



# Earth Negotiations Bulletin

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## CLIMATE CHANGE CONVENTION COP-1 HIGHLIGHTS MONDAY, 3 APRIL 1995

### PLENARY

Monday morning's Plenary session heard formal statements and a progress report from the Committee of the Whole and addressed certain organizational matters.

**Klaus Töpfer**, Chair of the UN Commission on Sustainable Development, said that it is the mandate of the CSD to lead governments and international organizations on the road to sustainable development. Economic growth cannot be stimulated at the expense of the environment. The world is unstable because development has been unsustainable. The Rio Process should be as crucial for world peace as the Helsinki Process was for Europe in the 1970s and 1980s. He noted appreciation for the draft protocol produced by the AOSIS countries and added that there is no time for reluctance. He called for adoption of a protocol and the elaboration of joint implementation pilot projects. At its third session, which begins next week, the CSD will review the chapters of Agenda 21 related to land use. Steps toward cooperation on all types of forests could be negotiated in the 1995-96 intersessional period by a panel under the CSD and closely related to the FAO. The CSD will also discuss experiences in implementing national and local Agenda 21 plans, and review progress on cross-sectoral issues such as finance, technology transfer, and sustainable production and consumption patterns. Töpfer called for: utilization of potential innovative financial mechanisms; dialogue between those responsible for environmental policy and economic policy; more attention to capacity building; a global system for monitoring and assessing progress toward sustainable development; and common action and cooperation, including bringing the ODA level in line with the 0.7% target, and debt reduction.

**Mohamed El-Ashry**, CEO and Chair of the Global Environment Facility, noted that the GEF restructuring and replenishment negotiations concluded in March 1994, and 141 countries are now GEF participants. The fourth meeting of the GEF Council will be in early May. Among the GEF's accomplishments so far are adoption of a 1995 work programme that approves the operational strategies and the initiation of programming of financial resources. One priority use of such resources is to help recipient countries implement the Climate Change Convention. At its second and third meetings, the Council approved and allocated US\$14 million to a project preparation and development facility. The Council has also held its first round of discussions on a shorter project disbursement cycle. In February, the Council approved a US\$30 million work programme, which includes US\$10 million

for climate change activities. On 15 March, the GEF Trust Fund became effective. He added that NGOs have been admitted as observers to the GEF beginning with the next Council meeting. He concluded by noting that the restructured GEF meets the Climate Change Convention's requirements for the institution entrusted with the operation of the financial mechanism and that he regretted INC-11 did not make a more definite recommendation.

**Amb. Raúl Estrada-Oyuela**, Chair of the Committee of the Whole, reported on the progress in the work of the COW. The COW considered and approved FCCC/CP/1995/L.1 concerning the GEF report on the development of an operational strategy and on initial activities in the field of climate change. With respect to the appointment of the Permanent Secretariat, the COW adopted FCCC/CP/1995/L.3, which makes a recommendation on the linkages between the Convention Secretariat and the UN Secretariat. With regard to financial procedures, the COW adopted FCCC/CP/1995/L.2, which contains the complete text of the financial rules and the indicative list of assessments.

With regard to items that are still the subject of consultations, Mahmoud Ould El Ghaouth is chairing a drafting group on the Secretariat's budget, which is close to completion. Estrada is leading consultations on the location of the Secretariat. These talks have entered "a ripe stage" and it is the desire of several delegations that this item be concluded before the start of the Ministerial Segment. Amb. Bo Kjellén is holding consultations on the analysis of the adequacy of commitments in Article 4.2(a) and (b) to reach the objective of the Convention. The discussions on the criteria for joint implementation of obligations are making headway. Finally, the COW studied the item relating to the paper on subsidiary bodies, including the programmes of work and calendars of meetings. He hoped that the COW would be able to endorse this draft. The G-77 also prepared a draft decision on technology transfer, and Estrada hoped to make progress.

**Organizational Matters:** The President, Angela Merkel, proposed scheduling the Plenary from 5:00 - 7:00 pm on Tuesday, and the COW from 10:00 am - 2:00 pm to complete as much work as possible. She added that she is currently undertaking consultations on the Rules of Procedure.

**Admission of Observers:** The President introduced document FCCC/CP/1995/3, listing IGOs and NGOs to be admitted as observers to the COP, and suggested that future sessions of the COP should invite those organizations admitted at this session. She added that the admission requirements adopted by COP-1 would only apply to new admittees.

**Organization of work:** The Plenary then adopted several of the recommendations to the COP by INC-11, including the report on implementation; preparation and submission of national communications from Annex I Parties; first communications from

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non-Annex I Parties; methodological issues; maintenance of the interim arrangements referred to in Article 21, paragraph 3; arrangements between the COP and an operating entity or entities of the financial mechanism; and initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism.

Other conclusions from INC-11 have been agreed upon but are not included in the recommendations. The COP agreed that the following recommendations would be included under Agenda Item 6(c), Conclusion of outstanding issues and adoption of decisions, to be discussed during the Ministerial Segment: Conclusion (g), modalities for the functioning of operational linkages between the COP and operating entity (Agenda Item 5(b)); Conclusion (h), provision to developing country Parties of technical and financial support (Agenda Item 5(c)); and Conclusion (p), a multilateral consultative process formulation (Agenda Item 5(e)). Poland asked how the reservation to Recommendation 3, on national communications, made by countries with economies in transition, would be handled. The President said that consultations are continuing and she will notify the interested delegations if progress is achieved.

**STATEMENTS:** **Israel** stated that it will become a Party in the next few months, and expressed concern about global change. Weather changes would affect his country greatly, and the risk of inaction is too great. **The World Bank** outlined principles and projects for assisting in climate change mitigation, and added that successful projects depend upon the leveraging of other funding sources. He described ongoing efforts such as the Solar Initiative and an investment fund for renewable energy production.

Senator Heherson T. Alvarez (the Philippines) spoke on behalf of the **East Asia & Pacific Parliamentarians' Conference on Environment and Development**, and stated that the Asia-Pacific region is extremely vulnerable to climate change and should be given special status. He noted that developing countries cannot accept any new commitments and called upon developed countries to provide technology transfer and financial assistance. He also supported the AOSIS protocol.

Tom Spencer, **Global Legislators for a Balanced Environment**, stated that emission targets cannot be achieved without fiscal instruments. He advised delegates not be intimidated by ministers or lobbyists with clients "who are paying for confusion." He added that the next COP should convene on the iceberg recently broken off from Antarctica because, "it's bigger than Berlin, it has fewer distractions and has a built-in timetable for success."

Silhe Schei Tveitdal, **Climate is Ripe for a Change** (international youth campaign), expressed dismay over the COP's lack of progress and challenged the validity of specific Parties' promises to reduce emissions or preserve sinks.

The **Russian Federation** announced that it has prepared informational material on Russia's first national communication and its state of affairs in climate change. Delegations can find a brief summary at the entrance to the Plenary Hall.

#### **COMMITTEE OF THE WHOLE**

Estrada introduced and summarized FCCC/CP/1995/L.5 on the Roles of Subsidiary Bodies. He directed delegates' attention to four sections: paragraph 3, authorizing the Subsidiary Body for Scientific and Technical Advice (SBSTA) to establish two intergovernmental advisory panels subject to confirmation at COP-2; paragraph 6, inviting officers of the subsidiary bodies to submit proposals to COP-2 for their future cooperation with the IPCC; paragraph 9, directing the Secretariat to arrange three subsequent sessions for the subsidiary bodies; and paragraph 10, recommending that workshops and other events that are not budgeted be funded by the host country or other governments. He noted that bracketed text on page 2 represents placeholders for as yet unassigned decision document numbers, not that the bracketed text is in dispute. The US asked if the reference to guidance on

policies, programme priorities and eligibility criteria for the operating entity of the financial mechanism was appropriate. The Secretariat agreed that its inclusion was an error and that it would be removed. L.5 was recommended for adoption by the COP.

The Chair said that no draft decision on technology transfer was yet available and asked the Philippines, on behalf of the G-77, and France, on behalf of EU, to produce a document in time for Tuesday's session of the COW. Estrada also said that no consensus was yet apparent on a means to decide on the location of the Permanent Secretariat. Various means have been considered, including an informal confidential survey of delegations' preferences by secret ballot, with an absolute majority deciding between the four offers. He said the original agreement was that a decision would be taken at Berlin and preferably prior to the ministerial session, but one of the four candidate delegations has insisted that the decision not be taken in Berlin. He said he recognized that the general feeling of the house was to take a decision at COP-1. Canada said its understanding was that there is no consensus on this point. The Chair said he would wait for Canada to support his proposal.

#### **CONSULTATIONS ON ADEQUACY OF COMMITMENTS**

On Sunday afternoon, delegates agreed to base further negotiations on a paper produced by a group of "like-minded States." This paper, co-sponsored by 42 members of the Group of 77, sets forth the principles that should guide consultations on strengthening the commitments of Annex I Parties in Article 4.2(a) and (b) and how these consultations should be conducted.

When the consultations reconvened on Monday afternoon, OECD countries distributed their comments on the paper produced by the "like-minded States." The consultations adjourned so that the G-77 could review the OECD comments and the Chair, Amb. Bo Kjellén, requested that the various groups select representatives so that a group of 25 "Friends of the Chair" could convene at 7:00 pm to begin negotiations. This group of "Friends" was to consist of four members of the EU, four other OECD country representatives, two OPEC countries, two Eastern European countries, and the remaining delegates from the newly named "Group of 69." The Friends of the Chair were expected to meet late into the night. Some of the issues expected to dominate the discussion were: commitments for developing country Parties; setting specific and legally binding reduction targets (e.g. Toronto Targets) within specified timeframes; combining a reduction target for Annex I Parties with measures such as transfer of financial resources and technology to developing countries; and the target date for completion of the negotiations.

#### **THINGS TO LOOK FOR TODAY**

**COMMITTEE OF THE WHOLE:** The COW is scheduled to meet from 10:00 am -2:00 pm to complete all outstanding matters, if humanly possible. Outstanding issues include joint implementation (although it is expected that the G-77 will table a draft proposal to establish a JI pilot phase); adequacy of commitments; the budget for the Permanent Secretariat; the location of the Permanent Secretariat; and the G-77 proposal on technology transfer.

**PLENARY:** The Plenary is scheduled to convene from 5:00-7:00 pm to review the results of the Committee of the Whole and consider the programme of work for the final meeting of the COP.

**UNEP SEMINAR:** UNEP will host a seminar on joint implementation in the European Region from 1:15 - 2:45 pm in Room 6.

**EARTH COUNCIL AND ENERGY 21 PUBLIC MEETING:** The Earth Council and Energy 21 will hold a public meeting called "Solution Providers Forum" from 3:00 - 5:30 pm in Room 3. This meeting will be followed by an informal meeting with the press.