

UNFCCC Governance: Understanding Climate Decision-Making

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The intergovernmental response to climate change operates through one of international law's most complex governance systems, an architecture spanning a myriad of institutional bodies that facilitate and support global climate action among 198 countries. Understanding how decisions flow through this system and how bodies interact is essential for effective engagement in climate negotiations.

Throughout this briefing, "UNFCCC system" or "UNFCCC governance system" is used as shorthand to refer to the three-treaty system comprising the United Nations Framework Convention on Climate Change (1992), the Kyoto Protocol (1997), and the Paris Agreement (2015), along with their shared institutional architecture. When referring specifically to the 1992 treaty, this briefing uses "the Convention" or "the UNFCCC. "COP" is used as shorthand for the Conference of the Parties to the Convention when the context is clear, following common usage in climate negotiations.

The Three-Track Architecture and Its Interconnections

The UNFCCC governance system has evolved from a single-track structure under the 1992 Framework Convention on Climate Change (the Convention) to a three-track system following the adoption of the Kyoto Protocol in 1997 and the Paris Agreement in 2015. While each track maintains its own governing body with authority over its respective legal instrument, the interconnectedness of these regimes means that these bodies share critical infrastructure and must coordinate on overlapping mandates. Towards this aim, they frequently share decisions, or reference each others' decisions.

The Conference of the Parties (COP) serves as the supreme governing and decision-making body for the Convention itself. Established under Article 7 of the Convention, it includes all 198 Parties and meets annually to review implementation and make decisions necessary to promote the Convention's objectives. The COP maintains oversight of all Convention institutions and can establish new subsidiary bodies through formal decisions. It also serves as the meeting of the Parties to the Kyoto Protocol (CMP) and the meeting of the Parties to the Paris Agreement (CMA), which meet at separate sessions during the COP.

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) operates under Article 13 of the Protocol, with only its 192 Parties participating in decisions. The CMP exercised authority over the Protocol's flexibility mechanisms, including the Clean Development Mechanism, Joint Implementation, and emissions trading. Importantly, the CMP relies on the same subsidiary bodies as the COP, creating a need for careful coordination on technical matters that affect both instruments. Following the end of the Kyoto Protocol's second commitment period in 2020, the CMP now addresses limited business, primarily focused on winding down the Clean Development Mechanism and completing the transfer of the Adaptation Fund to serve exclusively under the Paris Agreement.

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), established under Article 16 of the Agreement, oversees implementation for its 195 Parties. The CMA's relationship with pre-existing institutions demonstrates the complexity of multi-track governance: most constituted bodies—including the Adaptation Committee, LEG, TEC, CTCN, CGE, Standing Committee on Finance, and the Katowice Committee of Experts—now serve both the Convention and Paris Agreement, reporting to both COP and CMA. The CMA also oversees the Adaptation Fund together with the CMP (until the Fund fully transfers from the Kyoto Protocol to the Paris Agreement), and has established Paris Agreement–specific institutions such as the Paris Agreement Implementation and Compliance Committee, distinct from the Kyoto Protocol's Compliance Committee.

While all three governing bodies continue to meet, their operational roles have shifted significantly. The Paris Agreement has become the primary vehicle for international climate action, with the CMA handling the vast majority of substantive negotiations on mitigation, adaptation, finance, and implementation. The CMP's agenda has contracted substantially since the end of the Kyoto Protocol's second commitment period in 2020, now largely confined to administrative matters related to the Protocol's legacy mechanisms. The COP maintains its foundational role under the Convention, addressing matters that predate or sit outside the Paris Agreement framework, though many of its functions now operate in coordination with or have been subsumed by CMA processes. This evolution reflects the international community's consolidation around the Paris Agreement as the operational framework for climate action, while maintaining the formal legal architecture of the three-treaty system.

The three governing bodies convene simultaneously during annual COPs, often holding joint plenary sessions for efficiency while maintaining separate decision-making processes. The practice of "mirror decisions" has emerged where very similar text is adopted by the COP and CMA (sometimes also the CMP) to ensure coherence on cross-cutting issues. For instance, the COP and CMA take parallel decisions on finance, technology transfer, capacity building and other issues of concern to both of them. Decisions on the secretariat's budget require adoption by all three governing bodies since they share the secretariat and subsidiary bodies. When the same issue requires decisions from multiple bodies, the Presidency typically schedules sequential consideration—first in subsidiary bodies serving all tracks, then COP, followed by the CMA and (if needed) the CMP, thus maintaining legal autonomy.

COP Presidency

The coordination of these complex multi-track negotiations falls primarily to the COP President, who plays a pivotal role in guiding the annual Climate Conferences. The COP Presidency rotates among the five UN regional groups (African Group, Asia-Pacific Group, Eastern European Group, Latin American and Caribbean Group (GRULAC), and Western European and Others Group (WEOG)) with member countries within each regional group deciding which State will host the conference. This rotating system aims to provide equitable geographical representation. The COP President, typically a senior government official from the host country, is responsible for leading negotiations. The President's role includes working closely with the UNFCCC secretariat and Bureau to shape provisional agendas, facilitating discussions and consensus-building among parties, convening ministerial consultations and "Friends of the Chair" groups when negotiations stall, and ultimately wielding the gavel to adopt decisions by consensus. The Presidency serves for one year, though collaboration amongst various Presidencies has been used (such as the COP28-COP29-COP30 "troika") to maintain momentum on priority issues across multiple conferences.

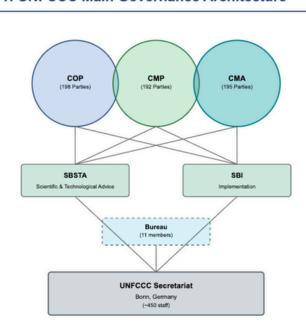


Diagram 1: UNFCCC Main Governance Architecture

Subsidiary Bodies as Technical-Political Bridges

The two permanent subsidiary bodies serve all three governing tracks simultaneously, sharing common functions and practices while maintaining distinct mandates. Both bodies negotiate towards reaching conclusions and preparing draft decisions for consideration by the governing bodies, which may adopt, modify, or further negotiate these texts depending on political consensus.

The Subsidiary Body for Scientific and Technological Advice (SBSTA), established by Article 9 of the Convention, provides scientific and technological guidance to the governing bodies. SBSTA's work directly feeds into political decision-making through several mechanisms. SBSTA coordinates with the Intergovernmental Panel on Climate Change to provide scientific input to the negotiations, requesting special reports and organizing joint workshops. The body also oversees methodological work that may becomes binding once adopted by the governing bodies, such as greenhouse gas inventory guidelines and carbon market methodologies.

The **Subsidiary Body for Implementation (SBI)**, created under Article 10, assists in assessing and reviewing implementation across all three tracks. SBI serves as the primary interface between national implementation and international oversight. It examines national communications and biennial transparency reports, identifying gaps and needs that inform decisions on support provision. SBI coordinates the work of capacity-building bodies, ensuring the Paris Committee on Capacity-building's recommendations align with the Consultative Group of Experts' technical assistance programmes in relation to reporting and transparency.

Joint SBI/SBSTA agenda items address cross-cutting issues like agriculture, gender, technology transfer, and Action for Climate Empowerment, requiring coordinated approaches across technical and implementation dimensions.

The subsidiary bodies meet twice yearly—during the annual end of year Climate Conferences and at mid-year intersessional meetings in Bonn. Their work programs, established by COP decisions, often span multiple years with regular progress reports.

Critically, the subsidiary bodies undertake preparatory work for the governing bodies, managing the technical complexity that would otherwise overwhelm these more political forums. They establish contact groups cochaired by one developed and one developing country representative, ensuring balanced leadership. These contact groups can create informal consultations and spin-off groups, but all text must return to a plenary meeting of the relevant subsidiary body before reaching the COP, CMP, or CMA. The subsidiary bodies conclude their work by adopting "conclusions" (which may be substantive or simply take note of progress). They may also forward "draft decisions" for adoption by the governing bodies. When consensus cannot be reached, SB conclusions may simply note that discussions will continue at the next session, with contentious text often captured in informal notes or co-chairs' summaries.

In addition to the permanent subsidiary bodies, the governing bodies periodically establish ad hoc working groups to conduct specific negotiating rounds on particular issues. Recent examples include the Ad Hoc Work Programme on the New Collective Quantified Goal on Climate Finance (established by Decision 9/CMA.3), which conducted intensive negotiations from 2022–2024 culminating in the adoption of the NCQG at COP29, and the Transitional Committee on Loss and Damage (established by Decision 2/CMA.4), which designed the institutional arrangements for the new Loss and Damage Fund in 2023. These time-bound mechanisms allow for focused negotiations on complex issues while reporting back to the COP, CMP, or CMA that established them.



The Bureau System and Secretariat: Coordination Between Sessions

The Bureau

The COP Bureau provides essential coordination between formal negotiation sessions. Unlike the subsidiary bodies established by the Convention, the Bureau derives its authority from the draft Rules of Procedure rather than the Convention itself, and neither the Convention nor the Rules define its specific functions. Instead, the Bureau's operative role has evolved through practice and COP decisions providing guidance on its coordination responsibilities.

The COP Bureau's 11 members comprise the COP President, seven Vice-Presidents, a Rapporteur, and the Chairs of SBSTA and SBI. Each of the five UN regional groups (African Group, Asia-Pacific Group, Eastern European Group, Latin American and Caribbean Group (GRULAC), and Western European and Others Group (WEOG)) are represented by two members, with one place reserved for small island developing states. Members are usually elected for a two-year term. The Bureau oversees preparation of provisional agendas and session organization, providing inter-sessional guidance to the secretariat. The same individuals serve as the Bureau for the Paris Agreement and Kyoto Protocol, with participation in specific decisions limited to representatives from parties to the relevant instrument—a pragmatic arrangement that ensures coordination while respecting legal distinctions between instruments.

The subsidiary bodies have their own Bureaux, maintaining their own leadership structures with a Chair, Vice-Chair and Rapporteur each typically elected for two-year terms, coordinating with the COP Bureau to ensure coherent session planning.

The Secretariat

The UNFCCC secretariat, established under Article 8 of the Convention and headquartered in Bonn, Germany, serves all three treaty bodies and their subsidiary institutions. Led by an Executive Secretary appointed by the UN Secretary–General with COP approval, the secretariat performs multiple critical functions: providing logistical and technical support for sessions, preparing documentation and synthesis reports, facilitating communication between parties, maintaining the roster of experts for technical reviews, and administering financial and institutional arrangements. The secretariat operates under the guidance of the COP, CMP, and CMA, implementing their decisions while maintaining neutrality in negotiations. Its role extends beyond administrative support to substantive work, including preparing technical papers, compiling and synthesizing party submissions, and supporting the work of constituted bodies. The secretariat's capacity to support UNFCCC bodies simultaneously while maintaining political neutrality makes it a linchpin of the UNFCCC system's functioning.



Agenda-Setting and the Decision-Making Process: From Proposals to Adoption

The progression of issues through UNFCCC bodies follows established procedures and practices that seek to balance inclusivity with efficiency. These are based on a set of draft Rules of Procedure (FCCC/CP/1996/2), which have never been formally adopted, due to dispute over draft rule 42 on voting. In practice, the COP applies the draft Rules of Procedure at each session, except for draft rule 42. Failure to adopt the Rules of Procedure, and specifically a voting rule, means that almost all decisions require consensus rather than majority voting.

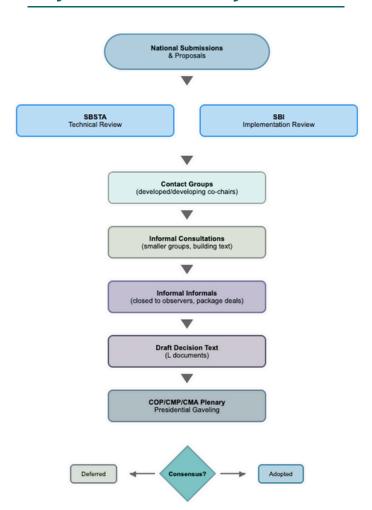


Diagram 2: Decision-Making Process Flow

Agenda Development and Adoption

The governing bodies each have their own agendas. Those of the COP and CMA include several common items (notably core cross-cutting issues such as finance, technology transfer, capacity-building, response measures), but also feature items specific to the mandate of each body (eg the NCQG, Article 6 mechanisms and Global Stocktake are part of the work of the CMA, but not the COP).

Provisional agendas are prepared by the secretariat in agreement with the President, in line with Rules 9-16 of the draft Rules of Procedure (FCCC/CP/1996/2). The provisional agenda includes standing items mandated by the relevant body, items from previous sessions that were not concluded, proposals from Parties, and items held 'in abeyance' (items included in a previous agenda that are now suspended, as there is no agreement to either discuss or delete them). It has become commonplace for Parties to table new agenda items after the provisional agenda has been circulated (at least six weeks before the session), and these are included in a supplementary document.

Due to lack of agreement on voting, the agenda must be adopted by consensus. This has often led to "agenda fights" at the start of sessions, delaying the start of proceedings. Disputes over the agenda are typically brokered by the Presidency through adjustments to an item's wording or placement, or through assurances that an issue will be considered informally, even if it is not on the agenda.

The COP will typically allocate items to the two subsidiary bodies for their consideration, in line with their mandates. For particularly sensitive items, the COP President might choose to launch consultations under the COP itself, conducted either by the Presidency or by a senior delegate (usually a COP Bureau member).

From Subsidiary Body Negotiations to COP Decisions

Once an agenda item is allocated to a subsidiary body, the process follows different stages:

- Initial Consideration: The subsidiary body Chair introduces the item in plenary, typically establishing a contact group
- Contact Groups and Informal Consultations: Contact groups meet in public session to debate the issue and develop draft text, with all interested parties able to participate and interventions formally recorded. Text development draws from various sources: position papers submitted by Parties before negotiations, proposals from the secretariat, and new proposals introduced during discussions. When positions remain far apart or technical details require refinement, co-facilitators may convene informal consultations—smaller, behind-the-scenes meetings among the most interested delegations. While there is no hard and fast rule distinguishing these formats, informal consultations typically involve a more limited group and can range from scheduled but closed meetings in side rooms to ad hoc discussions over coffee, providing flexibility for exploratory compromises. These informal consultations increasingly these remain open to observers unless a significant number of Parties object. Parties may also meet in "informal informals" (closed even to non-negotiating Party delegates), or other types of informal settings (eg drafting groups). Throughout negotiations, Parties and facilitators may introduce "non-papers" (unofficial proposals) or "conference room papers" (CRPs) containing new textual proposals. Co-facilitators often compile evolving positions into "informal notes" that track progress. Since these lack official status, they tend to be more acceptable to negotiators who do not want to compromise too early.
- Text Progression in SBs: Draft conclusions from contact groups return to the subsidiary body. If agreement is reached, these may include draft decisions forwarded to the COP/CMP/CMA. Contentious items may result in so-called procedural conclusions merely noting discussions will continue.
- COP/CMP/CMA: When technical negotiations do not reach draft decisions to be directed towards the COP/CMP/CMA, these will be negotiated under the sessions of these bodies, during the second week of the COP.
- Elevation to political/ministerial level. When negotiations stall or approach political thresholds, issues are elevated through carefully calibrated processes. The COP/CMA/CMP President (or designated ministerial pairs) convene informal consultations with key parties, often identified by the Bureau in consultation with regional coordinators. These consultations may result in the Presidency formulating a draft decision reflecting the Presidency's assessment of potential compromise positions. The process of crafting these texts is politically delicate: releasing such text prematurely can crystallize opposition, while waiting too long may leave insufficient time for necessary adjustments. Presidencies typically consult extensively with party groups, the Bureau, and the secretariat before introducing such texts, which are disseminated as numbered conference room papers or informal notes for initial party reaction. If reception is negative, the Presidency may withdraw or revise the text; if cautiously positive, it proceeds to formal consideration. "Friends of the President/Chair" groups, small, invitation-only consultations with 15-25 key negotiators representing different interests, provide a forum for testing compromise language before wider circulation. These groups operate under strict confidentiality, with no formal records, allowing parties to explore positions without committing publicly. Text emerging from these political consultations is introduced in plenary by the Presidency with an appeal for adoption "in the spirit of compromise," often late in conferences when pressure for agreement is highest. These meetings and efforts can happen even in parallel of more formal negotiations if the issue is highly political.
- Final Adoption: The Presidency proposes draft decisions for adoption in a formal plenary, typically the final plenary for the key political issues. The President's gavel signifies adoption by consensus. Adopted decisions receive permanent numbers (e.g., Decision I/CMA.5) in the session report. Climate Action events seek to influence COP decisions on enhancing ambition

Observer Participation and Transparency

The UNFCCC provides for the admission of UN organizations, UN specialized agencies, intergovernmental organizations (IGOs), and non-governmental organizations (NGOs) as observers, provided these are "qualified in matters covered by the Convention" (Article 7.6). The latter divide into constituencies, coordinated through focal points. These consistuencies have grown from just three at COP 1 in 1995 (BINGO (business), ENGO (environmental), and LGMA (local governments) to nine today (including IPO (indigenous peoples), RINGO (research), TUNGO (trade unions), WGC (women and gender), YOUNGO (youth), and farmers). These mirror the nine "major groups" identified by Agenda 21, which was adopted at the 1992 Rio Earth Summit.

Observers access plenary and typically contact groups, but not usually informal consultations, though "open informals" increasingly provide transparency. High-level segment participation requires special registration, with speaking slots allocated through constituencies. While observers may make interventions when invited by the Chair or President and submit written statements and proposals, they do not participate in decision-making, which remains the exclusive prerogative of State Parties.

The Marrakech Partnership for Global Climate Action creates a bridge between the formal UNFCCC process and non-Party stakeholder action. The High-Level Champions, appointed by the incoming and outgoing COP Presidencies, facilitate this interface. Their work feeds into the technical examination processes overseen by SBSTA and SBI, while outcomes from the Global Climate Action events seek to influence COP decisions on enhancing ambition.

Constituted Bodies: Specialized Functions Within the System

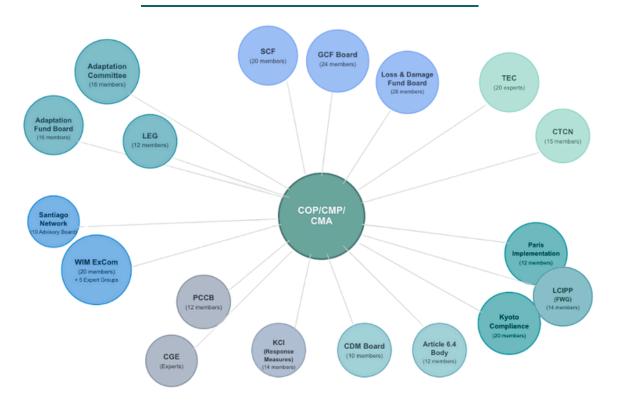


Diagram 3: Constituted Bodies Constellation

The constituted bodies operate with specific mandates while maintaining complex reporting and coordination relationships with other parts of the governance system. Each has its own governance structure, with a set number of members representing regional and other groups. Beyond these constituted bodies, the COP establishes time-limited ad hoc working groups to address specific mandates (such as the Ad Hoc Working Group on the Paris Agreement that operated from 2016–2018 coordinating its entry into force) and other temporary arrangements like high-level committees or expert dialogues as needs arise.

The Adaptation Architecture

The adaptation-focused bodies demonstrate how specialized institutions interact within the broader system. The Adaptation Committee, established by Decision I/CP.16, and subsequently designated to serve the Paris Agreement, now reports to both the COP and CMA, serves as the overall advisory body on adaptation with 16 members representing the main country groups. It does not operate in isolation but rather coordinates with multiple bodies: it provides input to the Standing Committee on Finance on adaptation finance needs, collaborates with the Technology Executive Committee on adaptation technologies, and guides the work of the Nairobi Work Programme on impacts, vulnerability, and adaptation.

The Least Developed Countries Expert Group (LEG) provides technical guidance specifically for the LDCs, but its work connects to broader processes. The LEG reviews national adaptation plans and provides feedback that informs both the Adaptation Committee's guidance and the Green Climate Fund's readiness support. It organizes regional training workshops jointly with other bodies and contributes to the global stocktake's assessment of collective adaptation progress.

The **Adaptation Fund Board** manages a fund originally established under the Kyoto Protocol but now serving the Paris Agreement as well, following Decision 1/CMP.14 and 13/CMA.1. This dual governance arrangement requires the Board to report to both the CMP and CMA. The Fund's direct access modality, allowing national implementing entities to access funds without international intermediaries, has influenced the design of other climate funds including the Green Climate Fund.

Technology Mechanism Coordination

The Technology Mechanism demonstrates how policy and implementation arms interact. The **Technology Executive Committee (TEC)**, established by Decision 1/CP.16, serves as the policy arm with 20 technology experts who develop recommendations and conduct technology needs assessments. The TEC's annual recommendations feed into COP decisions on technology transfer, while its technical papers inform SBSTA's methodological work.

The Climate Technology Centre and Network (CTCN), also established under Decision 1/CP.16 and operationalized through Decision 2/CP.17, implements the mechanism's operational activities, responding to developing country requests for technical assistance. The CTCN Advisory Board includes the TEC Chair and Vice-Chair as members, ensuring coordination between policy development and implementation. The CTCN reports on its activities inform the TEC's policy recommendations, creating a feedback loop between implementation experience and policy guidance.

Both bodies contribute to the periodic assessment of the Technology Mechanism's effectiveness, conducted jointly by SBI and SBSTA. This assessment then informs COP decisions on strengthening technology development and transfer, demonstrating how review processes connect operational bodies to political decision-making.

The Warsaw International Mechanism: A Case Study in Complex Governance

The Warsaw International Mechanism for Loss and Damage (WIM) illustrates the complexity of modern climate governance, with its institutional arrangements spanning multiple bodies and governance tracks. Established at COP19 by Decision 2/CP.19 and anchored in the Paris Agreement through Article 8, the WIM operates under the joint authority of both the COP and CMA for now, though its governance arrangements remain under review. This complexity is due to political differences between Parties on where work on loss and damage should be located, whether under the Paris Agreement, the Convention, or both. The WIM Executive Committee (WIM ExCom) serves as the constituted body with 20 members who implement the mechanism's functions.

The joint COP/CMA governance creates unique complexities: the ExCom must report to two governing bodies that may have different Parties and priorities, navigate procedural guestions about which body decides what, and manage work programs that serve both Convention and Paris Agreement objectives. Decisions require coordination between COP and CMA agendas, with some matters addressed jointly while others fall under single-body authority. In practice, this works through synchronized agenda items where both bodies consider the same draft text, with legal affairs ensuring consistency. If disagreement arises, informal consultations between the bureau members of both bodies seek a compromise text acceptable to all parties in both forums.

The WIM ExCom's 20 members oversee five expert groups, each connecting to different parts of the UNFCCC architecture. The Expert Group on Slow Onset Events collaborates with SBSTA on research and systematic observation. The Task Force on Displacement coordinates with the Adaptation Committee on climate-induced migration. The Technical Expert Group on Comprehensive Risk Management works with the SCF on innovative finance instruments. This web of relationships requires careful coordination to avoid duplication while ensuring comprehensive coverage of loss and damage issues.

The Santiago Network, established by Decision 2/CMA.2 and operationalized through Decision 12/CMA.4, adds another layer of complexity. The Network operates as a mechanism under WIM ExCom oversight, reporting through the ExCom to both COP and CMA. The Network, made up of member organisations, bodies, networks and experts, catalyzes technical assistance through a hosted secretariat (UNDRR and UNOPS). Its 17-member Advisory Board includes two WIM ExCom representatives and, in an innovative move, representatives from the women and gender, indigenous peoples and children and youth constituencies. The Network must coordinate with the CTCN on technical assistance, the Adaptation Committee on adaptation planning, and the financial mechanism on funding for technical assistance.

Financial Mechanism: Multiple Entities, One System

The Financial Mechanism demonstrates how multiple institutions operate within a unified framework under the guidance of different governing bodies depending on their mandate. The mechanism operates through three entities and multiple specialized funds, each with distinct governance arrangements but interconnected operations.

UNFCCC Financial Mechanism COP Guidance Loss & Damage Fund (FRLD) Global Environment Facility (GEF) Green Climate Fund (GCF) Board: 26 members Council: 32 r (Operational 2024) Other Cli de Funds Adaptation Fund Trust Funds **Developing Country Recipients**

Diagram 4: Financial Architecture

Financial Oversight and Coordination

The **Standing Committee on Finance (SCF)**, established by Decision 2/CP.17, is an example of a coordinating body that does not manage funds directly but oversees the coherence of climate finance. With 20 members equally split between developed and developing countries, the SCF serves four critical coordination functions.

First, it conducts the Biennial Assessment and Overview of Climate Finance Flows, combining information from multiple sources to provide the COP with a comprehensive picture of climate finance. This assessment draws on reports from the operating entities of the Financial Mechanism (GEF and GCF), multilateral development banks, and OECD data, requiring extensive coordination with a range of institutions.

Second, the SCF organizes an annual Climate Finance Forum that brings together all climate funds, multilateral banks, and private sector actors. The Forum's recommendations feed into COP guidance to the operating entities and influence the replenishment cycles of various funds.

Third, the Committee provides draft guidance for the COP to transmit to the operating entities of the Financial Mechanism. This involves bringing together inputs from other constituted bodies—the Adaptation Committee on adaptation finance needs, the TEC on technology finance requirements, and the WIM Executive Committee on loss and damage support needs.

Fourth, the SCF assists the COP in exercising its authority over the Financial Mechanism through periodic reviews every four years, assessing whether the operating entities are effectively implementing COP guidance.

The Global Environment Facility (GEF) has served as an operating entity of the Financial Mechanism since 1994, with a Memorandum of Understanding adopted in 1996, through Decision 12/CP.2. serves both the Convention and the Paris Agreement. According to Convention provisions (Article 11), the Financial Mechanism – and therefore the GEF – must "function under the guidance of, and be accountable to" the COP, "which shall decide on its policies, programme priorities and eligibility criteria". The GEF thus reports annually to the COP, and the COP provides regular guidance to it (the CMA does too, transmitting this guidance through the COP). The GEF administers the Special Climate Change Fund and Least Developed Countries Fund under COP guidance, as well as the Capacity–Building Initiative for Transparency (CBIT), a dedicated trust fund established under Decision 1/CP.21 to support Paris Agreement transparency requirements —each responding to specific COP guidance while following GEF operational procedures.

The Green Climate Fund (GCF), established by <u>Decision I/CP.16</u> also serves as an operating entity of the Financial Mechanism, funding activities under both the Convention and the Paris Agreement. It is governed by a 24-member Board with equal developed-developing country representation, and therefore maintains a more independent governance structure. Its secretariat is located in Incheon, South Korea. The GCF Board makes funding decisions autonomously but must respond to COP guidance on eligibility criteria, priority areas, and the balance between adaptation and mitigation funding. The Fund's accountability framework requires annual reporting to the COP, with the SCF synthesizing these reports into its broader climate finance assessments.

The relationship between these operating entities is one of coordinated autonomy. While each entity maintains independent decision-making processes, they must coordinate on country programming to avoid duplication, align their results frameworks to enable aggregate reporting, and participate in joint replenishment discussions to ensure predictable climate finance flows.

The new **Loss and Damage Fund**, established by <u>Decision 2/CMA.4</u> and operationalized at COP28, adds another dimension to financial governance. As another operating entity of the Financial Mechanism under joint COP and CMA governance, the Fund must navigate the complexities of dual reporting and guidance from governing bodies with potentially different memberships and priorities (especially after the US' withdrawal from the Paris Agreement). Initially hosted by the World Bank for four years, the Fund will have its own Board of 26 members with a developing country majority. Its secretariat is based in the Philippines. Its relationship with existing funds requires clear separation of boundaries—the Fund addresses loss and damage beyond adaptation limits, distinguishing its mandate from the Adaptation Fund and GCF adaptation window.

Technical Review Processes: Connecting National Action to Global Oversight

The Enhanced Transparency Framework (ETF) under the Paris Agreement illustrates how technical processes feed into political decision-making and support provision. The ETF builds on existing reporting and review arrangements under the Convention and Kyoto Protocol, to scrutinize and review actions and support of individual countries. The framework, which requires all parties to submit Biennial Transparency Reports (BTRs), operates through several connected review processes that create accountability while identifying progress made and challenges such as capacity-building and support needs.

The BTRs are subject to a **Technical Expert Review (TER)** by TER teams. These teams, drawn from the UNFCCC Roster of Experts, produce technical reports that consider a party's implementation and achievement of its NDC, support provided, and identify areas of improvement and capacity-building needs. The Consultative Group of Experts synthesizes common challenges from these reviews, developing training materials and recommendations that inform both the Paris Committee on Capacity-Building's work program and the GCF's readiness support.

The Facilitative Multilateral Consideration of Progress takes the technical review outputs into a multilateral setting where Parties can pose questions about support provided and implementation. SBI oversees this process, with outcomes informing one of the other key review mechanisms of the Paris Agreement, the assessment of collective progress towards the Paris Agreement long-term goals under the Global Stocktake that takes place every five years. Persistent issues identified across multiple Parties can trigger systemic recommendations from the Paris Agreement Implementation and Compliance Committee. This multi-layered review architecture ensures technical findings influence multiple governance streams: individual party support through capacity-building programs, collective assessment through the global stocktake, and compliance through the Implementation Committee's oversight.

Compliance Mechanisms: Different Approaches

The two compliance systems, under the Kyoto Protocol and Paris Agreement respectively, use different approaches to ensuring implementation. The **Kyoto Protocol Compliance Committee**, established by Decision 27/CMP.1, operates through two distinct branches with different functions but coordinated procedures. The Facilitative Branch promotes compliance and provides early warning, while the Enforcement Branch determines non-compliance and applies consequences, which can include penalties. This Compliance Committee is winding down, as with the completion of the Kyoto Protocol's second commitment period and the receipt of all final inventory data, the Committee's work is now essentially complete, with only one remaining question before it.

The Paris Agreement Implementation and Compliance Committee, operationalized by Decision 20/CMA.1, takes a unified approach with 12 members working as a single body. The Committee can initiate consideration in three ways that demonstrate its connection to other processes: automatically when parties fail to submit mandatory reports (triggered by secretariat notification), with party consent for persistent inconsistencies identified in technical expert review reports, and through self-referral by parties seeking assistance.

Both committees report annually to their respective governing bodies but also identify systemic issues that affect multiple parties. These systemic issues can trigger broader reviews of support provision or procedural adjustments, showing how individual compliance cases can influence system-wide governance.

Conclusion: Navigating Institutional Complexity

The UNFCCC governance architecture represents one of international law's most complex institutional systems, with several bodies operating through intricate relationships of reporting, coordination, and mutual dependence. Understanding this system requires recognizing not just the formal mandates of individual bodies but how they interact in practice through both formal channels and informal coordination mechanisms.

For practitioners engaging with this system, several key principles emerge. First, no body operates in isolation: decisions in one forum inevitably affect others, requiring strategic consideration of how issues move through the institutional landscape. Second, the technical-political interface through the subsidiary bodies serves as the critical junction where technical expertise and implementation experience meets political decision-making. Third, the multiplicity of bodies provides multiple entry points for influence, but also requires coordination to ensure coherent messaging across forums.

The system's reliance on consensus without formal voting rules places premium on informal negotiations and coordination mechanisms that enable package deals and trade-offs across issues. How these informal practices are used in different ways at each major Climate Conference, from contact groups to informal informals to ministerial huddles, shows institutional learning and adaptation to negotiating pressures. These informal mechanisms can, however, reduce transparency and limit participation by smaller delegations and observers, creating tension between efficiency and inclusivity.

Yet the system faces persistent criticism and calls for reform. The consensus-based decision-making process, while ensuring broad legitimacy, is criticized for enabling individual parties or small groups to block progress, leading to lowest-common-denominator outcomes and lengthy negotiations that test all but especially smaller delegations. The proliferation of agenda items, workstreams, and constituted bodies, while reflecting the expanding scope of climate action, creates coordination challenges and resource constraints, particularly for developing country delegations that cannot staff all parallel meetings. Transparency concerns persist despite improvements, with critical negotiations still occurring in closed informal consultations where only select delegations participate, limiting the ability of smaller parties and observers to track and influence outcomes. The sheer volume of meetings (two subsidiary body sessions plus annual COPs, alongside numerous constituted body meetings and intersessional workshops) strains participation, especially for least developed countries and small island states. Critics also point to duplication of mandates across bodies, unclear reporting lines, and the challenge of maintaining institutional memory as memberships rotate. These structural tensions have prompted ongoing debates about whether incremental procedural adjustments suffice or whether more fundamental reforms, such as introducing qualified majority voting for certain decisions, streamlining the institutional architecture, or enhancing transparency requirements, are necessary to enable the system to respond at the pace and scale climate change demands.

As climate action accelerates and new challenges emerge, the governance system will continue to adapt through both pragmatic innovation and ongoing debates about structural reform.

For those seeking to influence climate governance, understanding these interconnections and coordination mechanisms is essential. Success requires not just technical expertise or political influence, but the ability to navigate the complex relationships between bodies, understand how decisions flow through the system, and identify the moments when technical options become political choices. The UNFCCC's institutional complexity reflects the challenge of governing global climate action, requiring both specialized expertise and integrated approaches, technical rigor and political flexibility, national sovereignty and collective action.

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