**UNFCCC**

### 6th Conference of the Parties

**Decision 5/CP.6**


Preparations for the First Session of the Conference of the Parties Serving as the Meeting of the Parties to the Kyoto Protocol (Decision 8/CP.4)

Implementation of the Buenos Aires Plan of Action

The Conference of the Parties,

Recalling its decisions 1/CP.4, 1/CP.5 and 1/CP.6,

Having considered the texts forwarded to it by the subsidiary bodies at the first part of its sixth session, the report on the first part of its sixth session and the addenda thereto, using as a tool the consolidated negotiating text prepared by its President,

Recognizing the contribution of the negotiating groups established at the second part of the session and noting with satisfaction decisions on additional guidelines to an operating entity of the financial mechanisms, capacity-building in developing countries (Parties not included in Annex I) and capacity-building in economies in transition,

1. **Decides** to adopt the agreements contained in the annex to this decision as core elements for the implementation of the Buenos Aires Plan of Action;

2. **Decides** that the second week of the current session shall be devoted to the negotiation and adoption of a balanced package of further decisions incorporating and giving full effect to the agreements referred to in paragraph 1 above;

3. **Urges** all Parties to participate actively and constructively in these negotiations; and

4. **Requests** its President to continue the development of texts incorporating the core elements referred to in paragraph 1 above, to facilitate the negotiations.

*This document replaces FCCC/CP/2001/L.6.

The present text is identical to that contained in the proposal for a draft decision presented under the authority of the President on “Core elements for the implementation of the Buenos Aires Plan of Action” (dated 21 July 2001, 10.47 p.m.), incorporating the text on procedures and mechanisms relating to compliance under the Kyoto Protocol (dated 23 July 2001, 10.27 a.m.), which was approved for adoption at the fifteenth plenary meeting by the high-level segment of the Conference of the Parties at its resumed sixth session. See also page 190.

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### Annex

**Core Elements for the Implementation of the Buenos Aires Plan of Action**

#### I. FUNDING UNDER THE CONVENTION

The Conference of the Parties:

1. Recalls the relevant provisions of the United Nations Framework Convention on Climate Change, in particular its Articles 4.1, 4.3, 4.4, 4.5, 4.7, 4.8, 4.9, 4.10 and 11, also its decisions 11/CP.1 and 15/CP.1;

2. Notes that, by its decisions 4/CP.6, and 4/CP.7, funding has been provided for the implementation of capacity-building activities in Parties not included in Annex I and that additional guidance has been given to the Global Environment Facility to that effect.

The Conference of the Parties agrees:

3. That:

   (a) There is a need for funding, including funding that is new and additional to contributions that are allocated to the Global Environment Facility climate change focal area and to multilateral and bilateral funding, for the implementation of the Convention;

   (b) Predictable and adequate levels of funding shall be made available to Parties not included in Annex I;

   (c) In order to meet the commitments under Articles 4.1, 4.3, 4.4, 4.5, 4.8 and 4.9, Parties included in Annex II shall report on their financial contributions on an annual basis;

   (d) It shall review the reports referred to in paragraph (e) above on an annual basis;

   (e) Parties included in Annex II need to be developed;

   (f) It shall review the reports referred to in paragraph (e) above on an annual basis.

The Conference of the Parties agrees:

4. Notes that many Parties included in Annex II have expressed their willingness to commit themselves to provide adequate funding through a political declaration.

**Special climate change fund**

The Conference of the Parties agrees:

1. That a special climate change fund shall be established to finance activities, programmes and measures related to climate change, that are complementary to those funded by the resources allocated to the Global Environment Facility climate change focal area in a position to do so should provide funding for developing country Parties, through the following channels:

   (i) Increased Global Environment Facility replenishment;

   (ii) The special climate change fund to be established under this decision;

   (iii) Bilateral and multilateral channels.

Delegates during the High-level Segment

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change focal area and by bilateral and multilateral funding, in the following areas:  
(a) Adaptation;  
(b) Fossil fuels, energy price reforms to reflect market prices and externalities;  
(c) Energy, transport, industry, agriculture, forestry and waste management; and  
(d) Cooperating in the development, diffusion and transfer of less greenhouse gas emitting and/or technologies relating to fossil fuels and/or technologies relating to the nuclear fusion and transfer of less greenhouse gas emitting and or technologies relating to the nuclear fusion.

3. It agree that Parties included in Annex I, and other Annex I Parties in a position to do so shall be invited to contribute to the fund, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties.

3. To provide guidance to the entity referred to in paragraph 1 above on the modalities for operating this fund, including expedited access.

II. FUNDING UNDER THE KYOTO PROTOCOL

The Conference of the Parties:  
1. Recalls Articles 10, 11 and 12, paragraph 8 of the Kyoto Protocol and its decisions 11/CP.1 and 15/CP.1, and recognizes that funding should be made available to Parties not included in Annex I, which is new and additional to contributions under the United Nations Framework Convention on Climate Change.

3. It request Parties included in Annex I to the Kyoto Protocol to provide information, as part of the necessary supplementary information to their report, in accordance with the guidelines under Article 7.1 of the Kyoto Protocol, related to how they are striving, under Article 3.14 of the Kyoto Protocol to implement their commitments mentioned in Article 3.1 of the Kyoto Protocol in such a way as to minimize adverse social, environmental and economic impacts on developing country Parties, particularly those identified in Article 4.8 and 4.9 of the Convention, and further requests those Parties to incorporate, in this respect, information on action identified in paragraph 3 above and considered by the facilitative branch of the compliance committee.

3. It agree that Parties included in Annex I and other Annex I Parties in a position to do so, should give priority, in implementing their commitments under Article 3.14 of the Kyoto Protocol, to the following actions:  
(a) The progressive reduction or phasing out of market imperfections, including subsidies, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors, taking into account the need for energy price reforms to reflect market prices and externalities;  
(b) Removing subsidies associated with the use of environmentally unsound and unsafe technologies;  
(c) Cooperating in the technological development of non-energy uses of fossil fuels, and supporting developing country Parties to this end;  
d) Cooperating in the development, diffusion and transfer of less greenhouse gas emitting advanced fossil-fuel technologies, and/or technologies relating to fossil fuels that capture and store greenhouse gases, and encouraging their wider use; and

5. To consider at its eighth session, the implementation of insurance related actions to meet the specific needs and concerns of developing countries arising from the implementation of measures on insurance, based on the outcome of workshops on insurance.

V. MATTERS RELATING ARTICLE 3.14 OF THE KYOTO PROTOCOL

The Conference of the Parties recognizes:  
1. That minimizing the impact of their implementation of Article 3.1 of the Kyoto Protocol is a development concern affecting both industrialized and developing countries. The Conference of the Parties recommends to the Convention to take fully into account the consequences of these actions and to prevent or minimize adverse effects. These Parties consider such action as a cost-effectiveness measure.

3. To provide guidance to the entity referred to in paragraph 1 above on the modalities for operating this fund, including expedited access.

The Conference of the Parties agrees:

1. That an adaptation fund shall be established, which shall be operated by an entity which operates the financial mechanism, under the guidance of the Conference of the Parties, to support a work programme for the least developed countries. This work programme shall include the adaptation plan of action and other international Adaptation Programmes of Action.  
2. To invite the entity referred to in paragraph 1 above to make the necessary arrangements for this purpose.

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3. To invite the entity referred to in paragraph 1 above to make the necessary arrangements for this purpose.
shall be requested to provide relevant information in relation to operative paragraph 5 in accordance with Article 7 of the Kyoto Protocol, for review under its Article 8.

7. That the provision of such information shall take into account reporting on demonstrable progress as contained in decision /CP6 (Article 7).

8. That the facilitative branch of the compliance committee shall address questions of implementation with respect to operative paragraphs 6 and 7 above.

9. To recommend to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol that certified emission reductions, emission reduction units and assigned amount units under Articles 6, 12 and 17 may be used to meet commitments under Article 3.1 of Parties included in Annex I, and can be added as provided for in Article 3, paragraphs 10, 11 and 12, and emission reduction units and assigned amount units can be subtracted as provided for in Article 3, paragraphs 10 and 11, in conformity with the provisions on registries (decision - /CP6 Modalities for accounting assigned amount), without altering the quantified emission limitation and reduction commitments inscribed in Annex B to the Kyoto Protocol.

10. That the share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adapting to climate change to meet the costs of adapting their economies.

VI. MECHANISMS PURSUANT TO ARTICLES 6, 12 AND 17 OF THE KYOTO PROTOCOL

1. Principles, nature and scope

The Conference of the Parties agrees:

1. To reaffirm the preamble of the Convention.

2. To recognize that the Kyoto Protocol has not created or bestowed any right, title or entitlement to emissions of any kind on Parties included in Annex I.

The Conference of the Parties agrees:

3. That, in using the mechanisms, Parties shall be guided by the objective and principles contained in Articles 2 and 3 and by Article 4, paragraph 7, of the Convention.

4. That the Parties included in Annex I shall implement domestic action in accordance with national circumstances and with a view to reducing emissions in a manner conducive to narrowing per capita differences between developed and developing country Parties while working towards achievement of the ultimate objective of the Convention.

5. That the use of the mechanisms shall be supplemental to domestic action and domestic action shall thus constitute a significant element of the effort made by each Party included in Annex I to meet its quantified emission limitation and reduction commitments under Article 3, paragraph 1.

6. That the Parties included in Annex I shall be requested to provide relevant information in relation to operative paragraph 5 in accordance with Article 7 of the Kyoto Protocol, for review under its Article 8.

7. That the provision of such information shall take into account reporting on demonstrable progress as contained in decision /CP6 (Article 7).

8. That the facilitative branch of the compliance committee shall address questions of implementation with respect to operative paragraphs 6 and 7 above.

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George W. Bush à la Michelangelo ...

... Creation of the Heavens with Star Wars and CO₂...

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sumption, on the supply and/or demand side, by up to the equivalent of 15 gigawatt-hours per year; or (c) Other project activities that both reduce anthropogenic emissions by sources and directly emit less than 15 kilotonnes of CO2 equivalent during the commitment period.

7. To invite the executive board to review the simplified modalities, procedures and the definition of small-scale project activities referred to in paragraph 6(c) above and, if necessary, make appropriate recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

8. That afforestation and reforestation projects shall be the only eligible land-use, land-use change and forestry projects under the clean development mechanism during the first commitment period. Implement such projects of such kind as referred to in section VII, paragraph 1 below (on land-use, land-use change and forestry), defined as modalities to be developed by the Subsidiary Body for Scientific and Technological Advice for decision at the eighth session of the Conference of the Parties. The modalities to be addressed shall include non-permanence, additivity, leakage, socially and culturally relevant ecosystems, and environmental impacts (including impacts on biodiversity and natural ecosystems) (a) that land-use change and forestry activities shall be defined on the basis of a change in land use; (b) that afforestation and reforestation since 1990 shall not be greater than credits earned on that unit of land; (c) that forest management, "cropland management, "grazing land management" and "revegetation" are eligible land-use, land-use change and forestry activities under Article 3.3, paragraph 4, of the Kyoto Protocol. A Party may choose to apply any or all of these activities during the first commitment period or during the period following afforestation and reforestation since 1990 and are human-induced. Such activities should not account for emissions and removals resulting from afforestation, reforestation and deforestation as determined under Article 3, paragraph 3.

9. That the implementation of forest, land-use change and forestry projects under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period.

4. Article 17

The Conference of the Parties agrees:

1. To recommend to the Conference of the Parties that the modalities be developed by the Subsidiary Body for Scientific and Technological Advice to develop modalities to be developed by the Subsidiary Body for Scientific and Technological Advice for decision at its ninth session, to be for decision at its ninth session, to be for

VII. LAND USE, LAND-USE CHANGE AND FORESTRY

The Conference of the Parties:

1. Affirms that the following principles govern the treatment of land-use, land-use change and forestry (LULUCF) activities:
(a) That the treatment of these activities be based on sound science,
(b) Consistent methodologies be used over time for the estimation and reporting of these activities,
(c) The aim stated in Article 3, paragraph 1, of the Kyoto Protocol not be changed by accounting for LULUCF activities,
(d) That the mere presence of carbon stocks be excluded from accounting,
(e) That the implementation of LULUCF activities contributes to the conservation of biodiversity and sustainable use of natural resources,
(f) That accounting for LULUCF does not imply a transfer of commitments to a future commitment period.

(g) That reversal of any removal due to LULUCF activities be accounted for at the appropriate point in time,
(h) That accounting for deforestation includes removals from (a) elevated carbon dioxide concentrations above their pre-industrial level; (b) industrial deposition and (c) the dynamic effects of age structure resulting from activities and practices before the reference year.

The Conference of the Parties agrees:

2. On a definition of "forest" and on definitions of the activities "afforestation", "reforestation" and "deforestation" for the purpose of implementing Article 3.3. These activities shall be defined on the basis of a change in land use.

3. That deforestation during the first commitment period following afforestation shall not be greater than credits earned on that unit of land.

4. That "forest management", "cropland management", "grazing land management" and "revegetation" are eligible land-use, land-use change and forestry activities under Article 3.3, paragraph 4, of the Kyoto Protocol. A Party may choose to apply any or all of these activities during the first commitment period or during the period following afforestation and reforestation since 1990 and are human-induced. Such activities should not account for emissions and removals resulting from afforestation, reforestation and deforestation as determined under Article 3, paragraph 3.

5. That the following accounting rules are applicable in the first commitment period. They aim to pragmatically implement the guiding principles in the preamble:

(a) Application of net-net accounting (net emissions or removals over the commitment period less net removals in the base year, times five) for agricultural activities (cropland management, grazing land management and revegetation);
(b) Accounting for forest management up to the level of any possible Article 3.3 debit (up to 8.2 megatons of carbon per Party per year; no discounting);
(c) Additions to and subtractions from the assigned amount of a Party, resulting from forest management under Article 3.4 after the application of the Article 3.3 debit compensations as described in subparagraph (b) above, and resulting from forest management undertaken under Article 6, shall not exceed the value inscribed in Appendix Z to this decision.

7. That the eligibility of LULUCF activities under Article 12 is limited to afforestation and reforestation.

8. That for the first commitment period, the total of additions to and subtractions from the assigned amount of a Party resulting from eligible LULUCF activities under Articles 12, shall not exceed 1 % of base year emissions of that Party, times five.

9. To request the Subsidiary Body for Scientific and Technological Advice to develop definitions and modalities for including afforestation and reforestation projects under the CDM in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in paragraph 2 and terms of reference to be agreed by the Subsidiary Body for Scientific and Technological Advice, with the aim of adopting a decision on these definitions and modalities at its ninth session, to be forwarded to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session.

APPENDIX Z

Mt C/yr

Australia 0.00
Austria 0.63
Belgium 0.03
Bulgaria 0.01
Canada 12.00
Czech Republic 0.32
Denmark 0.05
Estonia 0.10
Finland 0.16
France 0.86
Germany 1.24
Greece 0.09
Hungary 0.29
Iceland 0.00
Ireland 0.05
Italy 0.18
Japan 13.00
Latvia 0.34
Lithuania 0.28
Luxembourg 0.01
Monaco 0.00
Netherlands 0.01
New Zealand 0.20
Norway 0.40
Poland 0.82
Portugal 0.22
Romania 1.10
Russian Federation 17.63
Slovakia 0.50
Slovenia 0.36
Spain 0.67
Sweden 0.58
Switzerland 0.50
Ukraine 11.11
United Kingdom 0.37
United States of America* 0.01

VIII. PROCEDURES AND MECHANISMS RELATING TO COMPLIANCE UNDER THE KYOTO PROTOCOL

The Conference of the Parties agrees:

1. That, with the aim of promoting compliance and providing for early warning of potential non-compliance, the facilitative branch shall be responsible for providing advice and facilitation for compliance with:

(a) Quantitative emission commitments (Article 3.1) prior to the beginning of the relevant commitment period and during that commitment period;
(b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4) prior to the beginning of the first commitment period.
2. That the consequences of non-compliance to be applied by the enforcement branch shall be aimed at the restoration of non-compliance to ensure environmental integrity, and shall provide for an incentive to comply. These consequences shall be the following:
   (a) For the first commitment period deduction at a rate of 1.3;  
   (b) For subsequent commitment periods at a rate to be determined in future amendments;  
   (c) Development of a compliance action plan;  
      – to be submitted to the enforcement branch for review and assessment;  
      – to provide for action to comply with the quantitative emission commitments of the subsequent commitment period; and  
      – to give priority to domestic policies and measures;  
   (d) Suspension of the eligibility to make transfers under Article 17.  
3. That the enforcement branch shall be responsible for determining whether a Party included in Annex I is not in compliance with:
   (a) Quantitative emission commitments (Article 3.1);  
   (b) Methodological and reporting requirements (Articles 5.1, 5.2, 7.1 and 7.4); and  
   (c) Eligibility requirements under Articles 6, 12 and 17.  
4. That there shall be an appeals procedure to the Conference of the Parties serving as the meeting of the Parties against final decisions of the enforcement branch related to Article 3.1 if a Party believes it has been denied due process. Majority of at least three-quarters is required to override decisions of the enforcement branch. 
   (c) The principle of common but differentiated responsibilities and respective capabilities shall be reflected in the mandate of the facilitative branch.  
6. That the enforcement branch and the facilitative branch shall each be composed of:
   (a) One member from each of the five regional groups of the United Nations and one member from the small Island developing States, taking into account the interest groups as reflected by the current practice of the bureau of the Convention;  
   (b) Two members from Parties included in Annex I; and  
   (c) Two members from Parties not included in Annex I.  
7. That the Compliance Committee shall take decisions by consensus, failing which majority of at least three quarters is required. In addition, decisions by the enforcement branch require a majority of members from Parties included in Annex I, as well as a majority of members from Parties not included in Annex I.  
8. To:
   (a) Adopt, at its sixth session, the procedures and mechanisms relating to compliance as specified above; and  
   (b) Recommend the adoption, by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, at its first session, of procedures and mechanisms relating to compliance in terms of Article 18 of the Kyoto Protocol.

Notes 
1. See FCCC/CP/2001/2/Add.4, page 10, paragraphs 3 and 4.  
2. Commonly referred to as joint implementation.  
3. In arriving at the values in the Appendix, the COP was guided by the application of an 85% discount factor to account for the removals identified in paragraph 1(h) and a 3% cap on forest management, using a combination of data provided by Parties and FAO data. Consideration was also given to national circumstances (including the degree of effort needed to meet Kyoto commitments and the forest management measures implemented). The accounting framework established in this paragraph shall not be construed as establishing any precedent for the second and subsequent commitment period.  
4. The blank entry reflects the fact that the United States of America did not participate in the development of this table. An approximate number for the United States of America based on data submitted by the United States of America in document FCCC/SBSTA/2000/MISC.6 and data from the FAO in document TBFRA-2000 (UN-ECE/FAO) would be 28 Mt Co2/y.

Decision 6/CP.6

Administrative and Financial Matters

Institutional Linkage of the UNFCCC Secretariat to the United Nations

Institutional linkage of the Convention secretariat to the United Nations

The Conference of the Parties,  
Recalling its decision 14/CP.1 whereby it decided that the Convention secretariat shall be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme,  
Recalling also General Assembly resolution 50/115 of 20 December 1995 and resolution 54/222 of 22 December 1999,  
Noting with satisfaction the recommendation of the Secretary-General on this matter,  
Noting the recommendation of the Secretary-General on this matter,  
Noting with satisfaction that the linkage continues to provide a sound basis for the functioning and administration of the Convention secretariat,  
Noting that the expenses for conference servicing of the Convention are being met from the regular budget of the United Nations,  
1. Expresses its appreciation to the Secretary-General of the United Nations for the support provided to the secretariat of the Convention through the Department of Economic and Social Affairs and the Department of Management;  
2. Approves the continuation of the current institutional linkage of the Convention secretariat to the United Nations and related administrative arrangements for a further five-year period, to be reviewed by both the General Assembly and the Conference of the Parties by not later than 31 December 2006;  
3. Invites the Secretary-General to seek the endorsement of the General Assembly at its fifty-sixth session for the continuation of the institutional linkage for a further five years;  
4. Invites the United Nations General Assembly to decide at its fifty-sixth session on the issue of meeting the conference servicing expenses of the Convention from its regular budget, not later than 30 June 2006.

Notes 
1. FCCC/SBI/2001/5.  
2. See document FCCC/SBI/2001/5, paragraph 15.