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CLIMATE CHANGE CONVENTION COP-1 HIGHLIGHTS: TUESDAY, 4 APRIL 1995

COMMITTEE OF THE WHOLE

The Chair opened the meeting and announced that he would report on the consultations on the location of the Permanent Secretariat, joint implementation, transfer of technology and the results of the drafting group on the budget.

JOINT IMPLEMENTATION: Estrada noted that there has been some progress on joint implementation and that the time is ripe for consultations between groups. He proposed that Mahmoud Ould El Ghaouth coordinate these consultations beginning Tuesday afternoon.

TRANSFER OF TECHNOLOGY: The G-77 and China's revised draft decision on technology transfer was distributed. The Republic of Korea, on behalf of the G-77 and China, noted that after consultations with other groups only three sets of brackets remained in the document.

The first brackets were in the second preambular paragraph that lists relevant provisions of the Convention related to technology transfer. The EU wanted to add a reference to Article 4.1. The G-77 and China thought this was unacceptable. The UK pointed out that Article 4.1(c) relates to the transfer of technology and Article 4.1 as a whole contains obligations of all Parties. Australia supported the reference to Article 4.1 and noted that more discussion is needed on paragraph 1(b) concerning an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change.

The Republic of Korea, on behalf of the G-77 and China, suggested as a compromise that Article 4.1 be included in the preamble, that the word "terms" be retained in paragraph 1(b) rather than the "conditions" under which such transfer could take place, and that the bracketed phrase "and as appropriate" be deleted from paragraph 3(a). France, on behalf of the EU, accepted this compromise, and added a footnote to paragraph 2(b) that a reference to communications include regional economic integration organizations included in the Convention.

The US, supported by New Zealand, thought further discussion was necessary. He asked if it was necessary to set the agendas for all future COPs in paragraph 3(a) and who will provide the advice to improve the operational modalities for the effective transfer of technology in paragraph 3(b). After several additional proposals by China, the Netherlands, the US and the Republic of Korea, the Chair noted that the discussion must come to an end, closed the debate and suggested that the Committee adopt the text with the

original compromise suggested by the Republic of Korea, on behalf of the G-77 and China, and accepted by the EU. Despite protestations by the US that its concerns had not been addressed, the Chair gavelled this matter to a close and the text was adopted.

BUDGET FOR THE PERMANENT SECRETARIAT: The Chair of the budget consultations, Mahmoud Ould El Ghaouth, said that a small number of political decisions remain that will affect the Convention budget for the biennium 1996-1997 (FCCC/CP/1995/L.4), and that their resolution will require completion of the budget figures. The document contains no figures for contributions from the host government, which will depend on the physical location of the Permanent Secretariat. It also has blanks for administration overhead and the year-end balance from voluntary funds. El Ghaouth also presented the draft decisions on extrabudgetary funding for the interim secretariat for 1995 (FCCC/CP/1995/L.7) and other voluntary funding for the biennium 1996-1997 (FCCC/CP/1995/L.8) for consideration.

At the suggestion of France, a footnote was added to L.4 explaining that the working capital reserve amounted to 8.3% of the operating budget, equivalent to one month's budget. A US recommendation to change a reference in L.8 from a "special voluntary fund" into a "special fund" was also agreed. The Executive Secretary indicated that the rules describe a special fund with voluntary contributions, but that the amendment would not make the contribution an assessed one. The documents were recommended to the COP for adoption.

LOCATION OF THE PERMANENT SECRETARIAT: Estrada reminded delegates that consensus has not emerged from the consultations with the countries offering cities to host the Secretariat. To reach a consensus on the physical location of the Secretariat, Estrada suggested an "informal survey" where each Party shall indicate its preference on a piece of paper prepared for this purpose and place this paper in a box. Any paper with more than one mark or no marks will be considered invalid. If one city has the "absolute majority" it will be proposed for a consensus solution. If not, there will be a second round with three cities and, if necessary, a third round with two cities.

Estrada then noted that budget implications and the need to establish a Secretariat without doubts about administrative arrangements made a decision imperative. Canada disagreed that this was the appropriate time to decide. He said that INC-11's intent was for COP-1 to select a candidate city only if there was consensus. He urged delegates to consider using the survey later at a neutral site. Responding to a question from Iran, the Chair said the survey would be informal and confidential as a means of reaching consensus, not a binding vote.

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Switzerland said it was not the time politically to pursue these consultations. He said it would also be a bad UN precedent. The decision should be made on neutral ground, possibly at the CSD meeting in New York. The US said he was persuaded by the Canadian and Swiss concerns.

Italy, supported by Poland, said he was impressed by the Chair's suggestion, and that Article 8.3 of the Convention says COP-1 should designate a Permanent Secretariat. Germany said now is an appropriate time to take a decision. Nigeria, Costa Rica, Ethiopia, Mali, Trinidad and Tobago, Togo, Cape Verde, Niger, Mauritius and Djibouti supported the Chair's proposal. Burkina Faso said that COP-1 should take the decision, but the question should be put before the Ministerial Segment.

Canada said Article 8.3 did not require COP-1 to decide on the location. He called for a substantive discussion, including budget figures comparing costs for the four locations. The Chair said the figures had been presented in consultations on the Convention budget, and participating delegations have had an opportunity to review them. The Chair said deferring the decision by a few weeks would be expensive and complicated. He said it was the feeling of the house that delegates should proceed, notwithstanding the reluctance of two candidates and some other delegations. He emphasized that the survey was not a decision or a vote.

Canada said that regardless of what it was called, the Chair was proposing a decision mechanism by majority vote. Canada noted his country's offer to contribute an additional \$1 million (Canadian) for five years to the Secretariat budget. Canada also distributed budget figures for staff and travel that showed Toronto costs to be 54% of Geneva, 67% of Montevideo and 70% of Bonn for 1996-1997. Switzerland said he was pleased to see his supporters backing a quick decision and that there was progress on the Chair's proposal. The US said it would not hold up progress. Uruguay agreed that a decision should be made at Berlin. The Chair said the first survey would occur in the afternoon.

PLENARY

The fourth Plenary meeting opened with a report from Amb. Estrada on the work of the Committee of the Whole. He stated that the COW had agreed on the draft decisions concerning the Secretariat's budget, and recommended them for approval under Agenda Item 6. He also stated that a compromise had been reached during discussions on technology transfer and that the decision is currently being translated.

The COW also approved an informal, confidential survey process for achieving consensus on the location of the Permanent Secretariat. The first round of the survey was completed at 4:00 pm, and none of the four cities offering to host the Secretariat received an absolute majority. The delegations representing the four cities have agreed to accept the survey's outcome. Uruguay noted that the decision process had been transparent and officially withdrew its offer to host the Secretariat in light of the results of the first survey.

The President presented some items to be adopted on the final day of COP-1, including several recommendations and conclusions from INC-11. The COP will also be invited to adopt the following draft decisions from the COW: the roles of subsidiary bodies (FCCC/CP/1995/L.5); the report of the GEF (FCCC/CP/1995/L.1); institutional linkages (FCCC/CP/1995/L.3); financial rules and the indicative list of assessments (FCCC/CP/1995/L.2/Rev.1); the Convention budget for 1996-97 (FCCC/CP/1995/L.4/Rev.1); extrabudgetary funding (FCCC/CP/1995/L.7); other voluntary funding (FCCC/CP/1995/L.8/Rev.1); and the draft decision on technology transfer.

The President stated that there are two agenda items still pending for COP-1: 7(a) Adoption of the report on credentials and 7(b) Date and venue of COP-2. She added that Cape Verde has deposited its instrument of ratification, bringing the total to 128 Parties.

CONSULTATIONS ON ADEQUACY OF COMMITMENTS

Negotiations on the elements of a mandate for consultations on commitments continued throughout the day and night. By mid-day, one member of the so-called "Green Group" reported that the negotiations were proceeding relatively well, while one developed country representative commented that negotiations were going from bad to worse. Environmental NGOs in the corridors outside of Room 7 expressed concern that the result of these consultations would be merely an "empty mandate." Nevertheless, negotiations continued despite the storming of the room by the press at 5:00 pm. All that was certain as the night wore on was that delegates and certain steadfast or persistent NGOs had another long night ahead of them.

CONSULTATIONS ON JOINT IMPLEMENTATION

An informal working group chaired by Mahmoud Ould El Ghaouth began consultations on joint implementation (JI) Tuesday afternoon. A drafting group of about 30 delegates began negotiations Tuesday night, working from a paper circulated by the G-77 and the EU and US draft decisions from INC-11. The drafting group was expected to work late into the night.

IN THE CORRIDORS

The second round of the "informal survey" of delegates on their preference for the physical location of the Permanent Secretariat took place between 6:00 - 7:00 pm. Unlike the first round when 99 out of 114 eligible Parties present at the negotiations participated, only 92 Parties entered Room 5 for the second round. When all the secret ballots were counted, there was still no "absolute majority" and Estrada announced that the third round would take place on Wednesday and the choice would be between Bonn and Geneva. The exact time of the third round will be determined by the Bureau on Wednesday morning.

THINGS TO LOOK FOR TODAY

PLENARY: The Ministerial Segment will begin this morning at 11:00 am with an address with German Chancellor Dr. Helmut Kohl. When the Ministerial Segment resumes at 2:00 pm, the speakers' list for the six-hour session is expected to include ministers and other heads of delegations from the following countries: the Philippines (on behalf of the G-77), France (on behalf of the EU), Norway, the European Community, Algeria, the Netherlands, Poland, Papua New Guinea, the Russian Federation, Denmark, Venezuela, Germany, Argentina, Australia, Japan, Switzerland, Indonesia, Senegal, the United Kingdom, the United States, New Zealand, Mauritania, Myanmar, Canada, Malaysia, Mexico, Brazil, Luxembourg, Spain and Mauritius.

COMMITTEE OF THE WHOLE: The COW will not meet again until consultations are complete on the outstanding issues, including the location of the Permanent Secretariat, adequacy of commitments and joint implementation. It is unlikely that the COW will meet today, but listen for an announcement as to the time of the next session. Also listen for announcements on the third round of the "informal survey" and on further informal consultations on outstanding issues.