with a view to recommending a draft decision for adoption by the COP at its sixteenth session.

¹⁷ Adopted as document FCCC/SBI/2010/L.7.

¹⁸ FCCC/SBI/2009/15, paragraph 39.

B. Matters relating to the least developed countries

(Agenda item 7 (b))

1. Proceedings

75. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/5. Statements were made by representatives of eight Parties, including one speaking on behalf of the Group of 77 and China and two speaking on behalf of the LDCs.

76. At its 2nd meeting, the SBI agreed to consider this sub-item in informal consultations convened by Mr. Rence Sore (Solomon Islands). At the 4th meeting, Mr. Sore reported on these consultations.

77. Also at the 2nd meeting, the Chair invited Mr. Fred Machulu Onduri (Uganda), Chair of the Least Developed Countries Expert Group (LEG), to make a statement.

78. At its 4th meeting, the SBI considered and adopted conclusions¹⁹ proposed by the Chair.

2. Conclusions

79. The SBI took note of the oral report by the Chair of the LEG and welcomed the report on the seventeenth meeting of the LEG, held in Bonn, Germany, from 12 to 14 April 2010.²⁰

80. The SBI expressed its gratitude to the Governments of Canada, Ireland, Spain and Switzerland for providing financial resources to support the work of the LEG, and to the Government of Brazil for its support of the work of the LEG.

81. The SBI noted with appreciation the contributions made by some Parties to the Least Developed Countries Fund and encouraged other Parties to do the same.

82. The SBI welcomed the submission by Parties of 44 national adaptation programmes of action (NAPAs) to the secretariat as at 28 May 2010. It noted the important role played by the LEG in assisting LDC Parties with the preparation of NAPAs. The SBI invited the LEG, in collaboration with the GEF and its agencies, to continue to assist the LDCs that have not yet completed their NAPAs to complete and submit these as soon as possible.

83. The SBI expressed its appreciation to the LEG for the activities it has carried out as part of its work programme in support of the preparation and implementation of NAPAs, and welcomed the regional training workshops on the implementation of NAPAs conducted by the LEG during 2009–2010.

84. The SBI thanked the Governments of Mali and Lao People's Democratic Republic for hosting training workshops on the implementation of NAPAs in Bamako from 8 to 12 March 2010 and in Vientiane from 4 to 8 May 2010.

85. The SBI requested the secretariat to prepare a report on the regional training workshops referred to in paragraph 83 above, to be made available by its thirty-third session.

86. The SBI encouraged those LDC Parties that wish to submit updates to their NAPAs and revisions to the project lists and profiles contained in their NAPAs to use the guidelines

¹⁹ Adopted as document FCCC/SBI/2010/L.2/Rev.1.

²⁰ FCCC/SBI/2010/5.

contained in the report on the sixteenth meeting of the LEG,²¹ and to request technical assistance from the LEG, if necessary.

87. The SBI invited the LEG to provide information on the need to revise and update NAPAs, as well as on the resources that would be required, as part of the implementation of its work programme for 2010.

88. The SBI acknowledged the approach proposed by the LEG for the implementation by the GEF of paragraph 2 of decision 5/CP.14.²²

89. The SBI encouraged the LEG to continue, and continue to report on, its dialogue with the GEF.

90. The SBI requested the LEG to keep it informed of the efforts made by the LEG in implementing its work programme for 2010.

91. The SBI invited Parties in a position to do so to continue to provide resources in support of the implementation of the LEG work programme, including for the remainder of the training workshops on NAPA implementation referred to in paragraph 83 above.

VIII. Development and transfer of technologies

(Agenda item 8)

1. Proceedings

92. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SB/2010/INF.1 and Corr.1, FCCC/SBI/2010/INF.4, FCCC/SBI/2010/MISC.3, FCCC/SBI/2010/INF.6 and FCCC/SBI/2010/4. Statements were made by representatives of four Parties.

93. At the 2nd meeting, the Chair invited Mr. Nagmeldin Goutbi Elhassan (Sudan), Vice-Chair of the Expert Group on Technology Transfer (EGTT), to report on the group's activities. At the same meeting, the Chair invited the representative of the GEF secretariat to report on progress made in carrying out the Poznan strategic programme on technology transfer.

94. Also at the 2nd meeting, the SBI agreed to consider this item with the Subsidiary Body for Scientific and Technological Advice (SBSTA) in a joint contact group co-chaired by Mr. Carlos Fuller (Belize) and Mr. Ronald Schillemans (Netherlands). At the 4th meeting, Mr. Fuller reported on the joint contact group's consultations.

95. At its 4th meeting, the SBI considered and adopted conclusions²³ proposed by the Chair.

2. Conclusions

96. The SBI and the SBSTA welcomed the election of Mr. Bruce Wilson (Australia) as Chair and Mr. Goutbi Elhassan as Vice-Chair of the EGTT for 2010, as well as the nomination by Parties of experts to serve as members of the EGTT for 2010.²⁴

97. The SBI and the SBSTA welcomed the report of the EGTT²⁵ and noted the oral report by the Vice-Chair of the EGTT on the outcomes of the group's meetings held on 22–23 February 2010 in Sydney, Australia, and on 27–28 May 2010 in Bonn, Germany.

²¹ FCCC/SBI/2009/13, annex I.

²² FCCC/SBI/2010/5, paragraphs 31–33.

²³ Adopted as document FCCC/SBI/2010/L.3.

²⁴ FCCC/SB/2010/INF.1, annex II.

98. The SBI and the SBSTA endorsed the updated programme of work of the EGTT for 2010–2011.²⁶ They requested the EGTT, in undertaking its work on activities 4.3 and 4.4 of the updated programme of work, to focus on areas where there is a high level of convergence in the deliberations among Parties on technology-related matters under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA). They further requested the EGTT, in undertaking these activities, to elaborate upon options for the operational modalities of:

(a) The proposed Technology Executive Committee, based upon the functions listed in document FCCC/AWGLCA/2010/6, annex III, paragraph 7 (a–d), (g) and (i);

(b) The proposed Climate Technology Centre and Climate Technology Network, based upon the functions listed in document FCCC/AWGLCA/2010/6, annex III, paragraph 10 (a–c) and (d) (i–v).

99. The SBI and the SBSTA recalled the conclusions of their thirtieth and thirty-first sessions that consideration should be given to establishing an effective means of engaging the private sector more fully in the process.²⁷ They welcomed the continued dialogue of the EGTT with the business community that took place in conjunction with the group's meetings and encouraged the EGTT to continue this dialogue, ensuring balanced representation of business from developed and developing countries. They invited the EGTT to consider options to improve engagement with academia and civil society. They noted the scaling up of activities by the Private Financing Advisory Network of the Climate Technology Initiative.

100. The SBI recalled the views²⁸ submitted by Parties and relevant organizations on the areas of focus set out in section IV of the terms of reference referred to in decision 2/CP.14, and the synthesis report²⁹ of these views prepared by the secretariat for consideration by the SBI at its thirtieth session. The SBI noted a further submission³⁰ by a Party in response to an invitation by the SBI at its thirtieth session, and the updated synthesis report of these views³¹ prepared by the secretariat.

101. The SBI welcomed the report by the secretariat on the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention.³² It noted the information provided in the report on steps taken by Parties and other relevant organizations in the process of development and transfer of technologies within and outside the Convention. The SBI emphasized the usefulness of the findings and conclusions contained in the report, with a view to enhancing action on the implementation, including the review process, of the development and transfer of technology. The SBI also noted the challenges faced in relation to data availability and data collection in support of the review and assessment.

102. The SBI noted the report of the GEF on the progress made in carrying out the Poznan strategic programme on technology transfer.³³ The SBI looked forward to receiving, at its thirty-third session, the report on the progress made in carrying out this programme, with a view to assessing its progress and future direction in order to help inform Parties in

²⁵ FCCC/SB/2010/INF.1.

²⁶ FCCC/SB/2010/INF.1, annex I.

²⁷ FCCC/SBSTA/2009/3, paragraph 22, FCCC/SBI/2009/8, paragraph 66, FCCC/SBSTA/2009/8, paragraph 23, and FCCC/SBI/2009/15, paragraph 64.

²⁸ FCCC/SBI/2009/MISC.4.

²⁹ FCCC/SBI/2009/INF.1.

³⁰ FCCC/SBI/2010/MISC.3.

³¹ FCCC/SBI/2010/INF.6.

³² FCCC/SBI/2010/INF.4.

³³ FCCC/SBI/2010/4.

their consideration of long-term needs for implementation of the strategic programme, in accordance with decision 2/CP.14. The SBI invited the GEF to provide half-yearly progress reports on the implementation of the activities receiving support under the Poznan strategic programme on technology transfer, which could be posted on the technology information clearing house TT:CLEAR.

IX. Capacity-building under the Convention

(Agenda item 9)

1. Proceedings

103. The SBI considered this item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SBI/2009/4, FCCC/SBI/2009/5, FCCC/SBI/2009/MISC.1, FCCC/SBI/2009/MISC.2, FCCC/CP/2009/9, FCCC/SBI/2009/10, FCCC/SBI/2009/MISC.8 and FCCC/SBI/2009/MISC.12/Rev.1. Statements were made by representatives of two Parties, including one speaking on behalf of the Group of 77 and China.

104. At its 1st meeting, the SBI agreed to consider this item in a contact group co-chaired by Mr. Philip Gwage (Uganda) and Ms. Marie Jaudet (France). At the 4th meeting, Mr. Gwage reported on the contact group's consultations.

105. At its 4th meeting, the SBI considered and adopted conclusions³⁴ proposed by the Chair.

2. Conclusions

106. The SBI decided to continue its consideration of this agenda item at its thirty-third session, based on the draft text contained in annex V, with a view to recommending a draft decision on this subject for adoption by the COP at its sixteenth session.

X. Capacity-building under the Kyoto Protocol

(Agenda item 10)

1. Proceedings

107. The SBI considered this item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SBI/2009/4, FCCC/SBI/2009/5, FCCC/SBI/2009/MISC.1, FCCC/SBI/2009/MISC.2, FCCC/KP/CMP/2009/16, FCCC/SBI/2009/10, FCCC/SBI/2009/MISC.8 and FCCC/SBI/2009/MISC.12/Rev.1. A statement was made by a representative of one Party, speaking on behalf of the Group of 77 and China.

108. At its 1st meeting, the SBI agreed to consider this item in a contact group co-chaired by Mr. Gwage and Ms. Jaudet. At the 4th meeting, Mr. Gwage reported on the contact group's consultations.

109. At its 4th meeting, the SBI considered and adopted conclusions³⁵ proposed by the Chair.

³⁴ Adopted as document FCCC/SBI/2010/L.11.

³⁵ Adopted as document FCCC/SBI/2010/L.12.

2. Conclusions

110. The SBI decided to continue its consideration of this agenda item at its thirty-third session, based on the draft text contained in annex VI, with a view to recommending a draft decision on this subject for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its sixth session.

XI. Review of the Adaptation Fund

(Agenda item 11)

1. Proceedings

111. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it documents FCCC/SBI/2010/MISC.2 and FCCC/SBI/2010/7. Statements were made by representatives of 16 Parties, including one speaking on behalf of the Group of 77 and China, one on behalf of the European Union and its member States, one on behalf of the LDCs and one on behalf of AOSIS.

112. At its 2nd meeting, the SBI agreed to consider this item in a contact group co-chaired by Ms. Ruleta Camacho (Antigua and Barbuda) and Mr. Jukka Uosukainen (Finland). At the 4th meeting, Ms. Camacho reported on the contact group's consultations.

113. At its 4th meeting, the SBI considered and adopted conclusions³⁶ proposed by the Chair.

2. Conclusions

114. The SBI took note of the views and recommendations contained in submissions from Parties.³⁷

115. The SBI considered, but was unable to fully capture, additional issues suggested by Parties for inclusion in the terms of reference contained in annex VII, and noted that the Adaptation Fund has only recently become fully operational. The SBI also noted that the existing timelines do not guarantee timely availability of relevant inputs for the preparation of a thorough review of the Adaptation Fund.

116. The SBI concluded that it was not able to finalize the terms of reference contained in annex VII, as requested by decision 5/CMP.5, for the review of all matters related to the Adaptation Fund, including its institutional arrangements, to be undertaken by the CMP at its sixth session.

117. The SBI also noted the need for consideration by the CMP at its sixth session of the interim arrangements with the Trustee of the Adaptation Fund, with a view to ensuring that any project activities already funded and in the process of being implemented are not jeopardized.

118. In the light of paragraphs 115 and 116 above, the SBI agreed to recommend that the CMP at its sixth session consider undertaking the review of the Adaptation Fund at CMP 7, and that the CMP take measures at its sixth session to facilitate this process, including the adoption of terms of reference and the initiation of the review.

³⁶ Adopted as document FCCC/SBI/2010/L.13.

³⁷ FCCC/SBI/2010/MISC.2.

XII. Matters relating to Article 3, paragraph 14, of the Kyoto Protocol

(Agenda item 12)

1. Proceedings

119. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. A statement was made by a representative of one Party, speaking on behalf of the LDCs.

120. At the 2nd meeting, the SBI agreed to consider this agenda item together with the SBSTA agenda item “Matters relating to Article 2, paragraph 3, of the Kyoto Protocol” in a joint contact group co-chaired by Mr. Eduardo Calvo Buendia (Peru) and Mr. Andrew Ure (Australia). At the 4th meeting, Mr. Ure reported on the joint contact group’s consultations.

121. At its 4th meeting, the SBI considered and adopted conclusions³⁸ proposed by the Chair.

2. Conclusions

122. The SBI and the SBSTA set up a joint contact group to discuss the SBI agenda item “Matters relating to Article 3, paragraph 14, of the Kyoto Protocol” and the SBSTA agenda item “Matters relating to Article 2, paragraph 3, of the Kyoto Protocol” during their thirty-second sessions. In the establishment of this joint contact group, the Chairs of the SBI and the SBSTA directed that equal time be allocated to the consideration of each item.

123. The SBI and the SBSTA agreed to continue their discussions on these matters in a joint contact group to be established by the SBI and the SBSTA at their thirty-third sessions. They agreed to resume the consideration of these matters at their thirty-third sessions, based on the draft text contained in annex VIII.

XIII. Annual compilation and accounting report for Annex B Parties under the Kyoto Protocol

(Agenda item 13)

124. The SBI considered this item at its 1st and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/KP/CMP/2009/15 and Add.1. Statements were made by representatives of two Parties.

125. At its 1st meeting, the SBI agreed to consider this item in a contact group co-chaired by Mr. Agyemang-Bonsu and Mr. Miyagawa. At the 4th meeting, Mr. Agyemang-Bonsu reported on the contact group’s consultations.

126. As the group could not reach conclusions on this matter, the SBI agreed to include this item on the provisional agenda for SBI 33, in accordance with rule 16 of the draft rules of procedure being applied.

³⁸ Adopted as document FCCC/SBI/2010/L.14.

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

(Agenda item 14)

127. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/KP/CMP/2005/2.

128. At the 2nd meeting, the Chair announced that he would consult with interested Parties and report on the outcome of these consultations to the SBI at its closing plenary. At the 4th meeting, the Chair reported that there was agreement to continue to discuss this matter further at SBI 33 and to include this item on the provisional agenda for that session.

XV. Proposal from Kazakhstan to amend Annex B to the Kyoto Protocol

(Agenda item 15)

1. Proceedings

129. The SBI considered this item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/6. A statement was made by a representative of one Party.

130. At the 2nd meeting, the SBI agreed to consider this agenda item in informal consultations convened by Mr. Mark Berman (Canada). At the 4th meeting, Mr. Berman reported on these consultations.

131. At its 4th meeting, the SBI considered and adopted conclusions³⁹ proposed by the Chair.

2. Conclusions

132. The SBI noted the proposal from Kazakhstan, communicated to the secretariat on 18 September 2009, to amend Annex B to the Kyoto Protocol to include the name of Kazakhstan, with a quantified greenhouse gas emission limitation or reduction commitment under Article 3 of the Kyoto Protocol of 100 per cent of the 1992 level in the commitment period 2008 to 2012 and a footnote indicating that the country is undergoing the process of transition to a market economy.

133. The SBI also noted the submission by Kazakhstan of its first and second national communications on 5 November 1998 and 4 June 2009, respectively, and its 2010 greenhouse gas inventory report on 9 April 2010.

134. The SBI noted with appreciation the efforts made by Kazakhstan to implement the provisions of the Kyoto Protocol.

135. The SBI recalled the conclusions⁴⁰ adopted at the fifth session of the CMP. The SBI noted the plans of the secretariat to organize, in August 2010, an in-country review by an expert review team of the 2010 greenhouse gas inventory submission of Kazakhstan, in accordance with the request by the CMP at its fifth session,⁴¹ and that the report of the review will be published in accordance with the timelines and procedures set out in the "Guidelines for the technical review of greenhouse gas inventories from Parties included in

³⁹ Adopted as document FCCC/SBI/2010/L.6.

⁴⁰ FCCC/KP/CMP/2009/21, paragraphs 88–94.

⁴¹ FCCC/KP/CMP/2009/21, paragraph 93.

Annex I to the Convention” as contained in the annex to decision 19/CP.8. It also noted that the proposed amendment to Annex B to the Kyoto Protocol had been communicated by the secretariat to Parties to the Kyoto Protocol and to Parties and signatories to the Convention on 21 January 2010, and, for information, to the Depositary on 6 January 2010, in accordance with Article 21, paragraph 3, of the Kyoto Protocol, as requested by the CMP⁴² at its fifth session.

136. The SBI concluded that the CMP, in its consideration of the proposal at its sixth session, may wish to focus on the legal and technical implications of this proposal, particularly in relation to the quantified greenhouse gas emission limitation or reduction commitment and base year proposed by Kazakhstan, as well as the assumption of a quantified emission limitation and reduction commitment during the first commitment period.

137. To facilitate consideration of this item at the sixth session of the CMP, the SBI encouraged interested Parties to carry out further consultations among themselves on these issues during the intersessional period.

138. The SBI noted that Kazakhstan is willing to demonstrate a flexible approach as regards choosing its base year and limitation or reduction commitment.⁴³ It also noted that Kazakhstan is currently in the process of developing a national limitations regime and trading system in order to meet its commitments under the Kyoto Protocol and any future regimes of emission reductions.

XVI. Arrangements for intergovernmental meetings

(Agenda item 16)

A. Sixteenth session of the Conference of the Parties

(Agenda item 16 (a))

Sixth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

(Agenda item 16 (b))

1. Proceedings

139. The SBI considered these sub-items together at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/8. Statements were made by representatives of 23 Parties, including one speaking on behalf of the Group of 77 and China and one on behalf of the European Union and its member States. In addition, a representative of environmental NGOs made a statement.

140. The Chair thanked the representative of the Government of Mexico for information on the preparations to host sessions of the Convention bodies in November and December.

141. At its 2nd meeting, the SBI agreed to consider these sub-items together with sub-items 16 (c) and (d) in a contact group chaired by Mr. Owen-Jones. At the 4th meeting, Mr. Owen-Jones reported on the contact group’s consultations.

⁴² As footnote 41 above.

⁴³ That is, change its base year from 1992 to 1990 and commit to a reduction of 6 per cent based on 1990.

142. At its 4th meeting, the SBI considered and adopted conclusions⁴⁴ proposed by the Chair, as amended.

2. Conclusions

143. The SBI expressed its gratitude to the Government of Mexico for its generous offer to host the sixteenth session of the COP and the sixth session of the CMP in Cancun from 29 November to 10 December 2010. It took note with appreciation of the preparations and efforts being undertaken by the Government of Mexico and the secretariat to convene COP 16 and CMP 6 in order to facilitate the success of those sessions.

144. The SBI noted with appreciation the logo presented by the Government of Mexico for COP 16 and CMP 6. The SBI requested that the secretariat take steps to ensure that any official logo, poster or other material that appears at UNFCCC climate conferences or on official websites refers to the COP and the CMP and gives them equal treatment.

145. The SBI requested the secretariat to take note of the views expressed by Parties on the possible elements of the provisional agendas for COP 16 and CMP 6.

146. The SBI agreed that arrangements be made for the delivery of concise national statements by ministers and other heads of delegation,⁴⁵ with a recommended time limit of three minutes, and also concise statements by representatives of intergovernmental organizations and NGOs, with a recommended time limit of two minutes, in the joint meetings of the COP and the CMP during the high-level segment. It further invited the Bureau and the incoming Presidency to make arrangements for the organization of the high-level segment.

147. The SBI considered the option that a high-level session be held between the thirty-second sessions of the SBI and the SBSTA and the sixteenth session of the COP and the sixth session of the CMP. The SBI noted the views of Parties on this issue.

148. The SBI, recalling decisions 1/CP.15 and 1/CMP.5, invited the Bureau of COP 15 and CMP 5 to finalize the details of the arrangements for COP 16 and CMP 6, including arrangements for the high-level segment, in consultation with the President-designate of COP 16 and CMP 6 and the secretariat. The SBI also recalled the conclusions from the eleventh session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) and the ninth session of the AWG-LCA (April 2010), where Parties agreed to convene AWG-LCA 13 and AWG-KP 15 in conjunction with COP 16 and CMP 6 for as long as necessary.⁴⁶ The SBI stressed the importance of the principles of transparency and inclusiveness in the lead-up to and during COP 16 and CMP 6.

B. Future sessional periods

(Agenda item 16 (c))

1. Proceedings

149. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/8. Statements were made by representatives of four Parties, including one speaking on behalf of the Group of 77 and China.

⁴⁴ Adopted as document FCCC/SBI/2010/L.21, paragraphs 1–6.

⁴⁵ Statements may also be made by other high-level representatives.

⁴⁶ FCCC/AWG/LCA/2010/3, paragraph 25, and FCCC/KP/AWG/2010/3, paragraph 21.

150. At its 2nd meeting, the SBI agreed to consider this sub-item together with sub-items 16 (a), (b) and (d) in a contact group chaired by Mr. Owen-Jones. At the 4th meeting, Mr. Owen-Jones reported on the contact group's consultations.

151. At its 4th meeting, the SBI considered and adopted conclusions⁴⁷ proposed by the Chair.

2. Conclusions

Sessions in 2010

152. The SBI took note of the information provided by the secretariat on the preparations for AWG-KP 13 and AWG-LCA 11, to be held from 2 to 6 August 2010 at the Maritim Hotel in Bonn, Germany.

153. The SBI expressed its gratitude to the Government of China for its generous offer to host AWG-KP 14 and AWG-LCA 12. It also requested the Executive Secretary to continue consultations with the Government of China and to conclude the necessary legal arrangements within a reasonable time before the opening of the sessions.

154. The SBI noted that organizing these additional sessions in 2010 will require resources that have not been provided for in the core budget of the UNFCCC for 2010–2011 or in the United Nations allocation for conference services for the UNFCCC. Parties are therefore urged to make voluntary contributions to the Trust Fund for Supplementary Activities as soon as possible to cover the organizational aspect of these sessions and to the Trust Fund for Participation in the UNFCCC Process aimed at funding two delegates from each eligible Party and a third delegate from the LDCs and SIDS.

155. The SBI expressed its appreciation to the Governments of Norway and Spain, who have already made financial contributions to support the organization of the sessions in 2010, the Governments of Denmark, Germany and the United Kingdom of Great Britain and Northern Ireland for their firm written pledges, and the Governments of Australia, Finland, Norway, Sweden, Spain and Switzerland for their contributions towards the Trust Fund for Participation in the UNFCCC Process.

Other sessional periods

156. The SBI noted that participation in sessions has grown substantially in recent years, which poses increasing challenges at the facilities currently used for sessions in Bonn. The SBI requested the secretariat to seek, in collaboration with the Host Government, practical interim solutions for the period until the opening of the new conference facilities to accommodate the growing number of participants, and to make the relevant logistical arrangements. The SBI noted that such arrangements would be made in accordance with rule 3 of the draft rules of procedure being applied.

157. The SBI recalled that the Government of South Africa would host COP 17 and CMP 7 from 28 November to 9 December 2011.⁴⁸ The SBI looked forward to receiving further information on the organization and planning of the conference. It thanked the Government of South Africa for its ongoing efforts in preparing for these sessions.

158. The SBI noted that, in keeping with the principle of rotation among regional groups, the President of COP 18 and CMP 8 would come from the Asian Group. The SBI also noted the ongoing consultations with regard to hosting COP 18 and CMP 8, and looked

⁴⁷ Adopted as document FCCC/SBI/2010/L.21, paragraphs 7–15.

⁴⁸ Decision 13/CP.15.

forward to receiving the results of these consultations, with a view to a decision being taken at COP 16 on this matter.

159. The SBI agreed to defer consideration of the dates for the sessional periods in 2014 and 2015 to its thirty-fourth session. It recalled its recommendation in previous conclusions that future sessions be scheduled from mid-week to mid-week.⁴⁹

160. The SBI invited Parties to come forward with offers to host future sessions of the COP and the CMP.

C. Organization of the intergovernmental process

(Agenda item 16 (d))

1. Proceedings

161. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/8. Statements were made by representatives of four Parties, including one speaking on behalf of the Group of 77 and China.

162. At its 2nd meeting, the SBI agreed to consider this sub-item together with sub-items 16 (a), (b) and (c) in a contact group chaired by Mr. Owen-Jones. At the 4th meeting, Mr. Owen-Jones reported on the contact group's consultations.

163. At its 4th meeting, the SBI considered and adopted conclusions⁵⁰ proposed by the Chair.

2. Conclusions

Organization of the intergovernmental process

164. The SBI recommended that the secretariat, in organizing future sessional periods, follow the practice of holding no more than two meetings of plenary and/or contact groups concurrently, with the total number of meetings held concurrently, including informals, not exceeding six, to the extent possible. It also recommended that the secretariat continue to take into consideration, when scheduling meetings, the constraints of delegations and avoid clashes on similar issues to the extent possible.

165. The SBI recalled its recommendation in previous conclusions that all meetings end by 6 p.m., particularly to give Parties and regional groups sufficient time to prepare for daily meetings, but may, in exceptional circumstances, and on a case by case basis, continue for two to three hours.⁵¹

Observer organizations

166. The SBI welcomed the continued interest of observer organizations and noted that the UNFCCC process now covers all nine major groups in Agenda 21. The SBI affirmed the value of the engagement of observer organizations as contained in Article 7, paragraph 2(l), of the Convention, and acknowledged the important role of civil society representation in the intergovernmental process. The SBI took note of the increased engagement of observer organizations, as well as of the information provided by the Government of Mexico, to facilitate the participation of such organizations at COP 16 and CMP 6. The SBI encouraged hosts of future sessions of the COP and the CMP to consider, in their planning

⁴⁹ FCCC/SBI/2009/8, paragraph 115.

⁵⁰ Adopted as document FCCC/SBI/2010/L.21, paragraphs 16–20.

⁵¹ As footnote 49 above.

and organization, the size of the venue and the need to facilitate the participation of all Parties and admitted observer organizations.

167. The SBI agreed to continue discussions on this issue at its thirty-third session, with a view to reaching conclusions on ways to enhance the engagement of observer organizations. In order to facilitate these discussions, the SBI invited Parties and observer organizations to submit their views on this matter to the secretariat no later than 16 August 2010.

168. It further requested the secretariat to prepare a synthesis report based on the submissions referred to in paragraph 167 above for consideration at its thirty-third session.

XVII. Administrative, financial and institutional matters

(Agenda item 17)

A. Budget performance for the biennium 2010–2011

(Agenda item 17 (a))

1. Proceedings

169. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. It had before it document FCCC/SBI/2010/INF.5.⁵² A statement was made by a representative of one Party.

170. At the 2nd meeting, the Chair proposed to draft conclusions on this sub-item, with the assistance of the secretariat and in consultation with interested Parties. At its 4th meeting, the SBI considered and adopted conclusions⁵³ proposed by the Chair.

2. Conclusions

171. The SBI took note of the status of contributions as at 15 May 2010⁵⁴ and expressed its appreciation to the Parties that had paid their indicative contributions to the core budget and for the international transaction log on time, and urged Parties that had not yet made their contributions to do so as soon as possible.

172. The SBI expressed its appreciation for the voluntary contributions received from Parties, particularly for the work of the AWG-LCA and the AWG-KP.

173. The SBI strongly urged Parties to provide contributions to the Trust Fund for Participation in the UNFCCC Process in order to ensure the widest possible participation in the negotiations. It also urged Parties to provide contributions to the Trust Fund for Supplementary Activities in order to cover the costs of additional sessions and other mandated activities not covered by the Trust Fund for the Core Budget of the UNFCCC.

⁵² A revised version has been issued and is available as document FCCC/SBI/2010/INF.5/Rev.1.

⁵³ Adopted as document FCCC/SBI/2010/L.8.

⁵⁴ FCCC/SBI/2010/INF.5/Rev.1.

B. Implementation of the Headquarters Agreement

(Agenda item 17 (b))

1. Proceedings

174. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. Statements were made by a representative of the Host Government and by the Executive Secretary. Statements were also made by representatives of two Parties.

175. At the 2nd meeting, the Chair proposed to draft conclusions on this sub-item, with the assistance of the secretariat and in consultation with interested Parties. At its 4th meeting, the SBI considered and adopted conclusions⁵⁵ proposed by the Chair.

2. Conclusions

176. The SBI took note of the statement made by the representative of the Host Government of the secretariat reiterating that the construction of the new premises for the secretariat in Bonn, Germany, is scheduled to be completed in two stages: the first stage by the end of 2011 and the second stage, which will include the construction of an additional building, in 2014.

177. The SBI was informed by the representative of the Host Government of delays in the completion of the work on the new conference facilities at the UN Campus in Bonn, which are expected to accommodate more participants than the facilities currently used by the secretariat for conferences in Bonn. Owing to unforeseen circumstances, the opening of the conference facilities has been postponed. The SBI urged the Government to ensure that the new conference facilities are completed as soon as possible, in view of the challenges faced at the current facilities because of the growing number of participants.

178. The SBI took note of the statement by the Executive Secretary, in which he expressed his satisfaction with many aspects of the implementation of the Headquarters Agreement and informed the SBI about some areas of concern. In particular, the SBI was informed by the Executive Secretary that adequate premises could not be made available for the growing secretariat to be accommodated under one roof. The new premises at the UN Campus are expected to be ready by the end of 2011. The secretariat will, therefore, be divided over two separate office sites for an estimated period of a year and a half. The SBI was also informed that the new premises to be made available in 2011 would not be able to accommodate the current level of staff, which may result in the secretariat continuing to operate in two locations. A second building is planned to be available in 2014.

179. The SBI invited the Host Government and the Executive Secretary to report to it at its thirty-fourth session on progress made on this and other aspects of the implementation of the Headquarters Agreement.

C. Privileges and immunities for individuals serving on constituted bodies established under the Kyoto Protocol

(Agenda item 17 (c))

1. Proceedings

180. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. A statement was made by a representative of one Party.

⁵⁵ Adopted as document FCCC/SBI/2010/L.10.

181. At its 2nd meeting, the SBI agreed to consider this sub-item in a contact group chaired by Ms. Tamara Curll (Australia). At the 4th meeting, Ms. Curll reported on the contact group's consultations.

182. At its 4th meeting, the SBI considered and adopted conclusions⁵⁶ proposed by the Chair.

2. Conclusions

183. The SBI noted that the exchange of views by Parties on this issue had, in conjunction with additional information provided by the secretariat and the Office of Legal Affairs of the United Nations, further enhanced the understanding of the Parties.

184. The SBI also noted the progress made in developing the draft treaty arrangements contained in annex IX.

185. The SBI agreed to continue its consideration of this issue at its thirty-third session, on the basis of the text contained in annex IX, with a view to concluding these arrangements as soon as possible.

D. Methodology for the collection of international transaction log fees

(Agenda item 17 (d))

1. Proceedings

186. The SBI considered this sub-item at its 2nd and 4th meetings, on 31 May and 9 June, respectively. A statement was made by a representative of one Party.

187. At its 2nd meeting, the SBI agreed to consider this sub-item in a contact group chaired by Mr. Toshiaki Nagata (Japan). At the 4th meeting, Mr. Nagata reported on the contact group's consultations.

188. At its 4th meeting, the SBI considered and adopted conclusions⁵⁷ proposed by the Chair.

2. Conclusions

189. The SBI welcomed the information provided by the secretariat⁵⁸ on options for methodologies for the collection of international transaction log fees.

190. The SBI took note of the information on transactions of Kyoto Protocol units provided by the international transaction log administrator in its annual report for 2009.⁵⁹

191. The SBI welcomed the submissions from Parties containing their views on the approach to be taken by the Executive Secretary with regard to the collection of international transaction log fees.⁶⁰

192. The SBI decided to recommend a draft decision on the methodology for the collection of international transaction log fees in the biennium 2012–2013 for adoption by the CMP at its sixth session.⁶¹

⁵⁶ Adopted as document FCCC/SBI/2010/L.9.

⁵⁷ Adopted as document FCCC/SBI/2010/L.4.

⁵⁸ FCCC/TP/2010/1.

⁵⁹ FCCC/KP/CMP/2009/19.

⁶⁰ FCCC/SBI/2009/MISC.3 and Add.1, and FCCC/SBI/2010/MISC.4.

⁶¹ FCCC/SBI/2010/L.4/Add.1. For the final text of the decision, see document FCCC/SBI/2010/10/Add.1.

XVIII. Other matters

(Agenda item 18)

193. The SBI considered this item at its 2nd meeting, on 31 May. One Party raised the issue of publishing information on its joint implementation activities on the UNFCCC website prior to the entry into force of the amendment to Annex B to the Kyoto Protocol adopted by the CMP through its decision 10/CMP.2. The Chair held consultations with interested Parties on this issue. Statements were made by representatives of three Parties.

XIX. Report on the session

(Agenda item 19)

194. At its 4th meeting, on 9 June, the SBI considered and adopted the draft report on its thirty-second session.⁶² At the same meeting, on a proposal by the Chair, the SBI authorized the Rapporteur to complete the report on the session, with the assistance of the secretariat and under the guidance of the Chair.

XX. Closure of the session

195. At its 3rd meeting, on 9 June, convened jointly with the SBSTA, the SBI bid farewell to Mr. Yvo de Boer, Executive Secretary of the UNFCCC secretariat, as he was relinquishing his responsibilities as Executive Secretary. The Chairs of the SBI and the SBSTA thanked him for the services provided during his time in office. Mr. de Boer addressed the SBI and the SBSTA with an account of his work and the challenges ahead. He underlined the urgency of responding to climate change, and added that this would be possible through “unity in diversity”. Mr. de Boer further shared some personal reflections on how the UNFCCC process was evolving, including with regard to the important involvement of observer organizations, and the role that markets and market-based mechanisms could play in the future. Ms. Christiana Figueres, Executive Secretary designate, also thanked Mr. de Boer for his work. Statements were made by seven Parties, namely, one speaking on behalf of the Group of 77 and China, one on behalf of the European Union and its member States, one on behalf of the Umbrella Group, one on behalf of AOSIS, one on behalf of the LDCs, one on behalf of the African Group and one on behalf of the Environmental Integrity Group.

196. At the 4th meeting, on 9 June, a representative of the Executive Secretary provided a preliminary evaluation of the administrative and budgetary implications of conclusions adopted during the session. This follows decision 16/CP.9, paragraph 20, which requests the Executive Secretary to provide an indication of the administrative and budgetary implications of decisions⁶³ if these cannot be met from existing resources within the core budget.

197. The representative of the Executive Secretary informed delegates that there were no significant budgetary implications of the SBI conclusions adopted at the thirty-second session that are not covered by resources available in the proposed programme budget for 2010–2011.

198. At the same meeting, closing statements were made by six Parties, including one speaking on behalf of the Group of 77 and China, one on behalf of the European Union and

⁶² Adopted as document FCCC/SBI/2010/L.1.

⁶³ While decision 16/CP.9 refers to “decisions”, it also has implications for conclusions of the subsidiary bodies.

its member States, one on behalf of the LDCs, one on behalf of the Umbrella Group and one on behalf of the African Group. Statements were also made on behalf of the indigenous peoples organizations, trade union NGOs and local government and municipal authorities.

199. Before closing the session, the Chair thanked delegates, the chairs of contact groups and the facilitators of informal consultations for their contributions. He also thanked the secretariat and the interpreters for their support.

Annex I

Members of the Consultative Group of Experts (2010–2011)

Parties not included in Annex I to the Convention

Ms. Irina ATAMURADOVA (Turkmenistan)
Mr. Ménouèr BOUGHEDAOU (Algeria)
Ms. Ruleta CAMACHO (Antigua and Barbuda)
Mr. Haroldo DE OLIVEIRA MACHADO FILHO (Brazil)
Ms. Madeleine Rose DIOUF SARR (Senegal)
Mr. Emmanuel Dumisani DLAMINI (Swaziland)
Mr. Fernando FARÍAS (Chile)
Mr. Abias Moma HUONGO (Angola)
Ms. Sangchan LIMJIRAKAN (Thailand)¹
Mr. Carlos MANSILLA (Guatemala)
Mr. Eric Kamoga MUGURUSI (United Republic of Tanzania)
Ms. Jocelyn PAUL (Grenada)
Mr. Graham SEM (Papua New Guinea)
Mr. W. L. SUMATHIPALA (Sri Lanka)
Mr. Hongwei YANG (China)

Parties included in Annex I to the Convention

Mr. Søren JAKOBSEN (Denmark)
Ms. Erasmia KITOU (European Union)
Ms. Beth LAVENDER (Canada)
Mr. Othmar SCHWANK (Switzerland)
Ms. Tara SHINE (Ireland)
Mr. Kiyoto TANABE (Japan)

International organizations

Mr. Yamil BONDUKI (National Communications Support Programme of the United Nations Development Programme)
Mr. Takahiko HIRAISHI (Intergovernmental Panel on Climate Change (IPCC)/IPCC National Greenhouse Gas Inventories Programme)
Mr. George A. MANFUL (Global Environment Facility of the United Nations Environment Programme)

¹ Replaced Mr. Vute Wangwacharakul on 11 April 2010.

Annex II

[English only]

Fourth review of the financial mechanism

[The Conference of the Parties,

Recalling Article 4, paragraphs 3, 4, 5, 8, and 9, of the Convention,

Taking fully into account Article 11 of the Convention, in particular its paragraph 1,

Also recalling decisions 11/CP.1, 12/CP.2, 3/CP.4, 7/CP.7, 6/CP.13 and 3/CP.14,

Pursuant to Article 7, paragraph 2(h), of the Convention,

Noting that multilateral and bilateral agencies have scaled up financial resources related to the implementation of the Convention,

Also noting the annual report of the Global Environment Facility to the Conference of the Parties,

Takes note of the completion of the GEF fifth replenishment that took place in Punta Del Este from 24 to 28 May 2010,

Further noting the report¹ on the Fourth Overall Performance Study of the Global Environment Facility,

1. *Takes note of the findings of the Fourth Overall Performance Study, which was completed prior to the fifth replenishment, that:*

(a) *The Global Environment Facility support continues to be in line with guidance from the Convention;*

(b) *Although developed country donors have provided new and additional funding for global environmental benefits to developing countries, this has been insufficient to cover the increasing agenda of the Global Environment Facility as agreed upon in the conventions;*

(c) *The Global Environment Facility support has been crucial in enabling countries to integrate climate change into their national development agendas;*

(d) *The Global Environment Facility support has assisted developing countries in introducing policies to address climate change and reduce and avoid greenhouse gas emissions;*

(e) *The Resource Allocation Framework has hindered the access of group countries to the Global Environment Facility, particularly in climate change, which may explain some of the discontent of the climate change community with the Global Environment Facility;*

(f) *The Global Environment Facility reporting requirements to the Conventions have generally been met, yet certain aspects require improvement;*

¹ Global Environment Facility Evaluation office. Fourth Overall Performance Study of the GEF Progress Toward Impact. Full report, 9 November 2009.

(g) The move of the Global Environment Facility towards country-level programming has increased country ownership to some extent, but that the current modalities for resource allocation require improvement;

(h) There is scope to further simplify and streamline the Global Environment Facility procedures, particularly the project identification phase, and improve timeliness throughout the project cycle;

(i) The Global Environment Facility needs a knowledge management strategy to improve learning and the sharing of best practices;

(j) The Global Environment Facility has played an important role in scaling up resources to address climate change;

[2. *Welcomes* the successful fifth replenishment of the GEF and notes that this is the largest increase since the GEF was established [if pledges made by all contributing countries can be accomplished].]

3. *Invites* developed country Parties to provide, through bilateral and regional and other multilateral channels, financial resources related to the implementation of the Convention;

4. *Decides* that the Global Environment Facility has provided and should continue to enhance its support to developing countries in:

(a) Meeting their commitments under the Convention;

(b) Strengthening national capacity-building;

(c) Applying and diffusing technologies, practices and processes for mitigation;

5. *Requests* the GEF to continue improving its modalities to increase the responsiveness, effectiveness and efficiency of its support, including:

(a) Being responsive to new guidance from the Conference of the Parties;

(b) Reporting from the Global Environment Facility to the convention should include a critical assessment of its experience with implementation of projects, as well as its experience with incorporating guidance from the Conference of the Parties into its strategies and programme priorities;

(c) Enhancing modalities which reinforce country ownership and improve the allocation of resources;

(d) Further simplifying and improving its procedures, particularly those for the identification, preparation and approval of activities;

(e) Ensuring that access to resources is expeditious and timely;

(f) Enabling country-level programming, where appropriate;

(g) Ensuring consistency and complementarity with other financing activities;

(h) Promoting private-sector financing and investment to address climate change activities;

(i) Strengthening its knowledge management approach to share best practice;

6. *Decides* that the Global Environment Facility should continue to provide and enhance support for the implementation of adaptation activities, including the implementation of national adaptation plans of action, through the Least Developed Country Fund and Special Climate Change Fund;

7. *Requests* the Global Environment Facility, in its regular report to the Conference of the Parties, to include information on the steps it has taken to implement the guidance provided in paragraphs 4, 5 and 6 above;
8. *Invites* Parties to submit to the secretariat annually, no later than ten weeks prior to the Conference of the Parties, their views and recommendations in writing elements to be taken into account in developing guidance to the Global Environment Facility.
9. *Also requests* the Subsidiary Body for Implementation to initiate the fifth review of the financial mechanism at its thirty-seventh session in accordance with the criteria contained in the guidelines annexed to decisions 3/CP.4 and 6/CP.13, or as these guidelines may be subsequently amended, and to report on the outcome to the Conference of the Parties at its nineteenth session.]

Annex III

Terms of reference for the intermediate review of progress in the implementation of the amended New Delhi work programme on Article 6 of the Convention

I. Mandate

1. The Conference of the Parties (COP), by its decision 9/CP.13, decided to undertake an intermediate review of progress in the implementation of the amended New Delhi work programme on Article 6 of the Convention in 2010 to evaluate its effectiveness and identify emerging gaps and needs, and a review of its implementation in 2012.
2. By the same decision, the COP requested the secretariat to organize thematic regional and subregional workshops to share lessons learned and best practices, in collaboration with relevant partners, and prior to the intermediate review of the work programme in 2010, subject to the availability of funds.
3. The COP further requested the secretariat to prepare reports on progress made by Parties in implementing Article 6 of the Convention, based on information contained in national communications and other sources of information, for consideration by the Subsidiary Body for Implementation (SBI). These reports will be issued regularly, and in particular for the intermediate review in 2010 and the review in 2012.
4. The COP also requested the secretariat to further enhance the usefulness and relevance of the information network clearing house (CC:iNet), in line with the evaluation report of the clearing house,¹ and facilitate dissemination of information from CC:iNet and other sources.

II. Objectives

5. With a view to encouraging improvement based on experience, the objectives of the intermediate review are:
 - (a) To take stock of the progress made in the implementation of the amended New Delhi work programme to date, noting that this work is still ongoing;
 - (b) To identify essential needs for, potential gaps in, and barriers to, the implementation of the amended New Delhi work programme;
 - (c) To identify lessons learned and good practices with a view to their dissemination, promotion, replication and introduction as appropriate;
 - (d) To identify recommendations on further steps for the improvement or enhancement of the amended New Delhi work programme.

III. Information sources

6. Information on the implementation of the amended New Delhi work programme for the intermediate review should be drawn from, inter alia:

¹ FCCC/SBI/2007/26.

- (a) Reports of thematic regional workshops on the implementation of Article 6, including the first series of thematic regional workshops;
- (b) Submissions from Parties;
- (c) National communications and other relevant national reports;
- (d) Information on the implementation of the programme shared by Parties and relevant organizations through CC:iNet;
- (e) Reports and submissions from the Global Environment Facility and its implementing agencies, United Nations organizations, relevant intergovernmental and non-governmental organizations, as well as relevant stakeholders.

IV. Expected outcomes

7. Drawing upon the information sources listed in chapter III, the secretariat will prepare for consideration by the SBI at its thirty-third session:

- (a) A report on essential needs for, potential gaps in, barriers to, and progress in the implementation of the amended New Delhi work programme;
- (b) A report on the full-scale implementation of CC:iNet;
- (c) A miscellaneous document containing submissions from Parties, relevant intergovernmental and non-governmental organizations, as well as relevant stakeholders, received in response to the invitation by the SBI at its thirty-second session.

8. The SBI, at its thirty-third session, will consider the documents listed in paragraph 7 above and any other information relevant to the completion of the intermediate review, with a view to recommending a draft decision for adoption by the COP at its sixteenth session, which should include identification of further steps for improvement or enhancement of the implementation of the amended New Delhi work programme.

Annex IV

[English only]

Text for a draft decision for consideration by the Subsidiary Body for Implementation at its thirty-third session

Draft decision -/CP.16

Implementation of the Buenos Aires programme of work on adaptation and response measures

[The Conference of the Parties,

Recalling Article 4, paragraph 8, of the Convention,

Also recalling decisions 5/CP.7 and 1/CP.10,

Having considered the reports on the workshops referred to in paragraph 8 of decision 1/CP.10 and the expert meetings referred to in paragraph 16 of the same decision, as well as submissions from Parties and relevant organizations on this matter,¹

[Acknowledging the assessment process that has been ongoing since the fourteenth session of the Conference of the Parties [as provided for in paragraph 22 of decision 1/CP.10], and the valuable inputs to it from Parties and relevant stakeholders,]

[Acknowledging the efforts already made by Parties to meet the specific needs and concerns of developing country Parties,]

[Recognizing the relevance of the work undertaken and lessons learned to date, in informing the continued implementation of actions on adaptation,]

Acknowledging that there is a need to [enhance efforts to] further implement decisions 5/CP.7 and 1/CP.10 [, as follows],

1. *[Agrees* to further implement decisions 5/CP.7 and 1/CP.10 in the areas of the adverse effects of climate change and the impact of the implementation of response measures, as follows;]
2. *[Requests* the secretariat to continue to engage relevant organizations, institutions, experts and communities in the implementation of the activities identified in this decision;]

I. Adverse effects of climate change

3. *[Asserts* the importance of a country-driven approach [, supported by financial, technical and human resources, that enables developing country Parties to undertake] [that allows developing country Parties to pursue] the specific activities most appropriate to their unique national circumstances;]

¹ The submissions contained in documents FCCC/SBI/2008/MISC.4, FCCC/SBI/2008/MISC.9 and Add.1, FCCC/SBI/2008/MISC.10, FCCC/SBI/2009/MISC.11/Rev.1, and FCCC/SBI/2010/MISC.1 and Add.1.

4. [Reiterates that action related to adaptation to the adverse effects of climate change should follow an assessment and evaluation process, based on national communications and/or other relevant information, so as to prevent maladaptation and to ensure that adaptation actions are environmentally sound and will produce real benefits in support of sustainable development;]

5. [Establishes its three-year work plan for enhancing implementation of adaptation in developing countries, [taking into account the urgent and immediate needs of developing countries that are particularly vulnerable to the adverse effects of climate change, especially the least developed countries and small island developing States, and further taking into account the needs of countries [in Africa] affected by drought, desertification and floods [, particularly in Africa]], including the actions referred to in paragraph 7 below;]

6. [Requests Parties included in Annex II to the Convention to support implementation of the work plan referred to in paragraph 5 above for enhancing implementation of adaptation, including through the following actions;]

7. [Invites relevant organizations and other stakeholders to participate in the implementation of the following activities, and to share the outcomes at subsequent sessions of the Subsidiary Body for Implementation, as appropriate:]

(a) [Financial resources [to]:]

- [Address[ing] the need for additional, sufficient, predictable and sustainable resources to facilitate implementation of adaptation actions on the ground;]
- [[Support developing countries, in particular the least developed countries and small island developing States, while] Addressing the need for equitable disbursement of financial support [to vulnerable countries];]

Alternative operative paragraphs:

- [Encourages developed country Parties to enhance efforts to improve information on accessing existing funds for adaptation, including for the implementation of priorities identified in national adaptation programmes of action, national communications and/or other relevant documents;]
- [Requests Parties to continue to provide information on available support through, inter alia, the web-based interface on the UNFCCC website;]
- [Encourages developed country Parties to continue efforts to enhance access to existing funds for adaptation, including by integrating adaptation into development cooperation programmes to the extent feasible, disseminating information on modalities for access, and building capacity for the preparation of project proposals and for project implementation;]
- [Urges Parties included in Annex II to the Convention and relevant international and regional organizations to continue to provide financial and technical support for the implementation by Parties not included in Annex I to the Convention of activities related to addressing the adverse effects of climate change;]

(b) [Vulnerability and adaptation assessments:]

- [Facilitating the sharing of information and knowledge of best practices and lessons learned from results of vulnerability and adaptation assessments;]

alt

[Implement actions as a result of South–South information sharing;]

- [[Enhancing] activities related to vulnerability and adaptation assessments, including developing regional climate models, collecting socio-economic data and scenarios, developing relevant tools, promoting and increasing capacity for integrated assessments, encouraging the use of multidisciplinary teams, and enhancing targeted packaging and dissemination of climate data and the results of vulnerability and adaptation assessments;]
- [Inviting the Intergovernmental Panel on Climate Change to consider, without prejudice to its ongoing and planned work, preparing a special report on the implications of the adverse effects of climate change on vulnerable regions;]

Alternative operative paragraphs:

- [*Encourages* Parties to facilitate the sharing of information and knowledge of best practices and lessons learned from results of vulnerability and adaptation assessments;]
- [*Further encourages* Parties to enhance efforts to raise awareness and build capacity at the local, national and regional levels to enable planning and preparation for and responses to adaptation, inter alia, to improve the understanding of effective adaptation;]
- [*Calls* on Parties, relevant organizations and stakeholders to enhance activities related to vulnerability and adaptation assessments, including developing regional climate models, collecting socio-economic data and scenarios, developing relevant tools, promoting and increasing capacity for integrated assessments, encouraging the use of multidisciplinary teams, and enhancing targeted packaging and dissemination of climate data and the results of vulnerability and adaptation assessments;]

(c) [Adaptation planning and implementation:]

- [Providing support for implementation strategies for action plans arising from adaptation assessments, and integrating these into local, sectoral and national development policies and plans;]

alt

[Support implementation strategies for action plans arising from adaptation assessments;

Integrate the implementation strategies into local, sectoral and national development policies and plans;]

- [Develop a ‘NAPA-like’ process to meet the urgent and immediate needs of developing countries not afforded the opportunity under the least developed countries work programme;]
- [Ensure that adaptation projects identified through national adaptation programmes of action and ‘NAPA-like’ processes are implemented;]
- [Support the implementation of adaptation at local, sectoral, national and regional levels;]

Alternative operative paragraphs:

- [*Reiterates* that action related to adaptation to the adverse effects of climate change should follow an assessment and evaluation process, based on national communications and/or other relevant information, so as to prevent

maladaptation and to ensure that adaptation actions are environmentally sound and will produce real benefits in support of sustainable development;]

- [*Urges* developing country Parties to enhance national planning for adaptation, including by integrating adaptation into the planning process, disseminating information on, and building upon, lessons learned from the national adaptation programmes of action process, and drawing upon information in national communications from Parties and other relevant documents;]
- [*Further encourages* developing country Parties to continue to document their adaptation priorities and needs in relevant national documents and strategies, as appropriate;]
- [*Encourages* developed country Parties to continue providing support for implementation strategies for action plans arising from adaptation assessments, and to integrate these into local, sectoral and national development policies and plans;]

(d) [Risk management and risk reduction:]

- [[Facilitating the] sharing of information and knowledge of best practices and lessons learned in relation to risk management and risk reduction approaches, and new approaches to risk sharing and risk transfer [, including insurance];]

Alternative operative paragraphs:

- [*Urges* Parties to enhance efforts to facilitate the sharing of information and knowledge of best practices and lessons learned in relation to risk management and risk reduction approaches, and new approaches to risk sharing and risk transfer [, including insurance];]
- [*Urges* all Parties to promote risk management approaches and other appropriate responses to the adverse effects of climate change, building upon the practical experience of international, regional and national organizations and the private sector, including by disseminating information on best practices and lessons learned;]

(e) [Regional collaboration:]

- [[Providing resources for] Establish[ing] and/or enhanc[e][ing] the capacity of regional centres to support national-level adaptation activities in the areas of access to and dissemination of knowledge, technical support and capacity-building;]
- [[Promoting] regional and interregional cooperation [and coordination] on all aspects of adaptation;]
- [Regional cooperation on adaptation and opportunities for further South–South and North–South cooperation between countries and regional centres specialized in adaptation planning and implementation;]

Alternative operative paragraphs:

- [*Invites* Parties to strengthen the engagement of relevant actors and organizations and to promote synergies between relevant processes and the work of international and regional organizations and the private sector;]
- [*Invites* relevant organizations, institutions, experts and communities to participate in the implementation of activities identified in this decision;]

- [*Urges* relevant organizations, institutions, experts and communities to undertake their own activities, and share the outcomes at agreed sessions of the Subsidiary Body for Implementation, as appropriate;]
- (f) [Capacity-building, education, training and public awareness:]
- [Organizing regional training workshops, [subject to the availability of resources,] aimed at enhancing the capacity of developing country Parties to implement adaptation;]
 - [[Promoting] activities relating to capacity-building, education, training and public awareness, taking into consideration the outcomes of the above-mentioned workshops;]
- [(g) Transfer of technology for adaptation:
- Identify and analyse priority technology needs for adaptation;
 - Undertake assessments of country-specific technology needs for adaptation;
 - Promote joint research and development programmes;
 - Identify barriers to technology transfer, and measures to address these barriers, including through sectoral analysis;
 - Support access to technology to address needs of developing countries regarding adaptation measures;]
- (h) [Sharing of information and knowledge;]
- (i) [Systematic observation:]
- [[Providing] support for activities aimed at strengthening national and local networks in areas of systematic observation and the rescue, archiving, analysis and dissemination of data at the national and regional levels;]

Alternative operative paragraphs:

- [Encourages Parties to continue to support activities aimed at strengthening national and local networks in areas of systematic observation and the rescue, archiving, analysis and dissemination of data at the national and regional levels;]
 - [Invites Parties and relevant international, regional and national organizations to collaborate and enhance their efforts to build the institutional capacities to collect, process and analyse relevant data in order to carry out vulnerability and adaptation assessments;]
8. *Encourages* Parties to consider the information and advice emerging from the first phase of the Nairobi work programme on impacts, vulnerability and adaptation to climate change,² as appropriate, in the implementation of activities identified in this decision;
9. [*Urges* Parties included in Annex II to the Convention and relevant international and regional organizations to increase their financial and technical support for the implementation by Parties not included in Annex I to the Convention of activities related to addressing the adverse effects of climate change;]
10. [*Calls on* all Parties to monitor and report on measures undertaken to address adaptation needs, with the aim of enhancing the collective learning and enhanced

² FCCC/SBSTA/2008/13, annex I.

understanding of vulnerabilities, impacts and adaptation measures, and to continue to report on these measures through their national communications;]

11. [*Invites* relevant organizations and other stakeholders to participate in the implementation of the activities identified in paragraph 7 above, and to share the outcomes at subsequent sessions of the Subsidiary Body for Implementation as appropriate;]

12. [*Invites* the Intergovernmental Panel on Climate Change to consider, without prejudice to its ongoing and planned work, preparing a special report on the implication of the adverse effects of climate change on vulnerable regions;]

II. Impact of the implementation of response measures

Option 1:

13. [*Establishes* a forum under the guidance of the Chair of the Subsidiary Body for Implementation, to be held in conjunction with meetings of the subsidiary bodies, for Parties and representatives of relevant intergovernmental organizations, with participation from the scientific, financial and private insurance sectors, which will include the following components:]

Alt

[*Invites* relevant organizations and other stakeholders to participate in the implementation of the following activities, and to share the outcomes at subsequent sessions of the Subsidiary Body for Implementation, as appropriate:]

(a) [Financial risk management:]

- Exploring possible collaboration between the climate change community, government programmes and the private insurance sector;
- Promoting private–public partnerships linking insurance mechanisms and risk-reduction mechanisms;
- Building capacity at the national level for risk management, risk financing and risk transfer;
- Identifying means by which to engage the private sector in the development of alternative risk transfer mechanisms;

(b) [Modelling:]

- Disseminating modelling tools and models to Parties not included in Annex I to the Convention, and ensuring increased collaboration on modelling activities on an ongoing basis;
- Developing methodologies to assist developing countries in assessing vulnerability to the impact of the implementation of response measures;
- Developing draft guidance documents on how to undertake socio-economic assessments of the impact of the implementation of the response measures to be piloted in selected countries as a basis for detailed and comprehensive guidance;
- Developing, in collaboration with international organizations, methodologies to assess the impacts on developing countries of policies already implemented by Parties included in Annex I to the Convention;

- Collaborating with the scientific research community, including the Intergovernmental Panel on Climate Change, to improve the quality of models, in particular those that assess the impact of the implementation of response measures on developing countries, with a view to fully addressing this issue in the future work of the Intergovernmental Panel on Climate Change;
 - Building capacity at the national level to model the impact of the implementation of response measures;
- (c) [Economic diversification:]
- Providing support for the integration of economic diversification into sustainable development strategies;
 - Exchanging experiences in economic diversification, and lessons learned, with a view to identifying what technical assistance may be needed to develop structural and institutional capacity, and/or to establishing a mechanism to facilitate efforts to achieve economic diversification;
 - Collaboration by the secretariat with relevant international organizations and the private sector in developed countries on matters relating to economic diversification;
 - Building capacity, at the national level, in the area of economic diversification;
 - Promoting private–public partnerships in various areas to support economic diversification;
 - Providing recommendations for encouraging direct investment by and technology transfer from developed countries to assist in the economic diversification of developing countries;
 - Addressing the extent to which trade and export barriers affect economic diversification in developing countries;

14. [*Invites* relevant organizations and other stakeholders to participate in the implementation of the activities identified in paragraph 13 above, and to share the outcomes at subsequent sessions of the Subsidiary Body for Implementation, as appropriate;]

15. [*Invites* other relevant international and regional organizations to provide information on lessons learned from work that may be relevant to the consideration of potential consequences;]

16. [*Requests* the secretariat to compile this information, as well as information on work being undertaken by other UNFCCC bodies for consideration by the Subsidiary Body for Implementation at its thirty-fourth session;]

17. [*Requests* the Subsidiary Body for Implementation to consider [the outcomes of the activities] [the information provided] in this decision and recommend a draft decision for adoption by the Conference of the Parties at its xx session;]

18. *Decides* to assess the implementation of this decision at its xx session, with a view to agreeing on any further action.

Option 2:

19. *Recognizes* that the potential impacts of response measures is a challenge faced by all Parties;

13. *Acknowledges* the challenges in anticipating, attributing and quantifying response measures;

14. *Notes* that work on this issue should build on relevant decisions, and work being carried out by other bodies and in other processes under the Convention, with the aim of maintaining an approach that is coherent with other work in the UNFCCC process;

15. *Further notes* that any consideration of these impacts should focus on [small island developing States and the least developed countries] [the poorest countries and those least able to address these impacts];

16. *Recognizes* that in order to further the implementation of actions by Parties on response measures, there is a need to deepen understanding of response measures and any observed impacts, and that this can be achieved through various means, including:

(a) The regular and systematic provision of information by all Parties, which is as complete as possible, on potential and observed impacts of policies and measures, in particular through national communications, and the regular review of this information;

(b) The assessment of potential consequences and observed impacts carried out by, inter alia, relevant national institutions and international organizations;

(c) Information on work being carried out by other UNFCCC bodies that may be relevant to the consideration of potential consequences.]

Annex V

[English only]

Text for a draft decision for consideration by the Subsidiary Body for Implementation at its thirty-third session

Draft decision -/CP.16

[Capacity-building under the Convention

The Conference of the Parties,

[*Recalling* decisions 2/CP.7, 2/CP.10, 4/CP.12, 6/CP.14 and 8/CP.15,

Acknowledging that capacity-building for developing countries is essential to enable them to participate fully in, and implement effectively their commitments under, the Convention,

Reaffirming that decision 2/CP.7 remains effective and should continue to guide the implementation of capacity-building activities in developing countries,]

Noting that a range of the priority issues identified in the framework for capacity-building in developing countries is being supported by Parties included in Annex II of the Convention, the Global Environment Facility and other multilateral, bilateral and international agencies, [the private sector] and intergovernmental and non-governmental organizations,

[*Also noting* that gaps still remain and the availability of and access to financial and technical resources is still an issue to be addressed, in order to progress qualitatively and quantitatively on the capacity-building implementation,]

[*Acknowledging* that capacity-building is a country-driven and learning-by-doing process that responds to the specific needs and priorities of the countries concerned,

Having considered the information in documents prepared by the secretariat in support of the second comprehensive review of the implementation of the framework for capacity-building in developing countries and submissions by Parties on the issue,^{1]}

1. *Decides* that the scope of needs and priority areas identified in the framework for capacity-building in developing countries, as contained in decision 2/CP.7, and the key factors identified in decision 2/CP.10 are still relevant;
2. *Further decides that* new capacity-building needs and priorities in developing countries emerging from the processes and initiatives launched after the completion of the first comprehensive review as well as from the negotiations under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention will need to be taken into account in the further implementation of the framework for capacity-building in developing countries;
3. *Also decides* that further implementation of the framework for capacity-building in developing countries should be improved at the systemic, institutional and individual levels as appropriate, by:

¹ FCCC/SBI/2009/MISC.1, FCCC/SBI/2009/MISC.2, FCCC/SBI/2009/MISC.8, FCCC/SBI/2009/MISC.12/Rev.1, FCCC/SBI/2009/4, FCCC/SBI/2009/5 and FCCC/SBI/2009/10.

- (a) Ensuring consultations with stakeholders throughout the entire process, from the design of activities to their implementation;
 - (b) Enhancing integration of climate change issues and capacity-building needs into national development strategies, plans and budgets;
 - (c) Increased country-driven coordination of capacity-building activities;
 - (d) Strengthened networking and information sharing among developing countries, especially through South–South and triangular cooperation;
 - (e) Building on existing skills and capacities [, where available,] [, as appropriate,] related to development and implementation of capacity-building activities [and delivery of reporting, including national communications [and inventories]];
 - (e bis) Developing and/or strengthening skills and capacities related to the implementation of climate change related activities;
 - (f) [Strengthening national and regional research institutions;]
4. [*Encourages* cooperative efforts between developed country Parties and developing country Parties to conceptualize and develop ideas and devise the implementation of activities, and monitor their impact;]
- 4.bis [*Encourages* cooperative efforts between developing and developed country Parties to formulate concepts, develop approaches, implement activities, and monitor their impacts, in accordance with country-driven priorities;]
5. *Decides* that financial and technical support should be provided for the establishment and strengthening of national climate change focal points, national climate change secretariats or committees and national IPCC focal points, as appropriate, to enhance the implementation of the Convention in developing countries, particularly in least developed countries and small island developing States;
6. *Requests* the Subsidiary Body for Implementation to develop a five-year plan of action on capacity-building, including activities, timeframes, financial requirements and sources of funding, with the objective of enhancing the implementation of the framework for capacity-building in developing countries and addressing new and emerging capacity needs, with a view to the adoption of their plan of action by the Conference of the Parties at its seventeenth session;
7. *Decides* to establish an expert group on capacity-building with the terms of reference contained in the annex to this decision;
8. *Also decides* to review, at its twenty-first session, the progress of the work of the expert group and its terms of reference, including, if appropriate, the status and continuation of the expert group;
9. *Further decides* that the next and subsequent comprehensive reviews of the framework for capacity-building in developing countries will be undertaken using simple and effective performance indicators developed by the expert group referred to in paragraph 7 above;
10. *Requests* the secretariat to improve the process for regularly gathering and disseminating information on capacity-building activities in developing countries, recognizing the usefulness of information on capacity-building deriving from the compilation and synthesis of national communications, annual submissions by Parties and other documents relevant to this effort, in collaboration with the Global Environment Facility and its agencies and bilateral and multilateral agencies, as appropriate;

11. *Invites* Parties to enhance reporting on best practices related to capacity-building in their national communications, submissions and other relevant documents, with a view to furthering learning and broadening the impact of capacity-building activities;
12. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism, to increase its support to capacity-building activities in developing countries in accordance with decisions 2/CP.7 and 4/CP.9;
13. *Urges* Parties included in Annex II to the Convention and other Parties that are in a position to do so, multilateral, bilateral and international agencies and the private sector to continue providing financial resources to support capacity-building action in developing countries;
14. *Invites* relevant United Nations agencies and intergovernmental organizations to continue providing support for capacity-building efforts in developing countries, emphasizing and stressing the need for full involvement of developing countries in the conception and development of such activities;
15. *Requests* the Subsidiary Body of Implementation, at its fortieth session, to initiate a third comprehensive review of the implementation of the framework for capacity-building in developing countries, with a view to completing the review at the twenty-first session of the Conference of the Parties.]

Annex VI

[English only]

Text for a draft decision for consideration by the Subsidiary Body for Implementation at its thirty-third session

Draft decision -/CMP.6

[Capacity-building under the Kyoto Protocol

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decisions 6/CMP.4 and 7/CMP.5,

Acknowledging that capacity-building for developing countries is essential to enable them to participate in the implementation of the Kyoto Protocol,

Noting that a range of the priority areas identified in decisions 29/CMP.1 and 2/CP.7 are being addressed by Parties, multilateral and bilateral agencies [and the private sector], especially building capacity to develop and implement clean development mechanism project activities,

Also noting the [importance of the private sector] [role [that may be] [to be] played by the private sector] [additional role that may be played by the private sector] in building capacity to develop and implement clean development mechanism project activities,

Acknowledging the work undertaken in the context of the Nairobi Framework to catalyse the clean development mechanism in Africa [and the need to move the process further,]

Also noting that key needs remain to be addressed to enable developing countries, in particular the least developed countries, African countries and small island developing States [and other vulnerable regions and countries], to effectively participate in the clean development mechanism,

Having considered the information in documents prepared by the secretariat in support of the second comprehensive review of the implementation of the framework for capacity-building in developing countries,¹

1. *Decides* that the scope of capacity-building needs, as contained in the framework for capacity-building in developing countries,² the key factors identified in decision 2/CP.10 and the priority areas for capacity-building relating to the participation of developing countries in the clean development mechanism contained in decision 29/CMP.1 are still relevant;
2. *Encourages* Parties to further improve the implementation of capacity-building activities relating to the implementation of the Kyoto Protocol and to report on the effectiveness and sustainability of related capacity-building programmes;

¹ FCCC/SBI/2009/MISC.1, FCCC/SBI/2009/MISC.2, FCCC/SBI/2009/MISC.8, FCCC/SBI/2009/MISC.12/Rev.1, FCCC/SBI/2009/4, FCCC/SBI/2009/5 and FCCC/SBI/2009/10.

² Decision 2/CP.7.

3. *[Urges] [Invites]* Parties that are in a position to do so, multilateral, bilateral and international agencies and the private sector to continue to provide technical and financial resources in a coordinated manner to support capacity-building activities in developing countries as it relates to the implementation of the Kyoto Protocol, addressing the following challenges, inter alia:
 - (a) Geographical distribution of clean development mechanism project activities;
 - (b) Lack of technical expertise to estimate changes in carbon stock in soil;
 - (c) The need to train and retain experts to plan and implement project activities;
4. *Invites* Parties included in Annex II of the Convention in a position to do so to provide capacity-building support for the planning and implementation of clean development mechanism project activities at national and regional levels, as appropriate;
5. *Decides* that further implementation of the framework for capacity-building in developing countries should be improved at the systemic, institutional and individual level, as appropriate, by:
 - (a) Ensuring consultations with stakeholders throughout the entire process, from the design of clean development mechanism project activities to their implementation;
 - (b) Enhancing integration of capacity-building needs relating to the participation in the Kyoto Protocol into national development strategies and plans;
 - (c) Increased country-driven coordination of capacity-building activities;
 - (d) Strengthened networking and information sharing among developing countries, especially through South-South and triangular cooperation;
6. *Encourages* cooperative efforts between developing country Parties and developed country Parties to conceptualise and implement capacity-building activities relating to the participation in the clean development mechanism;
7. *Encourages relevant* intergovernmental and non-governmental organizations, in particular the United Nations Development Programme, the United Nations Environment Programme, the World Bank Group, the African Development Bank and the secretariat of the UNFCCC, to continue enhancing and coordinating their capacity-building activities under the Nairobi Framework including support towards building skills;
8. *Decides* to initiate a third comprehensive review of the implementation of the framework for capacity-building in developing countries at the fortieth session of the Subsidiary Body for Implementation, with a view to completing it at the eleventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.
9. *Requests* the Subsidiary Body for Implementation to develop terms of reference for the third comprehensive review at its fortieth session.]

Annex VII

Draft terms of reference for the initial review of the Adaptation Fund

[Terms of reference for the Initial Review of the Adaptation Fund]

I. Introduction

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) decided to undertake, at its sixth session, a review of all matters relating to the Adaptation Fund, including its institutional arrangements, with a view to ensuring the effectiveness and adequacy of the Fund. The review shall take into account the outcome of performance reviews of the secretariat and the trustee servicing the Adaptation Fund, submissions by Parties and other interested intergovernmental organizations and stakeholders. The CMP further decided that the interim institutional arrangements with the Global Environment Facility (GEF) for the provision of secretariat services to the Adaptation Fund Board, as well as the institutional arrangements with the World Bank for the provision of trustee services to the Adaptation Fund, shall be reviewed at the sixth session of the CMP.¹

2. The CMP, at its fifth session, requested the Subsidiary Body for Implementation (SBI) to initiate the review of the Adaptation Fund at its thirty-second session and to agree on the terms of reference for the review and report back to the CMP at its sixth session so that the review can be undertaken by the CMP at that session.²

II. Objective

3. The objective of this initial review is to ensure the effectiveness and adequacy of the Adaptation Fund and its interim institutional arrangements with a view for the CMP to adopt an appropriate decision at its sixth session.

III. Scope

4. A review of all matters related to the Adaptation Fund, including institutional arrangements. Given that the Adaptation Fund has only recently become fully operational, this initial review shall focus on:

[x. Taking stock of the progress made and lessons learned in the operationalization of the Fund to date [including modalities [defined in decision 5/CMP.2 paragraph 2 [and further elaborated [informed by] [in] decision 1/CMP.3]], noting that this work is still ongoing;]

(a) The interim institutional arrangements of the GEF acting as interim secretariat to the Adaptation Fund Board, as well as the interim institutional arrangements of the World Bank acting as the interim trustee for Adaptation Fund and the working arrangements of the Adaptation Fund Board;

¹ Decision 1/CMP.3, paragraphs 32–34.

² Decision 5/CMP.5.

(b) Performance reviews of the GEF acting as interim secretariat to the Adaptation Fund Board, as well as the interim institutional arrangements of the World Bank acting as the interim trustee for Adaptation Fund; and

(c) A comparative assessment of the administrative cost of the services of the GEF as interim secretariat of the Adaptation Fund Board, the World Bank acting as an interim trustee of the Adaptation Fund and the Adaptation Fund Board.

IV. Methodology

5. In conducting the initial review of the Adaptation Fund at CMP the Parties shall use the following inputs:

(a) Submissions by Parties, other interested intergovernmental organizations and stakeholders, on among other things, the interim institutional arrangements of the GEF acting as interim secretariat to the Adaptation Fund Board, as well as the interim institutional arrangements of the World Bank acting as the interim trustee for Adaptation Fund and the working arrangements of the Board, informed by the annual reports of the AFB to the CMP;

(b) Independent performance reviews of the secretariat and the trustee servicing the Adaptation Fund, to be undertaken by the Adaptation Fund Board or by an independent entity appointed for such purposes by the Adaptation Fund Board;

(c) A comparative analysis of administrative costs of the services of the GEF as interim secretariat of the AFB, the World Bank acting as an interim trustee of the Adaptation Fund and the Adaptation Fund Board; and

(d) Annual reports of the Adaptation Fund Board to the CMP.]

Annex VIII

[English only]

Text for further consideration by the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice

Matters relating to Article 3, paragraph 14, of the Kyoto Protocol

1. [Recalling decision 31/CMP.1;
2. [[The Subsidiary Body for Implementation (SBI) acknowledged that the potential impacts of response measures is a challenge faced by all countries.] [Parties noted that striving to minimize the adverse impacts of mitigation policies and measures is a common concern of both developed and developing countries.] [They further noted that any consideration of these impacts should [initially] focus on the poorest countries and those least able to address those impacts.]]

Alt: [Parties noted that striving to minimize the adverse impacts of mitigation policies and measures is an obligation of Parties included in Annex I to the Convention (Annex I Parties) and a concern of developing countries and [emphasizing][the SBI emphasized]the commitment of Annex I Parties to minimize adverse social, environmental and economic impacts of response measures on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention.]

3. [[Recognizing][The SBI [and the SBSTA]recognized] the special difficulties of those countries, especially developing countries, whose economies are particularly dependent on fossil fuel production, use and exportation[and/or are faced with serious difficulties in switching to alternatives], as a consequence of action taken to limit greenhouse gas emissions.]

4. [[Recognizing][The SBI recognized] that developing country Parties need to be given full consideration as they would have to bear a disproportionate or abnormal burden under the Convention.]

5. [[Considering][Recalling][The SBI [and the SBSTA]underlined] the importance of the principles outlined in Article 3 of the Convention in the implementation of Article 3, paragraph 14, [and Article 2, paragraph 3,]of the Kyoto Protocol.]

6. [Developed country Parties shall not resort to any form of unilateral measures including countervailing trade measures, against goods and services imported from developing countries on grounds of protection and stabilization of the climate. Such measures would violate the principles and provisions of the Convention, including, in particular, those related to the principle of common but differentiated responsibilities (Article 3, paragraph 1), to trade and climate change (Article 3, paragraph 5), and to the relationship between mitigation actions of developing countries and the provision of financial resources and technology by developed country Parties (Article 4, paragraphs 3 and 7).]

Alt: [The SBI [and the SBSTA]underlined the importance of Article 3 of the Convention in the implementation of Article 3, paragraph 14, and Article 2, paragraph 3, of the Kyoto Protocol.]

Alt: [Parties, in the pursuit of the objective and implementation of the Convention, shall not resort to any measures, in particular unilateral fiscal or non-fiscal measures applied at the border against goods and services imported from Parties, that constitute a means of arbitrary or unjustified discrimination or a disguised restriction on international trade, taking into account the relevant provisions of the Convention and further recognizing the principle enshrined in Article 3, paragraph 5.]

7. [The SBI [and the SBSTA]acknowledged the work being carried out by other bodies under the Convention and its Kyoto Protocol, with the aim of maintaining an approach that is coherent with other relevant work under the UNFCCC process.]

8. [[Emphasizing][The SBI [and the SBSTA]emphasized] that [developed country]Parties [included in Annex I to the Convention]shall, in the implementation of policies and measures, strive to minimize the adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties, and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention, taking into account its Article 3.]

9. [The SBI [and the SBSTA]noted the need to deepen Parties' understanding of adverse impacts and the need to continue to share information on the nature of impacts of response measures. Sharing of information can be achieved through the regular and systematic provision by all Parties of information that is as complete as possible on potential and observed impacts of policies and measures, in particular through [Annex I]national communications, and the regular review of this information.]

Alt: [[Acknowledging][The SBI [and the SBSTA]noted]the need to share information on the nature of adverse impacts of response measures experienced by developing country Parties and the steps Annex I Parties are taking, in the implementation of policies and measures under Article 2 of the Kyoto Protocol, to minimize adverse effects, especially on developing country Parties, in particular those identified in Article 4, paragraphs 8 and 9, of the Convention.]

Alt: [[Noting][The SBI [and the SBSTA]]noted the importance of the exchange of information and the development of methodologies on the assessment of adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4, paragraphs 8 and 9, of the Convention.]

Option 1: The SBI [and the SBSTA]also noted the complexities of assessing the attribution and causation of the adverse impacts of policies and measures, and that understanding of this could be achieved through:

(a) Assessments of potential impacts and observed impacts carried out by, inter alia, relevant national institutions and international organizations;

(b) Information from work being carried out by other UNFCCC bodies that may be relevant in considering potential impacts.

Option 2: The SBI [and the SBSTA]noted the need to deepen the understanding of potential consequences of response measures taken by Annex I Parties on developing country Parties and that this can be achieved through various means including assessments of potential and observed impacts carried out by, inter alia, relevant national institutions and international organizations.

Option 3: The SBI [and the SBSTA]noted the complexities of assessing the attribution and causation of the potential impacts of response measures. The SBI [and the SBSTA]also noted the need to deepen the understanding on the potential impacts of response measures to respond to climate change. This could be achieved through:

(a) Assessments of potential impacts and observed impacts carried out by, inter alia, relevant national institutions and international organizations;

(b) Information from work being carried out by other UNFCCC bodies that may be relevant in considering potential impacts;

(c) The regular and systematic provision by all Parties of information that is as complete as possible on potential and observed impacts of policies and measures, in particular through national communications, and the regular review of this information.

10. Concerned about the gaps in methodology to incorporate information on actions to minimize the adverse impacts of response measures, in particular actions related to the areas listed in paragraph 8 of decision 31/CMP.1.

11. The SBI [and the SBSTA]noted the work of the Intergovernmental Panel on Climate Change (IPCC) on international spillover effects as described in its Fourth Assessment Report, and [that the IPCC has decided][its plans] to further assess [this issue][and co-benefits and trade-offs] in its Fifth Assessment Report.

12. [The SBI [and the SBSTA]invited Parties and relevant organizations to submit to the secretariat, by xx, further information and views on issues relevant to Article 3, paragraph 14[, and Article 2, paragraph 3,] of the Kyoto Protocol, including views on whether a workshop should be held on this matter, and on the issues to be dealt with at any such workshop and to compile the submissions into a miscellaneous document.]

Alt: [[Invites][The SBI [and the SBSTA]also invited] Annex I Parties to submit (by xx) information on the different ways used for reporting on actions to minimize the adverse impacts of response measures, in particular actions related to the areas listed in paragraph 8 of decision 31/CMP.1 and [requests][requested]the secretariat to compile the information submitted above.]

13. [Decides][The SBI [and the SBSTA]decided]to work on a road map for a phased approach to the implementation of Article 3, paragraph 14, of the Kyoto Protocol, to further its implementation and in accordance with decision 13/CMP.1, and to establish a common reporting methodology to incorporate information on actions to minimize the adverse impacts of response measures, in particular actions related to the areas listed in paragraph 8 of decision 31/CMP.1. The SBI [and the SBSTA]also decided that the common reporting methodology shall be guided by transparency, consistency, comparability, completeness and accuracy.

14. [Requests][The SBI [and the SBSTA]requested] the IPCC to develop guidelines to help determine if Parties included in Annex I to the Convention are striving to minimize adverse effects, including the adverse effects of climate change, effects on international trade, and social, environmental and economic impacts on other Parties, especially developing country Parties, and in particular those identified in Article 4, paragraphs 8 and 9 of the Convention.

15. [Decides][The SBI [and the SBSTA]decided] to consider what further actions are necessary to help developing country Parties, and in particular those identified in Article 4, paragraphs 8 and 9, of the Convention. Among the issues to be considered shall be the establishment of funding, insurance and transfer of technology, pursuant to Article 3, paragraph 14.

16. The SBI [and the SBSTA]agreed to continue their consideration of these matters at their xx sessions in a joint contact group.]

Annex IX

[English only]

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

Draft treaty arrangements developed by the Contact Group

1. Individuals serving on constituted bodies and other entities [established under the Kyoto Protocol] [established under the United Nations Framework Convention on Climate Change and its related legal instruments] listed in [annex] [appendix] [x] shall be accorded such [privileges and] immunities as are necessary for the independent exercise of their official functions. They shall, while exercising their official functions, including the time spent on journeys in connection with their official functions, be accorded:

(a) [Immunity from personal arrest or detention;

(b) [Exemption from inspection of personal baggage, unless there are serious grounds for believing that the baggage contains articles not for personal use or articles the import and export of which is prohibited by law or controlled by the quarantine regulations of the Party concerned; inspection in such a case shall be conducted in the presence of the individual concerned;]

b bis. [The same immunities and facilities in respect of their personal baggage as are accorded to diplomatic envoys;]

(c) Immunity from legal process of every kind in respect of words spoken or written and acts done by them in the course of the performance of their official functions. This immunity from legal process shall continue to be accorded to the individuals referred to in this paragraph notwithstanding that they have ceased to exercise their official functions;

(d) Inviolability for all papers and documents;

(e) [For the purpose of their communication with the constituted bodies and other entities listed in [annex] [appendix] [x] and with the secretariat, the right to use codes and to receive and send papers and documents in whatever form and materials relating to their official functions by courier or in sealed bags or electronic means;]

(f) [The same repatriation facilities in time of international crisis as are accorded to diplomatic agents under the Vienna Convention;]

(g) [[Streamlined processing of visa applications for] [Applications for visas by] the individuals referred to in this paragraph, when accompanied by a document from the secretariat confirming that they are travelling on the business of the constituted bodies and other entities listed in [annex] [appendix] [x], [shall be dealt with as speedily as possible [and granted free of charge]].]

2. [Individuals invited by the constituted bodies and other entities [established under the Kyoto Protocol] [established under the United Nations Framework Convention on Climate Change and its related legal instruments] listed in [appendix] [annex] [x] to provide expert advice at meetings of these constituted bodies and other entities [established under the Kyoto Protocol] [established under the United Nations Framework Convention on Climate Change and its related legal instruments] listed in [appendix] [annex] [x] shall,

during the period of their service to the relevant constituted body or other entity, including the time spent on journeys in connection with their service, be accorded the [privileges and] immunities referred to in subparagraph[s] [x] of paragraph 1 above.]

3. The individuals referred to in paragraph [1] above are those individuals elected, selected or appointed to serve on the constituted bodies and other entities [established under the Kyoto Protocol] [established under the United Nations Framework Convention on Climate Change and its related legal instruments] listed in [appendix] [annex] [x].

4. [Privileges and] immunities are granted to the individuals referred to in paragraphs [1] [and [2]] above for the independent exercise of their official functions [and the effective implementation of [the Kyoto Protocol] [this agreement] [the United Nations Framework Convention on Climate Change and its related legal instruments]] and not for the personal benefit of the individuals themselves. The [Executive Secretary of the secretariat [in consultation with xxx]] shall have the right and the duty to waive the immunity of any individual referred to in paragraphs [1] [and [2]] above in any case where, in his or her opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the [operation and implementation of [the Kyoto Protocol] [this agreement]] [operation and implementation of the United Nations Framework Convention on Climate Change and its related legal instruments].

5. [The list contained in [appendix] [annex] [x] may be revised [through a decision of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.]

5 bis. [The list contained in [appendix] [annex] [x] may be revised in accordance with the following procedure:¹

(a) Any Party may propose amendments to [appendix] [annex] [x];

(b) Amendments to [annex] [appendix] [x] shall be adopted at an ordinary session of the [supreme body of the agreement]. The text of any proposed amendment to [annex] [appendix] [x] shall be communicated to the Parties by the secretariat at least six months before the meeting at which it is proposed for adoption. The secretariat shall also communicate the text of any proposed amendment to [annex] [appendix] [x] to the Parties and signatories to the Convention and, for information, to the Depositary;

(c) The Parties shall make every effort to reach agreement on any proposed amendment to [annex] [appendix] [x] by consensus. If all efforts at consensus have been exhausted, and no agreement reached, the amendment to [annex] [appendix] [x] shall as a last resort be adopted by a three-fourths majority vote of the Parties present and voting at the meeting. The adopted amendment to [annex] [appendix] [x] shall be communicated by the secretariat to the Depositary, who shall circulate it to all Parties for their acceptance;

(d) An amendment to [annex] [appendix] [x] that has been adopted in accordance with paragraph 5 bis (b) and (c) above shall enter into force for all Parties to this [agreement] six months after the date of the communication by the Depositary to such Parties of the adoption of the amendment to the [annex] [appendix] [x], except for those Parties that have notified the Depositary, in writing, within that period of their non-acceptance of the amendment to [annex] [appendix] [x]. The amendment to [annex] [appendix] [x] shall enter into force for Parties which withdraw their notification of non-acceptance on the ninetieth day after the date on which withdrawal of such notification has been received by the Depositary;

(e) If the adoption of an amendment to [annex] [appendix] [x] involves an amendment to this [agreement], that amendment to [annex] [appendix] [x] shall not enter into force until such time as the amendment to this [agreement] enters into force;

¹ This paragraph shall be revisited in the light of the overall discussions of the amendment procedures.

(f) [Annex] [Appendix] [x] to this [agreement] shall form an integral part thereof and, unless otherwise expressly provided, a reference to this [agreement] constitutes at the same time a reference to [annex] [appendix] [x].]

[Appendix] [Annex] [X]

1. Executive Board of the clean development mechanism.
2. [Compliance Committee.]
3. Joint Implementation Supervisory Committee.
4. [Adaptation Fund Board.]
5. Expert review teams established under Article 8 of this Protocol.
6. [Committees, panels or groups established by the entities listed in 1–4 above.]

[And other relevant constituted bodies and entities agreed through the post-2012 process]

Annex X

Documents before the Subsidiary Body for Implementation at its thirty-second session

Documents prepared for the session

FCCC/SBI/2010/1	Provisional agenda and annotations. Note by the Executive Secretary
FCCC/SBI/2010/2	Report on the European regional workshop on Article 6 of the Convention. Note by the secretariat
FCCC/SBI/2010/3	Report on the regional workshop on the implementation of Article 6 in Asia and the Pacific. Note by the secretariat
FCCC/SBI/2010/4	Report of the Global Environment Facility on the progress made in carrying out the Poznan strategic programme on technology transfer. Note by the secretariat
FCCC/SBI/2010/5	Report on the seventeenth meeting of the Least Developed Countries Expert Group. Note by the secretariat
FCCC/SBI/2010/6	Proposal from Kazakhstan to amend Annex B to the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2010/7	Draft terms of reference for the review of the Adaptation Fund. Note by the secretariat
FCCC/SBI/2010/8	Arrangements for intergovernmental meetings. Note by the Executive Secretary
FCCC/SBI/2010/9	Report on the regional workshop on the implementation of Article 6 in Latin America and the Caribbean. Note by the secretariat
FCCC/SBI/2010/INF.1	Status of submission and review of fifth national communications. Note by the secretariat
FCCC/SBI/2010/INF.2	Progress report on the work 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/2010/INF.3	Information on financial support provided by the Global Environment Facility for the preparation of national communications from Parties not included in Annex I to the Convention. Note by the secretariat
FCCC/SBI/2010/INF.4	Report on the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention. Note by the secretariat

FCCC/SBI/2010/INF.5/Rev.1	Status of contributions as at 15 May 2010. Revised note by the secretariat
FCCC/SBI/2010/INF.6	Updated synthesis report on views on the areas of focus set out in section IV of the terms of reference for the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention agreed at the twenty-ninth session of the Subsidiary Body for Implementation. Note by the secretariat
FCCC/SBI/2010/MISC.1 and Add.1	Views on possible further action on progress on the implementation of decision 1/CP.10. Submissions from Parties and relevant organizations
FCCC/SBI/2010/MISC.2	Views and recommendations on the possible terms of reference for the review of the Adaptation Fund. Submissions from Parties
FCCC/SBI/2010/MISC.3	Views on the areas of focus set out in section IV of the terms of reference for the review and assessment of the effectiveness of the implementation of Article 4, paragraphs 1(c) and 5, of the Convention agreed at the twenty-ninth session of the Subsidiary Body for Implementation. Submissions from Parties and relevant organizations
FCCC/SBI/2010/MISC.4	Views on the approach to be taken by the Executive Secretary with regard to the collection of international transaction log fees. Submissions from Parties
FCCC/SB/2010/INF.1 and Corr.1	Report of the Expert Group on Technology Transfer. Note by the Chair of the Expert Group on Technology Transfer
FCCC/TP/2010/1	Options for methodologies for the collection of international transaction log fees. Technical paper
Other documents before the session	
FCCC/CP/2009/9	Report of the Global Environment Facility to the Conference of the Parties. Note by the secretariat
FCCC/CP/2009/11 and Add.1	Report of the Conference of the Parties on its fifteenth session, held in Copenhagen from 7 to 19 December 2009
FCCC/KP/CMP/2009/15	Annual compilation and accounting report for Annex B Parties under the Kyoto Protocol. Note by the secretariat
FCCC/KP/CMP/2009/15/Add.1	Annual compilation and accounting report for Annex B Parties under the Kyoto Protocol. Addendum. Compilation and accounting information by Party. Note by the secretariat

FCCC/KP/CMP/2009/16	Annual report of the Executive Board of the clean development mechanism to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
FCCC/KP/CMP/2009/21 and Add.1	Report of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol on its fifth session, held in Copenhagen from 7 to 19 December 2009
FCCC/KP/CMP/2005/2	Proposal from Saudi Arabia to amend the Kyoto Protocol. Note by the secretariat
FCCC/SBI/2009/4	Analysis of progress made in, and the effectiveness of, the implementation of the framework for capacity-building in developing countries in support of the second comprehensive review of the capacity-building framework. Note by the secretariat
FCCC/SBI/2009/5	Synthesis of experiences and lessons learned in the use of performance indicators for monitoring and evaluating capacity-building at the national and global levels. Note by the secretariat
FCCC/SBI/2009/8	Report of the Subsidiary Body for Implementation on its thirtieth session, held in Bonn from 1 to 10 June 2009
FCCC/SBI/2009/10	Synthesis report on the implementation of the framework for capacity-building in developing countries. Note by the secretariat
FCCC/SBI/2009/12	National greenhouse gas inventory data for the period 1990–2007. Note by the secretariat
FCCC/SBI/2009/15	Report of the Subsidiary Body for Implementation on its thirty-first session, held in Copenhagen from 8 to 12 December 2009
FCCC/SBI/2009/INF.9	Status of submission and review of fourth national communications and of reports demonstrating progress. Note by the secretariat
FCCC/SBI/2009/INF.11	Information on financial support provided by the Global Environment Facility for the preparation of national communications from Parties not included in Annex I to the Convention. Note by the secretariat
FCCC/SBI/2009/MISC.1	Information on experiences and lessons learned in the use of performance indicators for monitoring and evaluating capacity-building at the national and global levels. Submissions from Parties and intergovernmental organizations
FCCC/SBI/2009/MISC.2	Additional or updated information and views relevant to the completion of the second

	comprehensive review of the capacity-building framework. Submissions from Parties
FCCC/SBI/2009/MISC.8	Activities to implement the framework for capacity-building in developing countries under decision 2/CP.7. Submissions from Parties and relevant organizations
FCCC/SBI/2009/MISC.10 and Add.1	The operation of funds under the Global Environment Facility as an operating entity of the financial mechanism, as well as the Special Climate Change Fund and the Least Developed Countries Fund. Submissions from Parties
FCCC/SBI/2009/MISC.12/Rev.1	Submission from the United Republic of Tanzania on behalf of the Group of 77 and China and from Sweden on behalf of the European Union and its Member States on completion of the second comprehensive review of the capacity-building framework in developing countries under the Convention and the Kyoto Protocol
FCCC/SB/2007/INF.2	Relationship of various provisions of the Mauritius Strategy to the work of the Convention and its Kyoto Protocol. Note by the secretariat
