

## Decision 1/CP.18

### Agreed outcome pursuant to the Bali Action Plan

*The Conference of the Parties,*

*Recalling* decisions 1/CP.13 (Bali Action Plan), 1/CP.15, 1/CP.16 and 2/CP.17,

*Acknowledging* the significant achievements of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention towards enabling the full, effective and sustained implementation of the Convention,

*Welcoming* the new institutional arrangements and processes established as a result of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention and the progress made in making them operational and effective,

*Determined* to fully implement the agreements reached and further enhance long-term cooperative action under the Convention in order to achieve its ultimate objective,

*Welcoming* decision 1/CMP.8 on the Doha Amendment to the Kyoto Protocol pursuant to its Article 3, paragraph 9, as well as decision 2/CP.18 on Advancing the Durban Platform,

*Noting* that this decision, together with decisions adopted by the Conference of the Parties at its sixteenth and seventeenth sessions, constitutes the agreed outcome pursuant to decision 1/CP.13,

#### **I. A shared vision for long-term cooperative action, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors**

*Recalling* the principles, provisions and commitments set forth in the Convention, in particular its Articles 2, 3 and 4,

*Also recalling* decisions 1/CP.13, 1/CP.16, 1/CP.17 and 2/CP.17,

1. *Decides* that Parties will urgently work towards the deep reduction in global greenhouse gas emissions required to hold the increase in global average temperature below 2 °C above pre-industrial levels and to attain a global peaking of global greenhouse gas emissions as soon as possible, consistent with science and as documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, reaffirming that the time frame for peaking will be longer in developing countries;

2. *Also decides* that Parties' efforts should be undertaken on the basis of equity and common but differentiated responsibilities and respective capabilities, and the provision of finance, technology transfer and capacity-building to developing countries in order to support their mitigation and adaptation actions under the Convention, and take into account the imperatives of equitable access to sustainable development, the survival of countries and protecting the integrity of Mother Earth;

3. Welcomes the work done by the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on equitable access to sustainable development through a workshop and the report on the workshop<sup>1</sup> by the Chair;

## **II. Enhanced national/international action on mitigation of climate change**

### **A. Measurable, reportable and verifiable nationally appropriate mitigation commitments or actions, including quantified emission limitation and reduction objectives, by all developed country Parties, while ensuring the comparability of efforts among them, taking into account differences in their national circumstances**

*Recalling* decisions 1/CP.13, 1/CP.16 and 2/CP.17,

*Noting with grave concern* the significant gap between the aggregate effect of Parties' mitigation pledges in terms of global annual emissions of greenhouse gases by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels,

*Acknowledging* the role of biennial reports and international assessment and review in measuring progress towards the achievement of quantified economy-wide emission reduction targets,

*Also acknowledging* the work done under the Subsidiary Body for Scientific and Technological Advice to finalize reporting and review guidelines for developed country Parties,

4. *Takes note* of the quantified economy-wide emission reduction targets to be implemented by Parties included in Annex I to the Convention as communicated by them and contained in document FCCC/SB/2011/INF.1/Rev.1;

5. *Requests* the secretariat to update document FCCC/SB/2011/INF.1/Rev.1 following any developed country Party's request to include new information on its target;

6. *Notes* the outcomes of the process of clarifying the quantified economy-wide emission reduction targets of developed country Parties during 2011 and 2012, as reflected in submissions from Parties, the reports on the relevant workshops and the technical paper prepared by the secretariat;<sup>2</sup>

7. *Urges* developed country Parties to increase the ambition of their quantified economy-wide emission reduction targets, with a view to reducing their aggregate anthropogenic emissions of carbon dioxide and other greenhouse gases not controlled by the Montreal Protocol to a level consistent with the ranges documented in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change and subsequent Assessment Reports;

8. *Decides* to establish a work programme under the Subsidiary Body for Scientific and Technological Advice to continue the process of clarifying the quantified economy-wide emission reduction targets of developed country Parties, particularly in relation to the elements contained in decision 2/CP.17, paragraph 5, with a view to:

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<sup>1</sup> FCCC/AWGLCA/2012/INF.3/Rev.1.

<sup>2</sup> FCCC/TP/2012/5.

(a) Identifying common elements for measuring the progress made towards the achievement of the quantified economy-wide emission reduction targets;

(b) Ensuring the comparability of efforts among developed country Parties, taking into account differences in their national circumstances;

9. *Also decides* that the work programme referred to in paragraph 8 above shall commence in 2013 and end in 2014 and include focused expert meetings, technical briefings and submissions from Parties and observer organizations;

10. *Reiterates* its invitation to developed country Parties to submit information on the progress made towards the formulation of their low-emission development strategies;

11. *Requests* developed country Parties to submit any additional information for the clarification of their targets and associated assumptions and conditions as outlined in decision 2/CP.17, paragraph 5, and all Parties to submit their views on the work programme referred to in paragraph 8 above, by 25 March 2013, for compilation by the secretariat into a miscellaneous document;

12. *Also requests* the secretariat to annually update the technical paper referred to in paragraph 6 above, based on information provided by developed country Parties in relation to their targets;

13. *Further requests* the Subsidiary Body for Scientific and Technological Advice to report on the progress of the work programme referred to in paragraph 8 above to the Conference of the Parties at its nineteenth session and on the outcome of that work programme to be considered by the Conference of the Parties at its twentieth session;

**B. Nationally appropriate mitigation actions by developing country Parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner**

*Recalling* Article 4, paragraphs 1, 3 and 7, of the Convention,

*Also recalling* decisions 1/CP.13, 1/CP.16 and 2/CP.17,

*Noting with grave concern* the significant gap between the aggregate effect of Parties' mitigation pledges in terms of global annual emissions of greenhouse gases by 2020 and aggregate emission pathways consistent with having a likely chance of holding the increase in global average temperature below 2 °C or 1.5 °C above pre-industrial levels,

*Recalling* decision 2/CP.17, in which developing country Parties were encouraged to develop low-emission development strategies, recognizing the need for financial and technical support by developed country Parties for the formulation of these strategies,

*Acknowledging* the role of biennial update reports and international consultation and analysis,

*Also acknowledging* the work of the Subsidiary Body for Scientific and Technological Advice on general guidelines for domestic measurement, reporting and verification of domestically supported nationally appropriate mitigation actions, and of the Subsidiary Body for Implementation on the prototype of the registry for nationally appropriate mitigation actions and on the composition, modalities and procedures of the team of technical experts under international consultations and analysis,

14. *Takes note* of the information on nationally appropriate mitigation actions by developing country Parties, as communicated by them and contained in document FCCC/AWGLCA/2011/INF.1;
15. *Also takes note* of the information on nationally appropriate mitigation actions by developing country Parties contained in document FCCC/AWGLCA/2012/MISC.2 and Add.1;
16. *Reiterates* its invitation to developing country Parties that wish to voluntarily inform the Conference of the Parties of their intention to implement nationally appropriate mitigation actions in association with decision 1/CP.16, paragraph 50, to submit information on those actions to the secretariat;
17. *Requests* the secretariat to prepare an information note for the subsidiary bodies that compiles the information contained in documents FCCC/AWGLCA/2011/INF.1 and FCCC/AWGLCA/2012/MISC.2 and Add.1 and to update it with new information as communicated by Parties;
18. *Notes* the outcomes of the process to further the understanding of the diversity of the nationally appropriate mitigation actions of developing country Parties referred to in decision 1/CP.16, paragraph 51, and decision 2/CP.17, paragraphs 33 and 34, as reflected in submissions from Parties and the reports on the relevant workshops held in 2011 and 2012;
19. *Decides* to establish a work programme to further the understanding of the diversity of the nationally appropriate mitigation actions referred to in paragraphs 14–16 above under the Subsidiary Body for Implementation, with a view to facilitating the preparation and implementation of those nationally appropriate mitigation actions, including on:
  - (a) More information relating to nationally appropriate mitigation actions, subject to availability as specified in decision 2/CP.17, paragraphs 33 and 34, including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used and estimated mitigation outcomes;
  - (b) Needs for financial, technology and capacity-building support for the preparation and implementation of specific measurable, reportable and verifiable nationally appropriate mitigation actions, as well as support available and provided, access modalities and related experience gained;
  - (c) The extent of the matching of mitigation actions with financial, technology and capacity building support under the registry;
20. *Also decides* that the work programme referred to in paragraph 19 above shall start in 2013 and end in 2014, and should include focused interactive technical discussions, including through in-session workshops with input from experts and submissions from Parties and observer organizations;
21. *Requests* the Subsidiary Body for Implementation to report on progress on the activities referred to in paragraph 19 above to the Conference of the Parties at its nineteenth session and on the outcome of these activities to be considered by the Conference of the Parties at its twentieth session;
22. *Reiterates* its encouragement to developing country Parties who wish to do so to develop low emission and climate resilient development strategies, taking into account national circumstances, recognizing the need for financial and technical support from developed country Parties for the formulation of these strategies, pursuant to decisions 1/CP.16, paragraph 65, and 2/CP.17, paragraph 38;
23. *Requests* the secretariat, at the request of interested developing country Parties, where appropriate, in collaboration with intergovernmental organizations as well as the

relevant bodies under the Convention, to organize regional technical workshops and to prepare technical material to build capacity in the preparation, submission and implementation of nationally appropriate mitigation actions as well as in the formulation of low emission development strategies;

24. *Takes* note of the estimated budgetary implications of the activities to be undertaken by the secretariat pursuant to the provisions contained in paragraph 23 above;

**C. Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries**

25. *Decides* to undertake a work programme on results-based finance in 2013, including two in-session workshops, subject to the availability of supplementary resources, to progress the full implementation of the activities referred to in decision 1/CP.16, paragraph 70;

26. *Invites* the President of the Conference of the Parties to appoint two co-chairs, one from a developing country Party and one from a developed country Party, for the work programme mentioned in paragraph 25 above;

27. *Requests* the secretariat to assist the co-chairs in supporting the workshops mentioned in paragraph 25 above;

28. *Decides* that the aim of the work programme is to contribute to the ongoing efforts to scale up and improve the effectiveness of finance for the activities referred to in decision 1/CP.16, paragraph 70, taking into account decision 2/CP.17, paragraphs 66 and 67;

29. *Also decides* that the work programme will address options to achieve this objective, taking into account a wide variety of sources as referred to in decision 2/CP.17, paragraph 65, including:

- (a) Ways and means to transfer payments for results-based actions;
- (b) Ways to incentivize non-carbon benefits;
- (c) Ways to improve the coordination of results-based finance;

30. *Agrees* that the work programme will draw upon relevant sources of information and will also take into account lessons learned from other processes under the Convention and from fast-start finance;

31. *Requests* the co-chairs, supported by the secretariat, to coordinate the activities of the work programme with the work under the Subsidiary Body for Scientific and Technological Advice related to methodological guidance for activities relating to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries;

32. *Also requests* the co-chairs, supported by the secretariat, to prepare a report on the workshops referred to in paragraph 25 above for consideration by the Conference of the Parties at its nineteenth session, with a view to the Conference of the Parties adopting a decision on this matter;

33. *Decides* that the work programme shall end by the nineteenth session of the Conference of the Parties unless the Conference of the Parties decides otherwise;

34. *Recognizes* the need to improve the coordination of support for the implementation of the activities referred to in decision 1/CP.16, paragraph 70, and to provide adequate and predictable support, including financial resources and technical and technological support, to developing country Parties for implementation of those activities;

35. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, at their thirty-eighth sessions, to jointly initiate a process with the aim of addressing the matters outlined in paragraph 34 above, and to consider existing institutional arrangements or potential governance alternatives including a body, a board or a committee, and to make recommendations on these matters to the Conference of the Parties at its nineteenth session;

36. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 25 March 2013, their views on the matters referred to in paragraphs 34 and 35 above, including potential functions, and modalities and procedures;

37. *Requests* the secretariat to compile the submissions from Parties referred to in paragraph 36 above into a miscellaneous document for consideration by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation at their thirty-eighth sessions;

38. *Also requests* the secretariat to organize, subject to the availability of supplementary resources, an in-session workshop at the thirty-eighth sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation on the matters referred to in paragraphs 34 and 35 above, taking into account the submissions referred to in paragraph 36 above, and to prepare a report on the workshop for consideration by the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation at their thirty-ninth sessions;

39. *Requests* the Subsidiary Body for Scientific and Technological Advice, at its thirty-eighth session, to consider how non-market-based approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, as referred to in decision 2/CP.17, paragraph 67, could be developed to support the implementation of the activities referred to in decision 1/CP.16, paragraph 70, and to report on this matter to the Conference of the Parties at its nineteenth session;

40. *Also requests* the Subsidiary Body for Scientific and Technological Advice, at its thirty-eighth session, to initiate work on methodological issues related to non-carbon benefits resulting from the implementation of the activities referred to in decision 1/CP.16, paragraph 70, and to report on this matter to the Conference of the Parties at its nineteenth session;

**D. Various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries**

*Recalling* decisions 1/CP.13, 1/CP.16 and 2/CP.17,

**1. Framework for various approaches**

41. *Acknowledges* that Parties, individually or jointly, may develop and implement various approaches, including opportunities for using markets and non-markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries;

42. *Re-emphasizes* that, as set out in decision 2/CP.17, paragraph 79, all such approaches must meet standards that deliver real, permanent, additional and verified mitigation outcomes, avoid double counting of effort and achieve a net decrease and/or avoidance of greenhouse gas emissions;
43. *Affirms* that the use of such approaches facilitates an increase in mitigation ambition, particularly by developed countries;
44. *Requests* the Subsidiary Body for Scientific and Technological Advice to conduct a work programme to elaborate a framework for such approaches, drawing on the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on this matter, including the relevant workshop reports and technical paper, and experience of existing mechanisms, with a view to recommending a draft decision to the Conference of the Parties for adoption at its nineteenth session;
45. *Considers* that any such framework will be developed under the authority and guidance of the Conference of the Parties;
46. *Decides* that the work programme referred to in paragraph 44 above shall address the following elements, inter alia:
- (a) The purposes of the framework;
  - (b) The scope of approaches to be included under the framework;
  - (c) A set of criteria and procedures to ensure the environmental integrity of approaches in accordance with decision 2/CP.17, paragraph 79;
  - (d) Technical specifications to avoid double counting through the accurate and consistent recording and tracking of mitigation outcomes;
  - (e) The institutional arrangements for the framework;
47. *Requests* the Subsidiary Body for Scientific and Technological Advice to conduct a work programme to elaborate non-market-based approaches, with a view to recommending a draft decision to the Conference of the Parties for adoption at its nineteenth session;
48. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 25 March 2013, their views on the matters referred to in paragraphs 44–47 above, including information, experience and good practice relevant to the design and operation of various approaches;
49. *Requests* the secretariat to compile and make publicly accessible such information, experience and good practice;

## 2. New market-based mechanism

50. *Requests* the Subsidiary Body for Scientific and Technological Advice to conduct a work programme to elaborate modalities and procedures for the mechanism defined in decision 2/CP.17, paragraph 83, drawing on the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on this matter, including the relevant workshop reports and technical paper, and experience of existing mechanisms, with a view to recommending a draft decision to the Conference of the Parties for adoption at its nineteenth session;
51. *Also requests* that the work programme consider possible elements of the mechanism referred to in paragraph 50 above, for example the following:
- (a) Its operation under the guidance and authority of the Conference of the Parties;

- (b) The voluntary participation of Parties in the mechanism;
- (c) Standards that deliver real, permanent, additional, and verified mitigation outcomes, avoid double counting of effort and achieve a net decrease and/or avoidance of greenhouse gas emissions;
- (d) Requirements for the accurate measurement, reporting and verification of emission reductions, emission removals and/or avoided emissions;
- (e) Means to stimulate mitigation across broad segments of the economy, which are defined by the participating Parties and may be on a sectoral and/or project-specific basis;
- (f) Criteria, including the application of conservative methods, for the establishment, approval and periodic adjustment of ambitious reference levels (crediting thresholds and/or trading caps) and for the periodic issuance of units based on mitigation below a crediting threshold or based on a trading cap;
- (g) Criteria for the accurate and consistent recording and tracking of units;
- (h) Supplementarity;
- (i) A share of proceeds to cover administrative expenses and assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation;
- (j) The promotion of sustainable development;
- (k) The facilitation of the effective participation of private and public entities;
- (l) The facilitation of the prompt start of the mechanism;

52. *Invites* Parties and admitted observer organizations to submit to the secretariat, by 25 March 2013, their views on the matters referred to in paragraphs 50–51 above, including information, experience and good practice relevant to the design and operation of the mechanism referred to in paragraph 50 above;

53. *Requests* the secretariat to compile and make publicly accessible such information, experience and good practice;

## **E. Economic and social consequences of response measures**

*Recalling* Article 3, paragraph 5, and Article 4, paragraphs 8, 9 and 10, of the Convention, Article 2, paragraph 3, and Article 3, paragraph 14, of the Kyoto Protocol and decisions 1/CP.13, 1/CP.16 and 2/CP.17,

*Affirming* the importance of the ultimate objective of the Convention and the principles and provisions of the Convention related to the economic and social consequences of response measures, in particular Articles 2, 3 and 4,

*Reaffirming* that Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change; measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade,

*Also reaffirming* the importance of avoiding or minimizing negative impacts of response measures on social and economic sectors, promoting a just transition of the workforce, the creation of decent work and quality jobs in accordance with nationally



defined development priorities and strategies, and contributing to building new capacity for both production and service-related jobs in all sectors, promoting economic growth and sustainable development,

54. *Welcomes* the progress made in the work of the forum on the impact of the implementation of response measures being convened under the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation and *invites* Parties to continue to participate in the forum, including the sharing of views on policy issues of concern, such as unilateral measures;

### III. Enhanced action on adaptation

*Recalling* the commitments of Parties under Article 4, paragraphs 1(e), 3 and 4, of the Convention,

*Also recalling* decisions 1/CP.13, 1/CP.16, 2/CP.17, 5/CP.17, 6/CP.17 and 7/CP.17,

*Reaffirming* that adaptation is a challenge faced by all Parties, and that enhanced action and international cooperation on adaptation is urgently required to enable and support the implementation of adaptation actions aimed at reducing vulnerability and building resilience in developing country Parties, taking into account the urgent and immediate needs of those developing countries that are particularly vulnerable,

*Also reaffirming* that adaptation must be addressed with the same priority as mitigation and that appropriate institutional arrangements are required to enhance adaptation action and support,

*Acknowledging* the progress achieved under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention in enhancing action on adaptation to the adverse effects of climate change through the establishment of the Cancun Adaptation Framework,

*Also acknowledging* the progress made at the eighteenth and previous sessions of the Conference of the Parties, including the approval of the three-year workplan of the Adaptation Committee, the implementation of the work programme on loss and damage, the process to enable least developed country Parties to formulate and implement national adaptation plans, the invitation for other developing country Parties to employ the modalities formulated to support the national adaptation plan process and the guidance on support for the national adaptation plan process,

55. *Decides* that the Conference of the Parties and its subsidiary bodies and other bodies under the Convention will continue their work to enhance action on adaptation under the Convention, as provided for in the Cancun Adaptation Framework and relevant decisions of the Conference of the Parties;

56. *Also decides*, in progressing such work, to give consideration to issues relating to the coherence of the action of and the support provided to, developing country Parties, the engagement and role of regional centres and networks, and the promotion of livelihood and economic diversification to build resilience in the context of planning, prioritizing and implementing adaptation actions;

57. *Requests* the Adaptation Committee to consider the establishment of an annual adaptation forum, to be held in conjunction with the sessions of the Conference of the Parties, to maintain a high profile for adaptation under the Convention, to raise awareness and ambition with regard to adaptation actions and to facilitate enhanced coherence of adaptation actions;

#### IV. Enhanced action on technology development and transfer to support action on mitigation and adaptation

*Acknowledging* the achievements made in relation to technology development and transfer within the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, including the establishment of the Technology Mechanism, comprising the Technology Executive Committee and the Climate Technology Centre and Network, and the agreed arrangements to enable the Technology Mechanism to become fully operational in 2012, as well as the progress made by the Subsidiary Body for Implementation in selecting the host of the Climate Technology Centre,

*Also acknowledging* the progress made by the Technology Executive Committee in implementing its workplan for 2012–2013,<sup>3</sup>

*Recalling* that the Conference of the Parties, at its seventeenth session, requested each thematic body under the Convention to elaborate its modalities for establishing linkages with other relevant bodies, including the Adaptation Committee, by decision 2/CP.17, paragraph 99, the Board of the Green Climate Fund, by decision 3/CP.17, paragraph 17, and the Technology Executive Committee, by decision 4/CP.17, paragraph 6,

58. *Takes note* of the initial ideas of the Technology Executive Committee on its modalities for establishing linkages with other relevant institutional arrangements under the Convention, including the Advisory Board of the Climate Technology Centre and Network, as presented in its report considered at the thirty-sixth sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation;<sup>4</sup>

59. *Agrees* to initiate, at its nineteenth session, the elaboration and consideration of the relationship between the Technology Executive Committee and the Climate Technology Centre and Network, in order to ensure coherence and synergy within the Technology Mechanism, taking into account the recommendations of the Technology Executive Committee on its linkage modalities, and the modalities and procedures of the Climate Technology Centre and Network, which will be presented for consideration and approval by the Conference of the Parties at its nineteenth session;

60. *Requests* the Technology Executive Committee, in elaborating its future workplan, to initiate the exploration of issues relating to enabling environments and barriers, including those issues referred to in document FCCC/SB/2012/2, paragraph 35;

61. *Recommends* the Advisory Board of the Climate Technology Centre and Network, in considering the programme of work of the Climate Technology Centre and Network, to take into account the following activities:

(a) Providing advice and support to developing country Parties, including capacity-building, in relation to conducting assessments of new and emerging technologies, in accordance with decision 1/CP.16, paragraphs 123(a)(i) and 128(e);

(b) Elaborating, in accordance with decision 2/CP.17, paragraph 135(a), the role of the Climate Technology Centre and Network in identifying currently available climate-friendly technologies for mitigation and adaptation that meet the key low-carbon and climate-resilient development needs of Parties;

62. *Agrees* to further elaborate, at its twentieth session, the linkages between the Technology Mechanism and the financial mechanism of the Convention, taking into consideration the recommendations of the Board of the Green Climate Fund, developed in

<sup>3</sup> FCCC/SB/2012/1, annex I.

<sup>4</sup> FCCC/SB/2012/1.

accordance with decision 3/CP.17, paragraph 17, and of the Technology Executive Committee, developed in accordance with decision 4/CP.17, paragraph 6;

## **V. Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation**

*Recalling* Article 4 of the Convention,

*Also recalling* decisions 1/CP.16, 2/CP.17 and 3/CP.17,

*Acknowledging* the delivery of fast-start finance by developed country Parties to fulfil their collective commitment of USD 30 billion, and *inviting* developed country Parties to expedite its full disbursement,

*Also acknowledging* the need to scale up climate finance,

*Reaffirming* that developed country Parties commit, in the context of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing country Parties, and that funds provided to developing country Parties may come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources,

*Acknowledging* the pledges and announcements made by several developed country Parties on the continuation of climate finance post 2012,

63. *Urges* additional developed country Parties to announce climate finance pledges when their financial circumstances permit;

64. *Reiterates* that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund, and the request to the Board of the Green Climate Fund to balance the allocation of the resources of the Green Climate Fund between adaptation and mitigation activities;

65. *Calls on* developed country Parties to channel a substantial share of public funds to adaptation activities;

66. *Urges* all developed country Parties to scale up climate finance from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, to the joint goal of mobilizing USD 100 billion per year by 2020;

67. *Invites* developed country Parties to submit, by the nineteenth session of the Conference of the Parties, information on their strategies and approaches for mobilizing scaled-up climate finance to USD 100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation;

68. *Encourages* developed country Parties to further increase their efforts to provide resources of at least to the average annual level of the fast-start finance period for 2013-2015;

69. *Decides* to extend the work programme on long-term finance for one year to the end of 2013, with the aim of informing developed country Parties in their efforts to identify pathways for mobilizing the scaling up of climate finance to USD 100 billion per year by 2020 from public, private and alternative sources in the context of meaningful mitigation actions and transparency on implementation, and informing Parties in enhancing their enabling environments and policy frameworks to facilitate the mobilisation and effective deployment of climate finance in developing countries;

70. *Looks forward* to the implementation of the work programme of the Standing Committee, including the creation of a climate finance forum which will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance;

71. *Requests* the Standing Committee, in initiating the first biennial assessment and overview of climate finance flows, to take into account relevant work by other bodies and entities on the measurement, reporting and verification of support and the tracking of climate finance;

72. *Requests* the Board of the Green Climate Fund to expeditiously implement its 2013 workplan, with a view to making the Green Climate Fund operational as soon as possible to enable an early and adequate replenishment process;

73. *Agrees* to consider the progress made in the mobilization of long-term finance at its nineteenth session, through an in-session high-level ministerial dialogue under the Conference of the Parties on efforts being undertaken by developed country Parties to scale up the mobilization of climate finance after 2012, informed by inputs from Parties, technical bodies and processes under the Convention, as well as the outcomes of the extended work programme on long-term finance;

## **VI. Enhanced action on capacity-building**

*Recalling* decisions 2/CP.7, 2/CP.10, 4/CP.12, 1/CP.16, 2/CP.17 and 13/CP.17,

*Recognizing* the success of the first meeting of the Durban Forum for in-depth discussion on capacity-building, held during the thirty-sixth session of the Subsidiary Body for Implementation,

*Also recognizing* the important role that the Durban Forum plays in enhancing the monitoring and review of the effectiveness of capacity-building,

74. *Decides* that the second meeting of the Durban Forum, to be held during the thirty-eighth session of the Subsidiary Body for Implementation, shall explore potential ways to further enhance the implementation of capacity-building at the national level;

75. *Invites* Parties to submit to the secretariat, by 18 February 2013, the following:

(a) Information on the activities that they have undertaken pursuant to decisions 2/CP.7, 2/CP.10, 1/CP.16 and 2/CP.17, including, inter alia, information on needs and gaps, experiences and lessons learned;

(b) Their views on specific issues to be considered at the second meeting of the Durban Forum;

(c) Their views on the potential enhancement of the organization of the Durban Forum;

76. *Also invites* intergovernmental and non-governmental organizations and the private sector to submit to the secretariat, by 18 February 2013, information on activities undertaken in support of the implementation of the framework for capacity-building in developing countries established under decision 2/CP.7, including their experiences and lessons learned;

77. *Requests* the Subsidiary Body for Implementation:

(a) To take into account the information and views contained in the submissions referred to in paragraph 75 above in organizing the second and subsequent meetings of the Durban Forum;

(b) To explore potential ways to further enhance the implementation of capacity-building at the national level, including through the Durban Forum;

78. *Also requests* the secretariat to continue to prepare the reports referred to in decision 2/CP.7, paragraph 9(c), and decision 4/CP.12, paragraph 1(c), as well as the compilation and synthesis reports referred to in decision 2/CP.17, paragraphs 146 and 150, and to make the reports available to the Subsidiary Body for Implementation at its sessions coinciding with the meetings of the Durban Forum, in order to facilitate the discussions at those meetings;

## **VII. Review: further definition of its scope and development of its modalities**

*Recalling* the ultimate objective of the Convention, contained in its Article 2,

*Also recalling* decision 1/CP.16, in particular paragraph 4, which recognized the need to consider strengthening the long-term global goal of holding the increase in global average temperature below 2 °C above pre-industrial levels on the basis of the best available scientific knowledge, including in relation to a global average temperature rise of 1.5 °C,

*Recalling* decision 2/CP.17, paragraphs 157–167, in particular paragraphs 160 and 161, which specify the considerations and inputs to be taken into account during the first review from 2013 to 2015,

*Affirming* that the review is not a review of the Convention itself,

*Recalling* that the first review should start in 2013 and be concluded in 2015, when the Conference of the Parties shall take appropriate action based on the review,

79. *Decides* that the review should periodically assess, in accordance with the relevant principles and provisions of the Convention, the following:

(a) The adequacy of the long-term global goal in the light of the ultimate objective of the Convention;

(b) Overall progress made towards achieving the long-term global goal, including a consideration of the implementation of the commitments under the Convention;

80. *Invites* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to establish a joint contact group to assist the Conference of the Parties in conducting the review, supported by expert consideration of the inputs referred to in decision 2/CP.17, paragraph 161, through, inter alia, workshops and other in-session and intersessional activities in accordance with paragraph 162 of that decision;

81. *Requests* the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, with the support of the secretariat, to take the steps necessary in 2013 for the subsidiary bodies to start the consideration of inputs without delay at their thirty-eighth sessions;

82. *Notes* that the Fifth Assessment Report of the Intergovernmental Panel on Climate Change is a key input to the review and that it will become available in stages during 2013 and 2014 for consideration under the review;

83. *Invites* the subsidiary bodies, beginning in 2013 and with the assistance of the secretariat, to gather and compile information relevant for conducting the review, including the sources listed in decision 2/CP.17, paragraph 161;

84. *Also invites* the subsidiary bodies to identify information gaps and, where necessary, make requests for additional inputs and studies that would be useful for conducting the review;

85. *Resolves* to engage in a structured expert dialogue that aims to support the work of the joint contact group referred to in paragraph 80 above through a focused exchange of views, information and ideas, to ensure the scientific integrity of the review;

86. *Decides* to establish such a dialogue under the guidance of the subsidiary bodies on aspects related to the review in order:

(a) To consider on an ongoing basis throughout the review the material from the Fifth Assessment Report of the Intergovernmental Panel on Climate Change as it becomes available, as well as relevant inputs referred to in decision 2/CP.17, paragraph 161, that are published after the cut-off dates of the Fifth Assessment Report, through regular scientific workshops and expert meetings and with the participation of Parties and experts, particularly from the Intergovernmental Panel on Climate Change;

(b) To assist the subsidiary bodies with the preparation and consideration of the synthesis reports on the review;

87. *Also decides* that:

(a) Workshops will be open to all Parties and observers, held pre-sessionally, where possible, and organized by the secretariat, subject to the availability of resources;

(b) The dialogue will be facilitated by two co-facilitators, one from a Party included in Annex I to the Convention and one from a Party not included in Annex I to the Convention, who will be selected by each group, respectively;

(c) The co-facilitators will report on work done under the dialogue to the nineteenth and twentieth sessions of the Conference of the Parties, through the subsidiary bodies;

88. *Decides* that the review should be conducted in a transparent manner and with the full participation of Parties, which should be ensured through the provision of adequate funding for the participation and representation of eligible developing country Parties in all phases of the review and in all activities, meetings, workshops and sessions of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation that are part of the review process;

89. *Also decides* that preparations for the review should be conducted in an effective and efficient manner in order to avoid duplication of ongoing work, and that the Conference of the Parties and the subsidiary bodies may wish to take into account the results of work conducted under the Convention, its Kyoto Protocol and the subsidiary bodies in preparing for the review;

90. *Requests* the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to organize the review in a flexible and appropriate manner in line with decision 2/CP.17, allowing for adequate and timely consideration of the inputs to the review as they become available;

91. *Decides* that the information gathering and compilation phase referred to in decision 2/CP.17, paragraph 164, shall run continuously from the start of the review in 2013 and should end not later than six months before the conclusion of the review in 2015, unless critical information emerges during this period that requires consideration;

## VIII. Other matters

### A. Parties included in Annex I to the Convention undergoing the process of transition to a market economy

*Recalling* decision 2/CP.17, chapter VIII.A,

*Taking into account* national economic and social circumstances of Parties included in Annex I to the Convention undergoing the process of transition to a market economy and the need to enable them to continue their economic development in a sustainable, low-emission manner,

*Recognizing* that most of these Parties currently still lack the financial resources to be able to provide support to Parties not included in Annex I to the Convention for meeting their costs of mitigation, adaptation, technology transfer and capacity-building,

*Recognizing* that various actions to address climate change can be justified economically in their own right and can also help in solving other environmental problems,

92. *Decides* that a certain degree of flexibility shall be allowed to Parties included in Annex I to the Convention (Annex I Parties) undergoing the process of transition to a market economy with regard to the provision of new and additional financial resources, technology transfer and capacity-building to Parties not included in Annex I to the Convention (non-Annex I Parties) in order to enable them to enhance their implementation of mitigation and adaptation actions, and that this flexibility shall be extended until 2020, when a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties comes into effect;

93. *Invites* Annex I Parties undergoing the process of transition to a market economy which are in a position to do so to provide new and additional financial resources, technology transfer and capacity-building to non-Annex I Parties on a voluntary basis;

### B. Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties

*Reaffirming* decisions 26/CP.7, 1/CP.16 and 2/CP.17, which recognized that Turkey is in a situation different from that of other Parties included in Annex I to the Convention,

*Recalling* that deep cuts in global greenhouse gas emissions are required and that closing the ambition gap is a matter of urgency,

*Recognizing* that various actions to address climate change can be justified economically in their own right and can also help in solving other environmental problems in accordance with the objectives of sustainable development,

*Reaffirming* the importance of financial, technological and capacity-building support to Parties included in Annex I to the Convention whose special circumstances are recognized by the Conference of the Parties in order to assist these Parties in implementing the Convention,

94. *Urges* Parties included in Annex II to the Convention which are in a position to do so, through multilateral agencies, including the Global Environment Facility within its mandate, relevant intergovernmental organizations, international financial institutions, other partnerships and initiatives, bilateral agencies and the private sector, or through any further arrangements, as appropriate, to provide financial, technological, technical and capacity-building support to Parties included in Annex I to the Convention (Annex I

Parties) whose special circumstances are recognized by the Conference of the Parties in order to assist them in implementing their national climate change strategies and action plans and developing their low-emission development strategies or plans in accordance with decision 1/CP.16;

95. *Requests* the secretariat to prepare, for consideration by the Subsidiary Body for Implementation at its thirty-eighth session, a technical paper identifying opportunities for Annex I Parties whose special circumstances are recognized by the Conference of the Parties to benefit, at least until 2020, from support from relevant bodies established under the Convention and other relevant bodies and institutions to enhance mitigation, adaptation, technology, capacity-building and access to finance;

96. *Also requests* the Subsidiary Body for Implementation, on the basis of the technical paper referred to in paragraph 95 above, to develop recommendations on this matter at its thirty-ninth session for consideration by the Conference of the Parties at its nineteenth session;

## **IX. Budgetary implications**

97. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat pursuant to the provisions contained in paragraphs 1–96 above;

98. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources

*9<sup>th</sup> plenary meeting  
8 December 2012*