



## UNFCCC COP-9 HIGHLIGHTS: WEDNESDAY, 3 DECEMBER 2003

On Wednesday, delegates to COP-9 convened in morning meetings of the SBSTA and SBI, and throughout the day in informal consultations and contact groups. SBSTA discussed cooperation with relevant international organizations, cleaner or less-greenhouse gas-emitting energy, implementation of Protocol Article 2.3 (adverse effects of P&Ms), activities implemented jointly (AIJ) and the Brazilian proposal for differentiated emissions reduction targets according to the impact of their historic emissions on temperature rise. SBI addressed the programme budget for 2004-5. Several contact groups met to discuss draft conclusions and COP decisions.

### SBSTA

**COOPERATION WITH RELEVANT ORGANIZATIONS:** Several Parties stressed the need to promote capacity building, technology transfer and reporting as measures to support synergies. FAO reported on its activities relating to agriculture, energy, and rural development, and IUCN highlighted the need to integrate climate change measures into protected areas management. Chair Thorgeirsson said Outi Berghäll (Finland) and Marcela Maim (Chile) would conduct informal consultations on draft SBSTA conclusions.

**OTHER MATTERS: Issues relating to cleaner or less-greenhouse gas-emitting energy:** CANADA, supported by the RUSSIAN FEDERATION, and opposed by the EU, G-77/CHINA and others, urged SBSTA to invite Parties to submit views on these issues. Chair Thorgeirsson said he would consult informally on the matter.

**Issues relating to the implementation of Article 2.3:** SAUDI ARABIA urged progress on implementation of Article 2.3, while the EU said issues related to this article have already been addressed in earlier decisions. Chair Thorgeirsson said he would conduct informal consultations on the issue.

**Any other matters:** On AIJ under the pilot phase, Chair Thorgeirsson reviewed the change in frequency of AIJ synthesis reports, and noted that 1 June 2004 is the deadline for the submission of reports for inclusion in the seventh synthesis report.

On the review of the scientific and methodological aspects of the Brazilian proposal, the UK outlined the background and outcomes of the third expert meeting, held in Berlin, Germany, in September 2003. Chair Thorgeirsson said he would draft conclusions on this issue.

### SBI

**ADMINISTRATIVE AND FINANCIAL MATTERS:**  
**Programme budget for 2004-5:** The G-77/CHINA called for increased efficiency, expeditious use of resources, and geograph-

ical and gender balance in the Secretariat, and supported the inclusion of Protocol-related activities in the Secretariat's core budget. He said the allocation of resources for the sustainable development programme is inadequate to support capacity building, technology transfer, adaptation, and the implementation of the New Delhi Work Programme on UNFCCC Article 6 (education, training and public awareness). He also called for more resources to support developing country participation in UNFCCC-related processes and opposed the application of the UN scale of assessment. UNFCCC Executive Secretary Waller-Hunter noted measures taken by the Secretariat to enhance cost efficiency, but cautioned delegates that despite these measures the Secretariat will not be able to "do more with less." She said the Secretariat has allocated resources to programmes according to COP decisions, and applied the principles of equitable distribution in resource allocation.

### SBSTA CONTACT GROUPS

**SINKS IN THE CDM:** This contact group was co-chaired by Thelma Krug (Brazil) and Karsten Sach (Germany). Co-Chair Sach presented a Co-Chairs' non-paper based on pre-sessional and other informal consultations. The non-paper includes amended text as well as a joint submission by the EU and BRAZIL on non-permanence, and a new version of Appendix E. Several submissions were also noted, including on invasive alien species and GMOs, small-scale and special projects, and the insurance approach to non-permanence. Informal consultations will be held to advance the discussions.

**GOOD PRACTICE GUIDANCE ON LULUCF:** This group was co-chaired by Margaret Mukahanana-Sangarwe (Zimbabwe) and Audun Rosland (Norway). On the IPCC's Good Practice Guidance (GPG), NEW ZEALAND suggested focusing on the GPG as a whole. CANADA and AUSTRALIA said the GPG provides the necessary guidelines for reporting and should be adopted. The US noted the need for practical experience with the new reporting guidance and urged taking a decision on the CRF as soon as possible.

On the CRF, the US and SWITZERLAND urged retaining links with the Revised 1996 IPCC Reporting Guidelines, and, with the EU, said the categories in the sectoral tables should be consistent with the GPG. CANADA stressed the need to streamline the tables and make them consistent. MALAYSIA urged the simplification of the tables. Co-Chair Rosland noted that a small group would continue informal discussions on this issue.

On factoring out, BRAZIL, for the G-77/China, supported by the EU, said this reflected principles agreed in the Marrakesh Accords and needs to be addressed before the second commitment period. On harvested wood products, CANADA, supported by NEW ZEALAND and NORWAY, proposed a workshop to build capacity and advance knowledge, while the EU stressed submis-



sions by Parties. Delegates agreed to submit their views on the issue. Submissions will also be requested on degradation and revegetation, for further discussion at COP-10.

**TECHNOLOGY TRANSFER:** This contact group, co-chaired by Terry Carrington (UK) and Kishan Kumarsingh (Trinidad & Tobago) addressed elements of a future EGTT work programme. The US, CANADA, JAPAN and EU said the EGTT's draft work programme is ambitious, but manageable. The G-77/CHINA distributed, and later elaborated upon, a paper on the draft programme of work focusing on technology needs assessments, TT:CLEAR, enabling environments, capacity building, mechanisms, innovative financing, and frequency of meetings. The US and EU noted that several of the points in the paper are already addressed in the draft work programme. Regarding a suggestion that Annex I Parties report on capacity-building activities, the EU said that all Parties should report. On frequency of meetings, he said the availability of EGTT members and budgetary restrictions must be considered. Co-Chair Carrington said the Co-Chairs would prepare draft conclusions.

**R&SO:** This group was co-chaired by Sue Barrell (Australia) and Philip Gwage (Uganda). Parties discussed a draft decision and draft conclusions on global observing systems for climate. Co-Chair Barrell outlined the GCOS Cooperation Mechanism, which identifies the most effective use of existing resources for improving global observing systems of climate in developing countries. INDIA, supported by the G-77/CHINA, suggested including reference to the WMO principles for free data exchange, while the US cautioned against referring to principles established under any one specific organization. MALI, for the G-77/China, noted the need for guidance to the GEF regarding sustaining infrastructure. He also stressed the importance of implementing regional action plans. The EU, supported by SWITZERLAND, encouraged digitalizing historical data. CANADA suggested inviting the Group on Earth Observations (GEO) to prioritize work on climate monitoring, and the US proposed requesting GCOS and GEO to coordinate their work. CHILE stressed the need to call on national governments to provide financial resources to national meteorological authorities.

### **SBI CONTACT GROUPS**

**NON-ANNEX I NATIONAL COMMUNICATIONS:** Delegates heard a presentation by CGE Chair Brian Challenger (Antigua and Barbuda) on the proposed work programme of the CGE for 2003-7. Participants discussed the distribution of regional experts within each of the thematic groups of the CGE, and funding for workshops. The US, supported by the EU, suggested that workshops be organized based on status of preparation of communications, rather than on regions. Draft conclusions were distributed for discussion at the next contact group meeting.

**CAPACITY BUILDING:** This group was chaired by Dechen Tsering (Bhutan). On actions and steps to complete the comprehensive review of the implementation of the framework for capacity building in developing countries, Parties discussed a request to the Secretariat to produce a technical paper on lessons learned. The G-77/CHINA, supported by the EU, stressed the importance of the Secretariat also considering gaps and shortfalls in implementing the framework.

The EU emphasized the importance of determining capacity-building needs of developing countries. SWITZERLAND suggested drawing on work undertaken by UNDP and the GEF, and noted the importance of ensuring consistency between work done under the GEF and UNFCCC. Parties agreed that the technical paper should be reviewed by governments.

JAPAN and SWITZERLAND suggested postponing further guidance to the GEF until the comprehensive review is completed. Delegates agreed to request the GEF to report on progress made on its strategic approach to enhance capacity building. Chair Tsering said informal consultations will be held to prepare a draft COP decision.

**PROGRAMME BUDGET:** Chair John Ashe (Antigua and Barbuda) emphasized the group's tasks of determining the budget level and addressing the Secretariat's proposal for an interim funding allocation for the entry into force of the Protocol. On the options for the budget, the EU supported a 9% increase, while Japan supported zero nominal growth. Regarding the interim allocation, the EU said it regards this proposal as a positive attempt to give certainty and security to the financing of the Protocol, while JAPAN said these costs should be included in the Supplemental Trust Fund, not in the core budget. The US said Protocol-related developmental activities, particularly those related to the cooperative mechanisms, should be shifted to the Supplemental Trust Fund or to the proposal for the interim allocation. AUSTRALIA urged that Protocol-related activities be funded by Parties to the Protocol only, and included in a separate budget and trust fund.

**SCCF:** Co-Chairs Rawleston Moore (Barbados) and Frode Neergaard (Denmark) opened the session, noting their task to prepare conclusions and a draft COP decision. The EU and CANADA stressed the need to build on SBI-18 conclusions, and the G-77/CHINA said the work should be based on its submission to SBI-18. Several countries underlined the priority of financing projects in line with agreed decisions on adaptation and technology transfer. COLOMBIA, with PERU, proposed categorizing projects as small, medium or large scale. The G-77/CHINA underscored the importance of addressing sources of finance and mechanisms for dispersal. The EU said that the SCCF should support mainstreaming adaptation activities. PAKISTAN highlighted the importance of financing enabling environments for renewable energy, and, in particular, for areas not addressed by the GEF. MICRONESIA underscored the need for expedited access, and SOUTH AFRICA said the level of funding to ensure the sustainability of the SCCF needs to be addressed. UGANDA emphasized that the SCCF should not affect the level of funding available for the LDC Fund.

### **IN THE CORRIDORS**

With the contact group on the SCCF underway, and negotiations on the Secretariat's programme budget picking up pace, some observers decided to call Wednesday the "show us the money" day. This had probably less to do with the contact group discussions, and more to do with the informal meeting of delegates attempting to figure out their burden sharing arrangements to implement their "strong political commitment to climate change funding for developing countries," made over two years ago during COP-6 part II. Meanwhile in New York, negotiations took place in the second committee of the UNGA on a request to fund UNFCCC conference services from the regular UN budget, which according to one delegate is expected to result in a precedent-setting vote later today.

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

**COP PLENARY:** The COP will meet in Plenary I at 10:00 am, and again at 3:00 pm, to address the review of implementation of commitments and of other provisions of the UNFCCC, Annex I national communications, and the report of the CDM EB.

**CONTACT GROUPS:** Contact groups of the SBSTA and SBI will meet to address LULUCF good practice guidance, the IPCC TAR, methodological work under the UNFCCC and Protocol, technology transfer, the programme budget, and the SCCF.