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CONFERENCE OF THE PARTIES

**Report of the Conference of the Parties  
on its twelfth session, held at Nairobi  
from 6 to 17 November 2006**

Addendum

**Part Two: Action taken by the Conference of the Parties  
at its twelfth session**

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## Decision 1/CP.12

### **Further guidance to an entity entrusted with the operation of the financial mechanism of the Convention, for the operation of the Special Climate Change Fund**

*The Conference of the Parties,*

*Recalling* the relevant provisions of, in particular, Article 4, paragraphs 1, 3, 4, 5, 7, 8, 9 and 10, and Article 11, of the Convention,

*Recalling* also its decisions 4/CP.7, 5/CP.7, 7/CP.7, 7/CP.8 and 5/CP.9,

*Noting* the views of Parties on activities, programmes and measures in the areas listed in decision 7/CP.7, paragraph 2 (c) and (d),

*Welcoming* the outcome of pledging meetings of potential donors to the Special Climate Change Fund and noting that USD 60 million have been pledged for that fund,

*Recognizing* the need for the Global Environment Facility to continue its efforts to mobilize additional resources to support the implementation of eligible project activities under the Special Climate Change Fund,

*Acknowledging* the work of the Global Environment Facility to operationalize the Special Climate Change Fund,

*Noting* the concerns expressed by most Parties not included in Annex I to the Convention with regard to the operational criteria and policies to be followed in financing activities under the Special Climate Change Fund during an initial five-year period, which were endorsed by the Global Environment Facility Council in November 2004,

*Noting* also the separation between the administration and activities of the Global Environment Facility and the Special Climate Change Fund,

*Noting further* that activities supported through the Special Climate Change Fund shall take into account national communications or national adaptation programmes of action, where available, and other relevant information provided by the applicant Party,

*Reiterating* that the Special Climate Change Fund should serve as a catalyst to leverage additional resources from bilateral and other multilateral sources,

*Reiterating* also that activities to be funded should be country-driven, cost-effective and integrated into national sustainable development and poverty-reduction strategies,

*Reiterating* further that the provision of support for the implementation of eligible activities under the Special Climate Change Fund shall be consistent with the guidance provided by the Conference of the Parties,

1. *Decides* that the Special Climate Change Fund shall be used to finance activities, programmes and measures relating to climate change in the areas set out in decision 7/CP.7, paragraph 2 (c), that are complementary to those funded by the resources allocated to the climate change

focal area of the Global Environment Facility and by bilateral and multilateral funding, particularly in the following priority areas:

- (a) Energy efficiency, energy savings, renewable energy and less-greenhouse-gas-emitting advanced fossil-fuel technologies;
- (b) Innovation including through research and development relating to energy efficiency and savings in the transport and industry sectors;
- (c) Climate-friendly agricultural technologies and practices, including traditional agricultural methods;
- (d) Afforestation, reforestation and use of marginal land;
- (e) Solid and liquid waste management for the recovery of methane;

2. *Decides* that the Special Climate Change Fund shall be used to finance activities, programmes and measures relating to climate change in the areas set out in decision 7/CP.7, paragraph 2 (d), that are complementary to those funded by the resources allocated to the climate change focal area of the Global Environment Facility and by other bilateral and multilateral funding initially in the following areas:

- (a) Capacity-building at the national level in the areas of:
  - (i) Economic diversification;
  - (ii) Energy efficiency in countries whose economies are highly dependent on consumption of fossil fuels and associated energy-intensive products;
- (b) Support through technical assistance the creation of favourable conditions for investment in sectors where such investment could contribute to economic diversification;
- (c) Support through technical assistance the diffusion and transfer of less-greenhouse-gas-emitting advanced fossil-fuel technologies;
- (d) Support through technical assistance innovative national advanced fuel technologies;
- (e) Support through technical assistance the promotion of investments in less-greenhouse-gas-emitting, environmentally sound energy sources, including natural gas, according to the national circumstances of Parties;

3. *Decides* to assess, at its fifteenth session, the status of implementation of paragraph 2 above, with a view to considering further guidance on how the fund shall support concrete implementation projects in accordance with paragraphs 22–29 of decision 5/CP.7;

4. *Decides* that the operational principles and criteria of the Special Climate Change Fund and the manner in which they are carried out in the operation of the Special Climate Change Fund will apply only to Global Environment Facility activities financed under the Special Climate Change Fund;

5. *Requests* the entity entrusted with the operation of the Special Climate Change Fund to continue to adhere strictly to the decisions of the Conference of the Parties in the operationalization of the Special Climate Change Fund;

6. *Requests* the entity entrusted with the operation of the Special Climate Change Fund to continue its efforts to mobilize resources, in addition to those already pledged, to support the funding of eligible project activities under the Special Climate Change Fund;

7. *Requests* the entity referred to in paragraph 6 above to include in its report to the Conference of the Parties, at its thirteenth session, the specific steps it has undertaken to implement this decision.

*7<sup>th</sup> plenary meeting  
17 November 2006*

## **Decision 2/CP.12**

### **Review of the financial mechanism**

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 3, and Article 11, paragraph 4, of the Convention,

*Recalling* also its decisions 11/CP.2, 12/CP.2, 13/CP.2, 11/CP.3, 12/CP.3, 3/CP.4, 5/CP.8 and 9/CP.10,

*Noting* the report prepared by the secretariat on the experience of international funds and multilateral financial institutions relevant to the investment needs of developing countries in meeting their commitments under the Convention (FCCC/SBI/2005/INF.7), including on financial flows from private sector sources,

*Noting also* the synthesis report on the financial mechanism prepared by the secretariat (FCCC/SBI/2006/7), the report of the Global Environment Facility to the Conference of the Parties at its eleventh session (FCCC/SBI/2006/3), and the Third Overall Performance Study of the Global Environment Facility (GEF/C.22/10),

*Noting* the report on the assessment of funding necessary to assist developing countries in fulfilling their commitments under the Convention, prepared by the secretariat in the context of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility, including on other sources of funding available, inter alia, through bilateral and other multilateral channels and private capital flows (FCCC/SBI/2004/18, chapter V),

*Acknowledging* the discussions at the Third Global Environment Facility Assembly, including the high-level political discussions, on the opportunities and challenges of the Global Environment Facility in its role as an operating entity of the financial mechanism of the Convention,

*Appreciating* the conclusion of the fourth replenishment of the Global Environment Facility,

*Noting* that mitigation and adaptation are key concerns for all Parties to the Convention,

*Acknowledging* that the global nature of climate change calls for the widest possible cooperation and participation in an effective and appropriate international response, in accordance with the principles of the Convention,

*Also noting* that adaptation to climate change and its adverse effects is of a high priority for all countries and that developing countries, especially the least developed countries and small island developing States, are particularly vulnerable,

*Noting* that the largest share of the climate change resources of the Global Environment Facility has been assigned to long-term mitigation projects,

*Noting* the report of the Global Environment Facility to the Conference of the Parties at its twelfth session, including the response of the Global Environment Facility to the requests contained in decision 5/CP.11, paragraph 1, on additional guidance to an operating entity of the financial mechanism,

*Noting* that while the Global Environment Facility has effectively performed its role as an operating entity of the financial mechanism of the Convention as reported in the third overall performance study of the Global Environment Facility, this study has made recommendations for improvements in the operation procedures of the Global Environment Facility,

1. *Requests* the Global Environment Facility:
  - (a) To give due priority to adaptation activities in accordance with the guidance provided by the Conference of the Parties;
  - (b) To strengthen work on awareness-raising on Global Environment Facility programmes and procedures in order to assist developing countries to access Global Environment Facility funds;
  - (c) To explore options for undertaking land use and land-use change projects within the climate change focal area of the Global Environment Facility, in light of past experience;
  - (d) To continue its promotion of energy efficiency projects;
2. *Further requests* the Global Environment Facility to recognize and respond to the challenges faced by small island developing States and least developed countries in accessing Global Environment Facility funding highlighted in the third overall performance study of the Global Environment Facility;<sup>1</sup>
3. *Requests* the Global Environment Facility to report to the Conference of the Parties at its thirteenth session on:
  - (a) Its response to the recommendations of the third overall performance study of the Global Environment Facility;
  - (b) How it has taken into consideration the recommendations of the third review of the financial mechanism;
  - (c) Its response to the findings of the report on project cycle management by the Global Environment Facility Evaluation Office;
  - (d) Efforts to engage the private sector in providing resources to address climate change;
  - (e) Steps taken to strengthen work on awareness-raising on Global Environment Facility programmes and procedures in order to assist developing countries to access Global Environment Facility funds;
  - (f) How it has recognized and responded to the challenges faced by least developed countries and small island developing States, as referred to in paragraph 2 above;
  - (g) Steps taken to assist developing countries to formulate project proposals;
4. *Invites* the Global Environment Facility, in light of the third overall performance study of the Global Environment Facility, to review the overall strategic coherence of, and revise, as necessary, its climate change focal area operational programmes in the light of findings and recommendations of the third overall performance study of the Global Environment Facility;

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<sup>1</sup> Global Environment Facility and ICF Consulting, 2005. OPS3: Progressing Toward Environmental Results. Third overall performance study of the Global Environment Facility. Office of Monitoring Evaluation of the Global Environment Facility, Washington. In particular, its section 5.3.  
<[http://www.gefweb.org/MonitoringandEvaluation/MEPublications/MEPOPS/documents/Publications-OPS3\\_complete\\_report.pdf](http://www.gefweb.org/MonitoringandEvaluation/MEPublications/MEPOPS/documents/Publications-OPS3_complete_report.pdf)>.

5. *Requests* the Subsidiary Body for Implementation to initiate the fourth review of the financial mechanism at its twenty-seventh session in accordance with the criteria contained in the guidelines annexed to decision 3/CP.4, or as they may be subsequently amended, and to take appropriate measures and report on the outcome to the Conference of the Parties no later than at its sixteenth session;

6. *Decides* that the fourth review of the financial mechanism should assess and review:

- (a) The Global Environment Facility funding for mitigation;
- (b) The Global Environment Facility response to the adaptation needs of developing countries in accordance with guidance by the Conference of the Parties;

7. *Invites* Parties that are donors to the fourth replenishment of the Global Environment Facility to provide timely contributions to help ensure adequate and predictable resources necessary to advance the implementation of the Convention;

8. *Requests* the secretariat, in order to start the fourth review process in 2007, to prepare for consideration and appropriate action by the Subsidiary Body for Implementation at its twenty-seventh session:

- (a) A technical paper reviewing the experience of international funds and multilateral financial institutions and other sources of funding that is relevant to address current and future investment and financial needs of developing countries for the purposes of meeting their commitments under the Convention;
- (b) A report, in collaboration with the Global Environment Facility Secretariat, on the assessment of the funding necessary to assist developing countries, in accordance with the guidance provided by the Conference of the Parties, in meeting their commitments under the Convention over the next Global Environment Facility replenishment cycle, taking into account paragraph 1 (a)–(d) of the Annex to the memorandum of understanding between the Conference of the Parties and the Global Environment Facility Council (decision 12/CP.3).

*7<sup>th</sup> plenary meeting  
17 November 2006*



## Decision 3/CP.12

### Additional guidance to the Global Environment Facility

*The Conference of the Parties,*

*Recalling* Article 3, Article 4, paragraphs 1, 3, 4, 7, 8 and 9, Article 11 and Article 12, paragraphs 3 and 4, of the Convention,

*Recalling also* its decisions 13/CP.1, 10/CP.2, 11/CP.2, 12/CP.2, 12/CP.3, 1/CP.4, 2/CP.4, 8/CP.5, 2/CP.7, 3/CP.7, 6/CP.7, 7/CP.7, 5/CP.8, 6/CP.8, 7/CP.8, 3/CP.9, 4/CP.9, 9/CP.9, 8/CP.10 and 5/CP.11,

*Noting* the report of the Global Environment Facility to the Conference of the Parties (FCCC/CP/2006/3 and Corr.1),

*Noting* the Global Environment Facility's consideration of carbon capture and storage technology,

*Recalling* Article 4, paragraph 1, and Article 6 of the Convention, as well as decisions 11/CP.1, 2/CP.4, 6/CP.8 and 11/CP.8,

*Noting* the concerns expressed by developing country Parties over the implications of the requirements for co-financing, in particular on adaptation project activities,

1. *Requests* the Global Environment Facility, as an operating entity of the financial mechanism of the Convention:

- (a) To further simplify its procedures and improve the efficiency of the process through which developing country Parties receive funding for projects for the implementation of their commitments under Article 4, paragraph 1, of the Convention;
- (b) To explore options to address concerns of developing country Parties on requirements for leveraging additional funds for projects;
- (c) To give a detailed report on the resources available to each developing country Party in the initial implementation of the resource allocation framework, including a list of activities funded with these resources during this initial period in the climate change focal area;
- (d) To continue to provide financial support for the implementation of the technology transfer contained in the annex to decision 4/CP.7, including new sub-themes,<sup>1</sup> through its climate change focal area and the Special Climate Change Fund established under decision 7/CP.7;
- (e) To provide financing to Parties not included in Annex I to the Convention that received the top-up fund but did not conduct their technology needs assessments, to enable these Parties to conduct their technology needs assessments as part of their second national communications, and to provide these funds to Parties not included in Annex I to the Convention that have conducted their technology needs assessments but need to update

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<sup>1</sup> FCCC/SBSTA/2006/5, paragraph 21.

them, also as part of their second national communications, in addition to the amount approved for the preparation of their second national communications;

2. *Invites* the Global Environment Facility, as an operating entity of the financial mechanism of the Convention:

- (a) To further simplify its procedures and improve the efficiency of the process by which Parties not included in Annex I to the Convention receive funding to meet their obligations under Article 12, paragraph 1, of the Convention, with the aim of ensuring the timely disbursement of funds to meet the agreed full costs incurred by developing country Parties in complying with these obligations;
- (b) To provide updated information on the operational procedures for the expedited financing of national communications from Parties not included in Annex I to the Convention, for consideration by the Subsidiary Body for Implementation at its twenty-sixth session;
- (c) When providing support for technology needs assessments, in accordance with decisions 4/CP.9 and 5/CP.9, to take into account actions to address barriers and constraints as well as the creation of enabling environments and capacity gaps, identified by the Parties not included in Annex I to the Convention and as contained in document FCCC/SBSTA/2006/INF.1;
- (d) To produce simple guidelines on how to enhance activities relating to Article 6 in project proposals when applying for Global Environment Facility funding;

3. *Urges* the Global Environment Facility to provide further funding, in a more timely manner, to the developing country Parties, in particular the least developed countries and small island developing States, to allow these countries to implement activities relating to Article 6 and the New Delhi work programme;

4. *Requests* the Global Environment Facility to include, in its regular report to the Conference of the Parties, information on the specific steps it has taken to implement guidance contained in paragraphs 1 and 2 above;

5. *Invites* Parties to submit to the secretariat, by 17 August 2007, their views and recommendations on the funding available to them in the climate change focal area, for compilation by the secretariat for consideration and appropriate action at the Conference of the Parties at its thirteenth session and for transmission through the secretariat to the Council of the Global Environment Facility.

*7<sup>th</sup> plenary meeting  
17 November 2006*

## Decision 4/CP.12

### Capacity-building under the Convention

*The Conference of the Parties,*

*Being guided* by Articles 4.1, 4.3, 4.4, 4.5 and 4.7, in the context of Article 3, and Articles 5 and 6 of the Convention,

*Recalling* the provisions related to capacity-building for developing countries contained in its decisions 4/CP.9 and 9/CP.9,

*Recalling* its decisions 2/CP.7 and 2/CP.10 calling on the Conference of the Parties, through the Subsidiary Body for Implementation, to regularly monitor the progress of the implementation of the capacity-building framework annexed to decision 2/CP.7 and the Subsidiary Body for Implementation to report to the Conference of the Parties at each of its sessions,

*Recognizing* that the purpose of regular monitoring should be to facilitate assessment of progress made, identification of gaps, and effectiveness of the implementation of the capacity-building framework and to support the comprehensive review,

*Welcoming* financial support from the Global Environment Facility as an operating entity of the financial mechanism in implementation of the capacity-building framework, while noting the need to provide adequate resources to support the effective implementation of the framework,

*Noting* the need for reporting on activities undertaken by multilateral, bilateral and private sector entities with respect to capacity-building pursuant to decision 2/CP.7,

*Reaffirming* that the first step of the monitoring was the establishment of the capacity-building framework,

*Acknowledging* that the implementation of the capacity-building framework is ongoing,

1. *Decides* that the following additional steps will be taken annually to regularly monitor the implementation of the capacity-building framework pursuant to decisions 2/CP.7 and 2/CP.10:

- (a) Parties to be invited to submit information on the activities that they have undertaken pursuant to decisions 2/CP.7 and 2/CP.10, which should include, inter alia, such elements as needs and gaps, experiences and lessons learned;
- (b) The Global Environment Facility to provide a report on its progress in support of the implementation of the framework in its reports to the Conference of the Parties;
- (c) The secretariat to produce a synthesis report in accordance with paragraph 9 of decision 2/CP.7, drawing upon information contained in national adaptation programmes of action, technology needs assessments and national capacity self assessment and the information contained in subparagraph (a) above;
- (d) Parties to consider the Global Environment Facility report mentioned in subparagraph (b) above and the synthesis report described in subparagraph (c) above as a basis for regular monitoring and as a contribution to the comprehensive review of the capacity-building framework;

2. *Requests* the secretariat to organize, before the thirteenth session of the Conference of the Parties, in collaboration with the Global Environment Facility and subject to the availability of resources, an expert workshop:

- (a) To exchange views on experiences in monitoring and evaluation of capacity-building by Parties, and where relevant, multilateral, bilateral agencies as well as intergovernmental and non-governmental organizations;
- (b) To discuss the work of the Global Environmental Facility with regard to the development of capacity-building performance indicators relevant for monitoring the implementation of the capacity-building framework;

3. *Requests* the secretariat to report on the outcome of the workshop for consideration by the Subsidiary Body for Implementation at its twenty-seventh session;

4. *Requests* the secretariat to develop a possible structured format for the synthesis report, for consideration by the Subsidiary Body for Implementation at its twenty-sixth session;

5. *Reiterates* its request to the Global Environment Facility, as an operating entity of the financial mechanism, to take into account the key factors for capacity-building as laid out in paragraph 1 of decision 2/CP.10 when supporting capacity-building activities in developing countries;

6. *Reiterates* its request to the Global Environment Facility to continue to provide financial resources to support the development of the information sources named in paragraph 1 (c), above, as appropriate, in accordance with decisions 2/CP.7, 6/CP.7, 4/CP.9, 2/CP.10 and 8/CP.10.

*7<sup>th</sup> plenary meeting  
17 November 2006*

## **Decision 5/CP.12**

### **Development and transfer of technologies**

*The Conference of the Parties,*

1. *Decides* to extend the Expert Group on Technology Transfer for one year including its current membership;
2. *Decides* to forward the text of a draft decision,<sup>1</sup> for consideration by the Subsidiary Body for Scientific and Technological Advice, at its twenty-sixth session, with a view to adopting a decision on this matter at the thirteenth session of the Conference of the Parties.

*7<sup>th</sup> plenary meeting  
17 November 2006*

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<sup>1</sup> The text of the draft decision (all in square brackets) is contained in the report of the SBSTA on its twenty-fifth session (FCCC/SBSTA/2006/11, annex II).

## **Decision 6/CP.12**

### **Continuation of activities implemented jointly under the pilot phase**

*The Conference of the Parties,*

*Recalling* its decisions 5/CP.1, 10/CP.3, 13/CP.5, 8/CP.7, 14/CP.8 and 10/CP.10,

*Having considered* the conclusions of the Subsidiary Body for Scientific and Technological Advice at its twenty-fifth session,

*Acknowledging* that activities implemented jointly under the pilot phase have been providing an important opportunity for learning by doing and that a number of Parties are maintaining programmes on such activities,

*Further acknowledging* that a number of Parties are using their experiences with activities implemented jointly under the pilot phase in their mitigation programmes,

*Noting* that reports on activities implemented jointly under the pilot phase may be submitted at any time and are available on the UNFCCC website,

1. *Decides* to continue the pilot phase for activities implemented jointly;
2. *Decides also* that the deadline for submission of reports on activities implemented jointly under the pilot phase, to be included in the eighth synthesis report, shall be 1 June 2008.

*7<sup>th</sup> plenary meeting*  
*17 November 2006*

## Decision 7/CP.12

### Level of emissions for the base year of Croatia

*The Conference of the Parties,*

*Recalling* Article 4, paragraph 6, of the Convention,

*Responding* to the request of the Government of Croatia that its base year greenhouse gas emissions be considered in accordance with Article 4, paragraph 6, of the Convention,

*Recalling* decisions 9/CP.2, 11/CP.4 and 10/CP.11,

*Taking into account* the submission from Croatia contained in FCCC/SBI/2006/MISC.1,

*Noting* the report of the individual review of the greenhouse gas inventory of Croatia submitted in 2004 and contained in FCCC/WEB/IRI/2004/HRV, which, inter alia, recognized that the greenhouse gas inventory of Croatia does not contain emissions from power plants outside the boundaries of Croatia for 1990 or subsequent years,

*Noting* that this decision has no implications for historical emission levels of any other Party, in particular for Bosnia and Herzegovina, Serbia, and Montenegro,<sup>1</sup>

*Considering* that the flexibility under Article 4, paragraph 6, of the Convention to choose a base year different from 1990, in order to take into account the economic circumstances of countries undergoing the process of transition to a market economy, has previously been invoked by five Parties,

*Considering* the specific circumstances of Croatia with regard to greenhouse gas emissions before and after 1990, and the structure of the electricity generation sector of the former Yugoslavia,

*Noting* the intention that the approach taken should be conservative, and that unduly high flexibility should not be provided,

1. *Notes* that the inventory reported in 2004 showed the total greenhouse gas emissions in 1990 to be 31.7 Mt CO<sub>2</sub> equivalent;

2. *Decides* that Croatia, having invoked Article 4, paragraph 6, of the Convention, shall be allowed to add 3.5 Mt CO<sub>2</sub> equivalent to its 1990 level of greenhouse gas emissions not controlled by the Montreal Protocol for the purpose of establishing the level of emissions for the base year for implementation of its commitments under Article 4, paragraph 2, of the Convention.

*7<sup>th</sup> plenary meeting  
17 November 2006*

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<sup>1</sup> Montenegro is currently an observer State to the UNFCCC.

## Decision 8/CP.12

### Administrative, financial and institutional matters

*The Conference of the Parties,*

*Having considered* the information in documents prepared by the secretariat on administrative, financial and institutional matters,<sup>1</sup>

*Recalling* the financial procedures for the Conference of the Parties adopted in decision 15/CP.1,

#### I. Audited financial statements for the biennium 2004–2005

1. *Notes* the audited financial statements for the biennium 2004-2005, the audit report by the United Nations Board of Auditors with recommendations and the comments of the secretariat thereon;

2. *Expresses appreciation* to the United Nations for arranging the audits of the accounts of the Convention and for the valuable audit observations and recommendations;

3. *Urges* the Executive Secretary to implement the recommendations of the auditors, as appropriate;

#### II. Budget performance in the biennium 2006–2007

4. *Notes* the report on financial performance for the period 1 January to 30 June 2006, including the status of contributions to the trust funds of the Convention;

5. *Expresses appreciation* to Parties that have paid their contributions to the core budget in a timely manner;

6. *Also expresses appreciation* for the contributions received from Parties to facilitate the participation of developing country Parties in the Convention process, particularly the least developed countries and small island developing States among them, and for contributions to the Trust Fund for Supplementary Activities;

7. *Encourages* Parties to increase their efforts to contribute to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities to meet the requirements for 2006–2007;

8. *Requests* the Executive Secretary to provide, in future reports, a more detailed overview of the status of income received and expenditures incurred for each activity covered by supplementary funds;

9. *Reiterates* its appreciation to the Government of Germany for its annual voluntary contribution to the core budget of EUR 766,938 and its special contribution of EUR 1,789,522 as host Government to the secretariat in Bonn;

10. *Notes with concern* the large number of Parties that have not made their contributions to the core budget for 2006 or for prior years, some since the establishment of the trust funds, in particular in view of the recent audit observation that shows that the percentage of outstanding contributions has grown significantly compared to previous years;

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<sup>1</sup> FCCC/SBI/2006/14 and Adds. 1-2, FCCC/SBI/2006/15 and FCCC/SBI/2006/INF.6.



11. *Urges* Parties that have not paid their contributions to the core budget to do so without further delay, bearing in mind that contributions are due on 1 January of each year in accordance with the financial procedures;

### **III. Continuing review of the functions and operations of the secretariat**

12. *Notes* the information relating to the functions and operations of the secretariat as contained in several documents, particularly in document FCCC/SBI/2006/15;

13. *Agrees* that the Subsidiary Body for Implementation should consider this matter at its twenty-seventh session, in keeping with its decision taken at its twenty-first session to continue to consider this matter annually;

### **IV. Programme budget for the biennium 2008–2009**

14. *Requests* the Executive Secretary to submit, for consideration by the Subsidiary Body for Implementation, at its twenty-sixth session, a proposed programme budget for the biennium 2008–2009, including a contingency for funding conference services, should this prove necessary in the light of decisions taken by the General Assembly at its fifty-ninth session;

15. *Requests* the Subsidiary Body for Implementation to recommend at its twenty-sixth session a programme budget for adoption by the Conference of the Parties at its thirteenth session, and by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its third session;

16. *Also requests* the Subsidiary Body for Implementation to authorize the Executive Secretary to notify Parties of their contributions for 2008 on the basis of the recommended budget;

### **V. Implementation of the Headquarters Agreement**

17. *Approves* the Protocol<sup>2</sup> amending the Agreement among the United Nations, the Government of the Federal Republic of Germany and the secretariat of the United Nations Framework Convention on Climate Change concerning the Headquarters of the Convention secretariat<sup>3</sup> to reflect the entry into force of the Kyoto Protocol;

18. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to endorse this decision at its second session.

*7<sup>th</sup> plenary meeting  
17 November 2006*

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<sup>2</sup> The Protocol amending the Agreement among the United Nations, the Government of the Federal Republic of Germany and the secretariat of the United Nations Framework Convention on Climate Change concerning the Headquarters of the Convention secretariat, signed on 7 December 2005.

<sup>3</sup> The Agreement among the United Nations, the Government of the Federal Republic of Germany and the secretariat of the United Nations Framework Convention on Climate Change concerning the Headquarters of the Convention secretariat, signed on 20 June 1996.

## **Decision 9/CP.12**

### **Date and venue of the thirteenth session of the Conference of the Parties and the calendar of meetings of Convention bodies**

*The Conference of the Parties,*

*Recalling* Article 7, paragraph 4, of the Convention,

*Recalling* United Nations General Assembly resolution 40/243 of 18 December 1985 on the pattern of conferences,

*Recalling* rule 22, paragraph 1, of the draft rules of procedure being applied,<sup>1</sup> regarding the rotation of the office of President among the five regional groups,

#### **I. Date and venue of the thirteenth session of the Conference of the Parties**

##### **A. Date and venue of the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol**

1. *Decides* that the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol shall be held from 3 to 14 December 2007;
2. *Notes with appreciation* the offer by the Government of Indonesia to host the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in Nusa Dua, Bali;
3. *Requests* the Executive Secretary to continue consultations with the Government of Indonesia and the secretariat to undertake a fact-finding mission of the secretariat to Indonesia;
4. *Requests* the Executive Secretary to verify that all logistical, technical and financial elements for hosting the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol are available and report to the Bureau not later than 1 February 2007 on whether these sessions could be held in Indonesia, in conformity with General Assembly resolution 40/243;
5. *Invites* the Bureau to decide, by 15 February 2007, based on the report by the Executive Secretary mentioned in paragraph 4 above, on the host and venue of the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;
6. *Requests* the Executive Secretary to negotiate a Host Country Agreement for convening the sessions, with a view to concluding and signing the Host Country Agreement not later than the twenty-sixth sessions of the subsidiary bodies;
7. *Requests* the secretariat to take the necessary action to implement the decision of the Bureau concerning the host and on the venue of the thirteenth session of the Conference of the Parties and the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

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<sup>1</sup> FCCC/CP/1996/2.

## **B. Expressions of interest and offers**

8. *Notes with appreciation* the expression of interest by the Government of Poland to host the fourteenth session of the Conference of the Parties and the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol;

9. *Notes with appreciation* the offer by the Government of Denmark to host the fifteenth session of the Conference of the Parties and the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, subject to consultations among the regional groups;

## **II. Calendar of meetings of Convention bodies**

### **A. The fourth workshop under the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention and the fourth session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol**

10. *Agrees in principle* to hold the fourth workshop under the dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention and the fourth session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol between the first and second sessional periods of 2007, subject to the availability of adequate funding;

11. *Requests* the Executive Secretary to identify appropriate premises to host these meetings and to verify that all logistical, technical and financial elements for hosting are available and report to the Bureau not later than 1 February 2007;

12. *Invites* the Bureau to decide, by 15 February 2007, based on the report by the Executive Secretary mentioned in paragraph 4 above, on the date and venue for these meetings;

13. *Invites* Parties interested in hosting these intersessional meetings to come forward with offers, so that a decision could be taken by the Bureau as soon as possible;

### **B. Dates for the 2011 sessional period**

14. *Decides* to adopt the dates of 6 to 17 June and 28 November to 9 December for the sessional periods in 2011 as recommended by the Subsidiary Body for Implementation at its twenty-fourth session;

15. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to endorse this decision.

*7<sup>th</sup> plenary meeting  
17 November 2006*

## **Resolution 1/CP.12**

### **Expression of gratitude to the Government of Kenya and the people of the city of Nairobi**

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

*Having met* in Nairobi from 6 to 17 November 2006 at the invitation of the Government of Kenya,

1. *Express their profound gratitude* to the Government of Kenya for having made it possible for the twelfth session of the Conference of the Parties and the second session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to be held in Nairobi;
2. *Request* the Government of Kenya to convey to the city and the people of Nairobi the gratitude of the Conference of the Parties and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol for the hospitality and warmth extended to the participants.

*7<sup>th</sup> plenary meeting  
17 November 2006*

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