



UNFCCC SB-18 HIGHLIGHTS THURSDAY, 12 JUNE 2003

Delegates to UNFCCC SB-18 convened in a SBSTA plenary and in contact and informal groups on Thursday. The SBSTA considered methodological issues, including good practice guidance and other information on LULUCF, emissions resulting from fuel used in international aviation and maritime transportation, review of methodological work under the UNFCCC and Protocol, issues relating to reporting and review of Annex I greenhouse gas inventories, and issues relating to Protocol Articles 5 (methodological work), 7 (communication of information), and 8 (review of information). They also considered the development and transfer of technologies, research and systematic observation, and cooperation with relevant international organizations.

Contact groups convened on sinks in the CDM, UNFCCC Article 4.8 and 4.9 (adverse effects) and the Special Climate Change Fund. Informal consultations on the programme budget for the biennium 2004-2005 and the IPCC TAR also took place.

SBSTA

METHODOLOGICAL ISSUES: Good practice guidance on LULUCF: Contact group Co-Chair Audun Rosland (Norway) introduced the draft conclusions (FCCC/SBSTA/2003/L.3), which the SBSTA adopted without amendment. The conclusions take note of the IPCC's work on: good practice guidance on LULUCF; definitions on degradation and revegetation; and the factoring out of natural and indirect human effects on carbon stock change. In the conclusions, SBSTA requests the Secretariat to prepare a paper on draft common reporting formats and decides to continue consideration of issues relating to harvested wood products at SBSTA-19.

Emissions resulting from fuel used in international aviation and maritime transportation: Contact group Co-Chair Greg Terrill (Australia) introduced the draft conclusions (FCCC/SBSTA/2003/L.2), which the SBSTA then adopted. In these conclusions, the SBSTA invites the International Maritime Organization, International Civil Aviation Organization and UNFCCC Secretariats to set up two expert meetings before SBSTA-20 to discuss options to improve the methodologies for estimating and reporting emissions from international aviation and maritime transportation.

Review of methodological work under the UNFCCC and Protocol: Harald Dovland (Norway) reported on informal consultations on the issue. He said the annex to the draft conclusions, which contain initial proposals by Parties on elements of a possible future work programme, remains entirely bracketed. Parties then adopted the draft conclusions (FCCC/SBSTA/2003/L.8), which describe the purpose of the methodological work, note the need to prioritize work on methodologies, and underscore the importance of reliable information. In the conclusions, SBSTA requests Parties to submit further views on elements of a possible future work programme.

Issues relating to reporting and review of Annex I greenhouse gas inventories: Consultations on this matter were conducted by Chair Thorgeirsson. Parties adopted the draft

conclusions (FCCC/SBSTA/2003/L.7), and agreed to recommend a draft COP decision (FCCC/SBSTA/2003/L.7/Add.1). The conclusions recommend that COP-9 adopt the draft decision relating to the technical review of greenhouse gas inventories, which contains a training programme for ERT members, a code of practice for the treatment of confidential information, and an agreement for expert review services for members of ERTs.

Issues relating to Protocol Articles 5, 7 and 8: Contact group Co-Chair Helen Plume (New Zealand) reported on outcomes of the group's work, noting that delegates had addressed adjustments under Article 5.2 (adjustments) and issues relating to the implementation of Article 8. Parties agreed to recommend draft COP and COP/MOP decisions on technical guidance on methodologies for adjustments (FCCC/SBSTA/2003/L.6/Add.2), and an addendum to these draft decisions (FCCC/SBSTA/2003/L.6/Add.3), containing technical guidance on methodologies for adjustments. Following an amendment, Parties agreed to recommend draft COP and COP/MOP decisions on the implementation of Article 8 (FCCC/SBSTA/2003/L.6/Add.1), including the training programme for ERT members and criteria for selecting lead reviewers. Murray Ward (New Zealand) reported on informal consultations on registries, and Parties adopted the draft conclusions (FCCC/SBSTA/2003/L.6).

DEVELOPMENT AND TRANSFER OF TECHNOLOGIES: Reporting on the informal consultations on development and transfer of technology, Co-Chair Kishan Kumarsingh (Trinidad and Tobago) said that three informal meetings had been convened on the results of the workshop on enabling environments, held in Ghent, Belgium, from 9-10 April 2003. Delegates then adopted the draft conclusions (FCCC/SBSTA/2003/L.5). In these conclusions, SBSTA requests the EGTT to consider the development of environmentally sound technologies and the outcomes of the workshop on synergies, and then recommend further actions to SBSTA. It also requests the Secretariat, subject to the availability of resources, to organize senior-level round-table discussions between governments, business and industry at COP-9, and a special meeting of the EGTT in conjunction with the technology events planned by the Government of India in November 2003.

RESEARCH AND SYSTEMATIC OBSERVATION: Contact group Co-Chair Sok Apadu (Mauritius) provided a brief overview of the draft conclusions (FCCC/SBSTA/2003/L.4), and the draft decision (FCCC/SBSTA/2003/L.4/Add.1). Parties then adopted the draft conclusions and agreed to forward the draft decision to the COP. In the conclusions, SBSTA notes recommendations on observing standards and data exchange, integrated global climate-quality products, capacity building and systems improvements, and reporting by Parties. The SBSTA also requests Parties to submit views on priorities for actions. In the draft decision, the COP urges Parties to support high priority needs by contributing to relevant funding mechanisms, and requests the Global Climate Observing System Secretariat to coordinate the development of a phased five to ten year implementation plan for integrated global climate observing systems.

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COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS: The SBSTA adopted the draft conclusions (FCCC/SBSTA/2003/L.9), with a minor amendment. The conclusions provide that SBSTA: agrees to continue discussing cooperation with other conventions at SBSTA-19; welcomes the IPCC decision to undertake its Fourth Assessment Report; and encourages Parties to coordinate issues relevant to the UNFCCC and the WTO at the national level.

CONTACT GROUPS

SINKS IN THE CDM: In this contact group, Parties considered the Co-Chairs' draft conclusions and commented on the draft negotiating text on modalities and procedures for afforestation and reforestation (A&R) project activities under the CDM. Parties agreed to the draft conclusions. The G-77/CHINA, with BRAZIL and CANADA, noted that some issues need to be further addressed in the draft negotiating text. He also raised the need to define non-permanence and further consider uncertainty. SENEGAL, supported by CHILE, said that modalities for small-scale CDM projects should be developed.

IPCC TAR: The IPCC TAR contact group completed its work after two days of informal consultations. Delegates reached agreement on outstanding issues, including whether and how to address cross-cutting issues of adaptation and mitigation.

SPECIAL CLIMATE CHANGE FUND: Following informal consultations in the afternoon, the contact group reconvened in the evening and agreed to the Co-Chairs' draft conclusions, after a minor editorial amendment proposed by Argentina.

UNFCCC ARTICLE 4.8 AND 4.9: After informal consultations on this item in the morning, this contact group convened in the afternoon to consider a revised Co-Chairs' proposal for the draft conclusions. These conclusions include partially agreed paragraphs. The EU, CANADA, AUSTRALIA, JAPAN, US, AOSIS and NEW ZEALAND noted that while the text did not serve all their interests, they supported its use as the basis for negotiation. They said that if there was no agreement on the use of this text, they would prefer stating this in the draft conclusions and not forwarding any text to SBI-19. SAUDI ARABIA, LIBYA for the

AFRICA GROUP, KUWAIT, VENEZUELA, and NIGERIA opposed the use of the text, and proposed using the last version of the draft conclusions or conclude that there was no agreement. SAUDI ARABIA cautioned against setting a precedent by not forwarding any draft texts to the next session. Recalling previous instances where Parties have "agreed to disagree," the US objected, and said that Parties were not obliged to forward the penultimate text.

Co-Chair Fadhel Lari noted that Parties were unable to agree, and proposed that the draft conclusions state that the SBI did not complete its work on the agenda item and agreed to continue at the next session. SBI Chair Daniela Stoycheva then welcomed Parties to a pre-session meeting to consider how to continue with this agenda item.

IN THE CORRIDORS

After the sinks in the CDM contact group concluded Thursday, several observers noted that agreement on this issue was now "long overdue," and suggested that the text in the annex on modalities and procedures will provide a sound basis for discussions at SBSTA-19. Others were less optimistic and wondered if a decision would be postponed until COP-10, noting that the 27-page text remains heavily bracketed. In other news, some observers expressed hope that Russia's ratification would be submitted to the Duma for consideration next week, creating a much-needed boost to the subdued ambiance of SB-18.

THINGS TO LOOK FOR TODAY

SBSTA: The SBSTA will convene at 10:00 am to consider the IPCC TAR, sinks in the CDM, policies and measures, and other matters.

SBI: The SBI will meet upon conclusion of the SBSTA to consider all items on its agenda.

ENB SUMMARY: The summary issue of the *Earth Negotiations Bulletin's* coverage at SB-18 will be available at <http://www.iisd.ca/linkages/climate/sb18> on Monday, 16 June.

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