



## UNFCCC COP-9 HIGHLIGHTS: WEDNESDAY, 10 DECEMBER 2003

On Wednesday, the high-level segment of COP-9 opened. Delegates heard statements from heads of UN bodies and specialized agencies, intergovernmental organizations and NGOs. In the afternoon, the first high-level round-table took place, focusing on "climate change, adaptation, mitigation and sustainable development." In the evening, the SBI met to adopt conclusions and agree draft COP decisions and to complete its work. Contact groups on implementation of activities under decision 5/CP.7 (implementation of UNFCCC Article 4.8 and 4.9 on adverse effects) and the Special Climate Change Fund (SCCF) were also held.

### HIGH-LEVEL SEGMENT

Opening the segment, COP-9 President Persányi commended delegates' commitment to action and leadership. He noted that the UNFCCC and its Protocol are the only viable options for preventing dangerous interference with the global climate. Speaking on behalf of Italy's Prime Minister Silvio Berlusconi, Altero Matteoli, Italy's Minister for the Environment and Territory, said the Draft Treaty establishing a Constitution for Europe provides for EU Member States to fulfill their obligations to reduce greenhouse gas emissions. Speaking on behalf of UN Secretary-General Kofi Annan, José Antonio Ocampo, UN Under-Secretary-General for Economic and Social Affairs, encouraged Annex I Parties who have not yet ratified the Protocol to do so as soon as possible and emphasized the importance of the Millennium Development Goals. Joke Waller-Hunter, UNFCCC Executive Secretary, said COP-9 has demonstrated that, in the presence of commitment and political will, it is possible to establish sound institutional frameworks for action.

### STATEMENTS FROM HEADS OF UN AGENCIES:

UNEP Executive Director Klaus Töpfer called for financial and technical support to address this "ethical challenge," which affects mostly poor people in developing countries. José Antonio Ocampo emphasized the role of financial mechanisms and trade in diversifying economies. Len Good, CEO and Chair of the GEF, announced that pilot projects on adaptation planning and measures are a new strategic priority for the GEF, and called for clear guidance to mobilize resources for the SCCF.

World Bank Vice-President Ian Johnson noted that both public funding and private finance are needed to address climate change. IPCC Chair Rajendra Pachauri expressed hope that participants will find the IPCC TAR useful in their work on the UNFCCC. Hama Arba Diallo, CCD Executive Secretary, stressed the importance of effective implementation of the UNFCCC and CCD at the local level to avoid duplication of work and maximize resources. Alvaro Silva Calderon, OPEC Executive Secretary, said that the concerns of OPEC countries over adverse effects continue to be inadequately addressed. Kiyotaka Akasaka, OECD Deputy Secretary-General, said OECD works with its member States to strengthen the use of market-based mechanisms to limit climate change while contributing to sustainable economic development.

**STATEMENTS FROM INTERGOVERNMENTAL ORGANIZATIONS AND NGOS:** The INTERNATIONAL ENERGY AGENCY stressed the importance of energy efficiency policies and measures. The INTERNATIONAL INSTITUTE OF REFRIGERATION presented targets to halve fluorocarbon emissions by 2020. CLIMATE ACTION NETWORK called on the Russian Federation to ratify the Protocol. The BUSINESS COUNCIL FOR SUSTAINABLE ENERGY urged the CDM EB to develop standardized baselines for energy efficiency and renewable energy projects. A representative of the sixth INTERNATIONAL INDIGENOUS FORUM ON CLIMATE CHANGE underscored the need for prior informed consent and increased participation of indigenous peoples in CDM projects. CLIMATE ALLIANCE called on COP-9 to address the scope, role, complementarity and coherence of local, regional and national climate policies.

WWF SOUTH PACIFIC underscored the "devastating" effects of climate change on SIDS. The INTERNATIONAL CHAMBER OF COMMERCE called for rules promoting innovation and stimulating business involvement. The GLOBAL UNIONS AND INTERNATIONAL CONFEDERATION OF FREE TRADE UNIONS urged including employment considerations in the IPCC reports. The LOMBARDY FOUNDATION FOR THE ENVIRONMENT said governments should rely more on local groups and associations to undertake concrete action. The RESEARCH AND INDEPENDENT NGOS called for global collaboration, political will, creative thinking, and avoidance of political rhetoric. The WORLD COUNCIL OF CHURCHES said environmental degradation is a matter of justice and spirituality, and stressed that reducing emissions should be a moral goal.

**ROUND-TABLE I – "CLIMATE CHANGE, ADAPTATION, MITIGATION AND SUSTAINABLE DEVELOPMENT:"** This round-table was co-chaired by Yuriko Koike, Minister of Environment, Japan, and Tadashi Lometo, Minister of Health and Environment, Marshall Islands. Co-Chair Koike stressed the need to analyze the current state of progress and identify further actions. Co-Chair Lometo emphasized the vulnerability of SIDS.

In the first part of the round-table, Parties discussed poverty eradication, economic growth and food security. Several Parties called for entry into force of the Protocol and sufficient financial support for developing countries to respond to climate change. MOROCCO, for the G-77/CHINA, said adaptation and mitigation measures will be unsuccessful if developed countries ignore the concerns and situation of vulnerable States. BENIN stressed the importance of integrating poverty reduction and adaptation measures. On reducing greenhouse gas emissions, ITALY, for the EU, said developed countries must make a greater effort and developing countries must also take steps towards this end. NEW ZEALAND underlined the vulnerability of SIDS and noted threats to island cultures. SLOVENIA, with others, said it would fulfill its Protocol commitments in the absence of the Protocol's entry into force. MOZAMBIQUE, with BELGIUM, called for "more action and less talk." MICRONESIA called on developed countries to



meet their UNFCCC commitments relating to financing adaptation projects in SIDS. PANAMA said adaptation should be given the same status as mitigation under the UNFCCC.

In the second part of the round-table, Parties addressed vulnerability, climate-related disasters, impacts and adaptation. ARGENTINA called for a mechanism to facilitate adaptation projects. SAMOA expressed hope that the SCCF would fund community-based adaptation projects. The RUSSIAN FEDERATION said that remaining uncertainties regarding whether mitigation efforts will be effective for reducing climate change justify pursuing adaptation. BURKINA FASO questioned the purpose of NAPAs if mechanisms for their implementation are not in place. CHINA said once developed countries have taken the lead in mitigating emissions, developing countries will be able to make a contribution. AUSTRIA noted that nuclear power is not an option for combating climate change. NEPAL said that despite his country's insignificant contribution to climate change, efforts toward mitigating emissions are underway.

In the third part of the round-table, delegates discussed adaptation and mitigation in national development. FRANCE emphasized that this century will either be recorded as the century of climate change suffering and collective irresponsibility or the century of climate control and the maturing of humanity. DENMARK stressed increasing the use of renewable energy. SAUDI ARABIA said that mitigation and adaptation measures must not lead to new commitments for developing countries.

In closing, ARGENTINA announced its offer to host COP-10 in Buenos Aires.

#### CONTACT GROUPS

**IMPLEMENTATION OF DECISION 5/CP.7:** Following informal consultations on the draft conclusions late Tuesday night, delegates agreed to invite Parties and relevant international organizations to report on activities to meet the needs of developing countries arising from the adverse effects of climate change. Changing its earlier support, SAUDI ARABIA, opposed by the G-77/CHINA, MICRONESIA, US, EU, NEW ZEALAND, AUSTRALIA, JAPAN and CANADA, proposed adding bracketed text on reporting on actions to address the adverse affects of response measures. Following informal consultations, the group agreed to the draft conclusions, without amendment, and to include Saudi Arabia's proposal in the draft negotiating text included in the annex to the draft conclusions.

**SCCF:** Following informal consultations and bilateral meetings throughout the day, Co-Chair Rawlestone Moore presented the Co-Chairs' draft decision, noting that it was a "take it or leave it" text. The EU, CANADA and JAPAN, opposed by the G-77/CHINA, said they could accept the Co-Chairs' text. The G-77/CHINA opposed the option of a "take it or leave it" approach, and proposed alternative text regarding the prioritization of, and funding for, economic diversification activities. Following a break for informal consultations, Co-Chair Moore reported that the Co-Chairs were unable to take the consultations further, and said the draft decision would be forwarded to the SBI with bracketed text.

#### SBI PLENARY

**ORGANIZATIONAL MATTERS: Election of officers other than the Chair:** The SBI elected Fadhel Lari (Kuwait) as SBI Vice-Chair for a second term. The SBI Rapporteur will be elected at SBI-20.

**NON-ANNEX I NATIONAL COMMUNICATIONS: Consideration of the fifth compilation and synthesis of initial national communications:** SBI agreed to forward the draft decision to the COP (FCCC/SBI/2003/L.23).

**Work of the CGE:** SBI adopted the conclusions on the work of the Consultative Group of Experts on non-Annex I national communications (FCCC/SBI/2003/L.24).

**Provision of financial and technical support:** SBI adopted conclusions on this item (FCCC/SBI/2003/L.25).

**Submission of second, and where appropriate, third national communications:** Chair Stoycheva said that no substantial conclusions had been reached, and SBI adopted conclusions agreeing to continue consideration of this item at SBI-20 (FCCC/SBI/2003/L.30).

**FINANCIAL MECHANISMS: SCCF:** Rawlestone Moore and Frode Neergaard reported on the contact group. SBI agreed to forward the draft decision to the COP President for further action (FCCC/SBI/2003/L.31). The G-77/CHINA, with ARGENTINA, CHINA and SAUDI ARABIA, expressed concern over lack of progress on this issue and said developed countries are failing to meet their COP-7 obligations. The EU expressed its commitment to conclude work on the SCCF at COP-9.

**Report of the GEF:** SBI agreed to forward the draft decision to the COP (FCCC/SBI/2003/L.27).

**Additional guidance to the GEF:** SBI agreed to forward the draft decision to the COP (FCCC/SBI/2003/L.28).

**IMPLEMENTATION OF UNFCCC ARTICLE 4.8 AND 4.9: Progress on the implementation of activities under decision 5/CP.7:** Rob Mason (UK) reported on the contact group discussions. SBI adopted the conclusions (FCCC/SBI/2003/L.26).

**Matters related to LDCs:** José Romero (Switzerland) reported on informal consultations. SBI agreed to forward draft decisions to the COP (FCCC/SBI/2003/L.29/Add.1-2). Regarding draft conclusions on assessing the status of implementation of Article 4.9 (LDCs), TANZANIA, for the LDCs, objected to reference that the SBI expressed satisfaction at the progress achieved so far in implementing the LDC work programme. Following deliberations in Plenary, SBI agreed to forward draft conclusions to the COP (FCCC/SBI/2003/L.29/Add.3), amending them to note that progress on the implementation of Article 4.9 will be assessed at COP-10. Regarding the provision of further guidance for the operation of the LDC Fund, TANZANIA, for the LDCs, stressed the need to reach agreement at COP-9 on this issue. SBI agreed to forward the draft conclusions to the COP President for consultation (FCCC/SBI/2003/L.29).

**CACAM REQUEST:** Chair Stoycheva said no conclusions had been reached.

**REPORT ON THE SESSION:** SBI Rapporteur Emily Ojoo-Massawa presented the report of the session, which was adopted by the SBI (FCCC/SBI/2003/L.15).

In closing, Chair Stoycheva said she had consulted informally with Parties on the Secretariat's practice of withholding funding for participation of Parties in arrears, and proposed that the SBI take note of the concern and recommend that the practice be suspended through COP-10. She also said the SBI would request the Secretariat to review the implications of this on developing countries and EITs and report to SBI-20 on this matter.

Chair Stoycheva closed SBI-19 at 01:16 am.

#### IN THE CORRIDORS

On the sixth anniversary of the adoption of the Kyoto Protocol, frustration over lack of progress was clear. Convening in a late night Plenary to adopt SBI conclusions, Parties continued to deliberate on issues not agreed to during the contact groups and informal consultations. Observers noted that while the sinks in the CDM issue, which was generally expected to cause the greatest troubles at COP-9, had been resolved, the controversy of the developing country issues had been underestimated. This was evident both in the heated debates around the SCCF, referred to by one delegate as "opening Pandora's Box," and in consideration of non-Annex I national communications. Several shaken delegates said the EU's lack of resistance over deferring consideration of submission of second and, where appropriate, third national communications to SB-20 was wholly out of line with the EU's negotiating mandate. The surprise was equally evident among some developing country delegates, who met this give-away of bargaining power with concealed laughter of disbelief.

#### THINGS TO LOOK FOR TODAY

**HIGH-LEVEL SEGMENT:** The second round-table discussion will be held at 10:00 am, and the third round-table discussion will convene at 3:00 pm, in Plenary I.