



TWENTIETH SESSIONS OF THE SUBSIDIARY BODIES OF THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE: 16-25 JUNE 2004

The twentieth sessions of the Subsidiary Bodies (SB-20) of the United Nations Framework Convention on Climate Change (UNFCCC) open today at the Maritim Hotel in Bonn, Germany. The Subsidiary Body for Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI) have numerous issues on the agenda in preparation for the entry into force of the Kyoto Protocol. SBSTA will address, *inter alia*, methodological issues, including good practice guidance for land use, land-use change and forestry (LULUCF), harvested wood products and other issues relating to LULUCF, and small-scale afforestation and reforestation project activities under the Clean Development Mechanism (CDM). Parties will also address issues relating to greenhouse gas inventories, Protocol Articles 7 (communication of information) and 8 (review of information), including registry systems, and technology transfer. SBI will discuss, *inter alia*, national communications, the financial mechanism, capacity building, and administrative and financial matters.

Two in-session workshops will be held in conjunction with SB-20. The first workshop, scheduled for Friday, 18 June, will address impacts of, and vulnerability and adaptation to, climate change. Participants will discuss risk assessment, perception of climate change risk, adaptation and sustainable development, and case studies of adaptation. The second in-session workshop, on climate change mitigation, will be held on Saturday, 19 June. Participants will address alternative development paths and the relationship of climate change mitigation to other policy objectives, case studies of mitigation, and climate mitigation and new technologies.

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

Climate change is considered one of the most serious threats to sustainable development, with adverse impacts expected on human health, food security, economic activity, water and other natural resources, and physical infrastructure. Global climate varies naturally, but scientists agree that rising concentrations of anthropogenically emitted greenhouse gases in the Earth's atmosphere are leading to changes in the climate. According to the Intergovernmental Panel on Climate Change (IPCC), the effects of climate change have already been observed, and a majority of scientists believe that precautionary and prompt action is necessary.

The international political response to climate change began with the adoption of the UNFCCC in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases in order to avoid "dangerous anthro-

pogenic interference" with the climate system. Controlled gases include methane, nitrous oxide, and, in particular, carbon dioxide. The UNFCCC entered into force on 21 March 1994, and now has 189 Parties.

THE KYOTO PROTOCOL: In 1995, the first meeting of the Conference of the Parties (COP-1) established the *Ad Hoc* Group on the Berlin Mandate to negotiate an agreement on strengthening efforts to combat climate change. Following intense negotiations culminating at COP-3 in Kyoto, Japan, in December 1997, delegates agreed to a Protocol to the UNFCCC that commits developed countries and countries with economies in transition (EITs) to achieve quantified emission reduction targets. These countries, known under the UNFCCC as Annex I Parties, agreed to reduce their overall emissions of six greenhouse gases by at least 5% below 1990 levels between 2008 and 2012 (the first commitment period), with specific targets varying from country to country. The Protocol also establishes three mechanisms to assist Annex I Parties in meeting their national targets cost-effectively: an emissions trading system; joint implementation (JI) of emissions-reduction projects between Annex I Parties; and a CDM that allows for projects to be implemented in non-Annex I (developing country) Parties.

At subsequent meetings, Parties negotiated most of the rules and operational details determining how countries will cut emissions and measure and assess emissions reductions. To enter into force, the Protocol must be ratified by 55 Parties to the UNFCCC, and by Annex I Parties representing at least 55% of their total carbon dioxide emissions for 1990. To date, 122 Parties have ratified the Protocol, including 32 Annex I Parties, representing 44.2% of the emissions.

THE BUENOS AIRES PLAN OF ACTION: In November 1998, Parties met at COP-4 in Buenos Aires, Argentina, and agreed to a set of decisions known as the Buenos Aires Plan of Action (BAPA). The BAPA set COP-6 as the deadline for reaching agreement on the operational details of the Protocol and on strengthening implementation of the UNFCCC. Issues to be addressed included rules relating to the mechanisms, a regime for assessing Parties' compliance, accounting methods for national emissions and emissions reductions, and rules on crediting countries for carbon sinks. Issues under the UNFCCC requiring resolution included questions of capacity building, the development and transfer of technology, and assistance to those developing countries particularly vulnerable to the adverse effects of climate change or to actions taken by industrialized countries to combat climate change.

COP-6 PART I: COP-6 was held in The Hague, the Netherlands, from 13-25 November 2000. During the second week of negotiations, COP-6 President Jan Pronk (the Netherlands) attempted to facilitate negotiations on the many disputed



political and technical issues by convening high-level informal Plenary sessions. After almost 36 hours of intense talks in the final two days, negotiators could not agree on a range of topics, particularly financial issues, supplementarity in the use of the mechanisms, compliance and LULUCF. On Saturday afternoon, 25 November, President Pronk announced that delegates had failed to reach agreement. Delegates then agreed to suspend COP-6 and resume negotiations in 2001.

COP-6 PART II: In March 2001, the US administration repudiated the agreement reached in Kyoto, stating that it considered the Protocol to be “fatally flawed,” as it would damage its economy and exempt key developing countries from emissions reduction targets. Parties reconvened at COP-6 Part II from 16-27 July 2001, in Bonn. After protracted consultations, President Pronk presented his proposal for a draft political decision. Despite support from several Parties, disagreements surfaced over the nature of the compliance regime. After several days of consultations, ministers agreed to adopt President Pronk’s political decision, with a revised section on compliance. The political decision – or “Bonn Agreements” – needed to be operationalized through COP decisions. These decisions were considered a “package,” and since no agreement was reached on the mechanisms, compliance and LULUCF, all draft decisions were forwarded to COP-7.

COP-7: Delegates continued discussions on the “Bonn Agreements” at COP-7 and SB-15 in Marrakesh, Morocco, from 29 October to 10 November 2001. After lengthy negotiations, a package deal on LULUCF, mechanisms, Protocol Articles 5 (methodological issues), 7 and 8, and input to the World Summit on Sustainable Development (WSSD) was proposed. Although the deal was accepted by most regional groups, some Annex I Parties, including Australia, Canada, Japan, New Zealand, and the Russian Federation, did not join the consensus, disputing, among other things, eligibility requirements and credit banking under the mechanisms. However, following extensive negotiations, the “Marrakesh Accords” were agreed.

COP-8: Delegates to COP-8 and SB-17 met from 23 October to 1 November 2002, in New Delhi, India. On the final day of COP-8, they adopted the *Delhi Declaration on Climate Change and Sustainable Development*. The Declaration reaffirms development and poverty eradication as overriding priorities in developing countries, and recognizes Parties’ common but differentiated responsibilities and national development priorities and circumstances in the implementation of UNFCCC commitments. Parties at COP-8 considered institutional and procedural issues under the Protocol and adopted several decisions, including on the rules and procedures for the Executive Board (EB) of the CDM.

SB-18: Delegates to SB-18 met in Bonn from 4-13 June 2003. Parties continued to address issues under negotiation since COP-8 and prepare for the Protocol’s entry into force. Conclusions were agreed on a number of agenda items, including on Protocol Articles 5, 7 and 8. The issue of the Secretariat’s programme budget for 2004-5 and the Special Climate Change Fund (SCCF) proved to be particularly difficult, and discussions were left unfinished until COP-9.

COP-9: From 1-12 December 2003, Parties met at COP-9 and SB-19, in Milan, Italy, to adopt 22 decisions and several conclusions. The last outstanding detail of the BAPA was finalized when Parties agreed on modalities and procedures for afforestation and reforestation activities for the first commitment period under the CDM. Concluding discussions on the Secretariat’s programme budget for 2004-5 from SB-18, Parties agreed to a 9% budget increase. Negotiations on the operation of the SCCF and the Least Developed Countries’ (LDC) Fund proved to be challenging, with

protracted discussions on the LDC Fund postponing the closing of the COP. Negotiations on good practice guidance for LULUCF were also lengthy, and will be continued at SB-20.

INTERSESSIONAL HIGHLIGHTS

WORKSHOP ON THE IMPLEMENTATION OF UNFCCC ARTICLE 6: The African regional workshop on implementation of UNFCCC Article 6 (education, training and public awareness) was held from 28-30 January 2004, in Banjul, the Gambia. In the context of further developing and implementing the New Delhi work programme on Article 6, participants addressed: public awareness, communication, public participation and access to information; education; training; and international and regional cooperation. National experiences were presented, focusing on institutional arrangements, activities, and constraints and barriers.

WORKSHOP ON NON-ANNEX I NATIONAL COMMUNICATIONS: The workshop on the preparation of national communications from non-Annex I Parties met from 26-30 April 2004, in Manila, the Philippines. Participants discussed and heard presentations on: national circumstances; national greenhouse gas inventories; measures to facilitate adequate adaptation to climate change; measures to mitigate climate change; constraints and gaps, and related financial, technical and capacity needs; development of project proposals for second national communications; regional/multi-country projects and programmes; multilateral and regional support programmes; bilateral support programmes; and other information. The *Earth Negotiations Bulletin* report of the workshop can be found at <http://www.iisd.ca/climate/cwman/>

WORKSHOP ON THE IMPLEMENTATION OF PROTOCOL ARTICLE 6 PROJECTS: The workshop on Protocol Article 6 (JI) was held from 26-27 May 2004, in Moscow, the Russian Federation. Participants discussed and heard presentations on guidelines for projects under Article 6, meeting eligibility requirements, market factors and trends and unlocking project potential. Participants also discussed steps to prepare for Article 6 projects, including national institutional set-up, facilitating arrangements, and learning from the CDM process.

MEETINGS OF CONSTITUTED BODIES: Since COP-9, all of the UNFCCC’s constituted bodies have convened. The first meeting of the reconstituted LDC Expert Group (LEG) met from 22-24 March 2004, in Maputo, Mozambique, to discuss its work programme for the biennium 2004-5. The thirteenth meeting of the CDM EB was held from 24-26 March 2004, in Bonn. The Consultative Group of Experts on non-Annex I national communications (CGE) met from 3-4 May 2004, in Manila, following the workshop on non-Annex I national communications. The CDM EB convened its fourteenth session from 12-14 June 2004 in Bonn. The Expert Group on Technology Transfer met from 13-14 June 2004, in Bonn.

THINGS TO LOOK FOR TODAY

SBSTA: SBSTA-20 will open at 10:00 am in Plenary I. Parties will address organizational matters and methodological issues. SBSTA is scheduled to convene again in Plenary II from 3:00-6:00 pm to discuss technology transfer, policies and measures, research and systematic observation, cooperation with relevant international organizations, and other matters.

SBI: SBI-20 will open at 10:15 am in Plenary II and discuss organizational matters, non-Annex I national communications and the UNFCCC’s financial mechanism. From 3:00-6:00 pm, Parties will meet in Plenary I to address administrative and financial matters, Annex I national communications, UNFCCC Article 6, capacity building, and implementation of Article 4.8 (adverse effects) and 4.9 (LDCs).