



## UNFCCC COP-10 HIGHLIGHTS: TUESDAY, 14 DECEMBER 2004

Delegates to COP-10 held final contact group meetings on Tuesday morning and afternoon, convening in evening and night SBSTA and SBI meetings to complete their work and adopt conclusions and approve draft decisions to be forwarded to the COP. Numerous draft decisions contain brackets and were forwarded to the COP Presidency for further consultations. Contact groups addressed scientific, technical and socioeconomic aspects of mitigation to climate change (mitigation), capacity building, technology transfer, matters relating to least developed countries (LDCs), progress on the implementation of decision 5/CP.7 (adverse effects), and the UNFCCC's financial mechanism.

### CONTACT GROUPS

**MITIGATION:** The EU reiterated preference to request the Secretariat to compile submissions from Parties on lessons learned from mitigation workshops held to date and future steps under this agenda item, to facilitate ongoing consideration of this agenda item "and elements of a future work programme" at SBSTA-23. The G-77/CHINA, with the US and others, opposed reference to a future work programme. Delegates agreed to forward the bracketed text to SBSTA.

**TECHNOLOGY TRANSFER:** Delegates addressed draft conclusions and a draft decision. Discussions resumed on the issue of the framework for effective and meaningful actions to enhance implementation of UNFCCC Article 4.5 (technology transfer). Delegates could not agree on whether reference to the COP-8 *Delhi Declaration on Climate Change and Sustainable Development* should be included in the preamble of the draft decision. The draft conclusions and bracketed draft decision were forwarded to SBSTA.

**LDCS:** Co-Chairs Bubu Jallow and Ricardo Moita introduced a draft decision and draft conclusions. Discussions were held on, *inter alia*, whether the LDC Fund should begin funding national adaptation programmes of action (NAPA) priority areas, and whether the LDC Fund should leverage additional resources, provide co-financing and build upon existing plans and programmes. Agreement could not be reached on all issues, and delegates agreed to forward the bracketed conclusions and bracketed draft decision to SBI.

**CAPACITY BUILDING:** Co-Chair Jukka Uosukainen (Finland) said many paragraphs in the draft decisions remain bracketed. On text concerning integration and mainstreaming in planning processes, the G-77/CHINA preferred to bracket the reference to mainstreaming. Parties agreed to forward the draft decision on capacity building in countries with economies in transition, and the bracketed draft decision on capacity building in developing countries to SBI.

### SBSTA

**ORGANIZATIONAL MATTERS: Election of officers other than the Chair:** Amjad Abdulla (Maldives) will serve as SBSTA Vice-Chair and Ibrahim Al-Ajmi (Oman) will continue as Rapporteur.

**ADAPTATION:** David Warrilow (UK) said the contact group had been unable to resolve all outstanding issues. SAUDI ARABIA and the RUSSIAN FEDERATION opposed the proposed draft conclusions, arguing that these did not reflect their respective proposals to the contact group. Following discussions and informal consultations, Parties agreed to amend the draft conclusions, adding brackets and noting that concerns of some Parties have not been considered in the draft conclusions. SBSTA forwarded the draft conclusions to the COP Presidency (FCCC/SBSTA/2004/L.31).

**MITIGATION:** Toshiyuki Sakamoto (Japan) introduced the draft conclusions (FCCC/SBSTA/2004/L.27), which SBSTA adopted.

**METHODOLOGICAL ISSUES: Good practice guidance (GPG) for LULUCF activities, harvested wood products (HWP), and other issues relating to LULUCF:** Audun Rosland (Norway) reported progress from the contact group. SBSTA adopted conclusions on GPG, HWP and other LULUCF issues (FCCC/SBSTA/2004/L.26) and forwarded a draft decision on GPG to the COP (FCCC/SBSTA/2004/L.26/Add.1), including a draft COP/MOP decision.

**Small-scale afforestation and reforestation project activities under the CDM:** Thelma Krug (Brazil) reported consensus on draft conclusions and a draft decision. The SBSTA adopted conclusions (FCCC/SBSTA/2004/L.20) and agreed to forward a draft decision to the COP (FCCC/SBSTA/2004/L.20/Add.1).

**Emissions from fuel used for international aviation:** PERU said that the draft conclusions remain bracketed in their entirety. ARGENTINA stressed the lack of concrete data and information available on this topic. Parties agreed to remove the brackets, and SBSTA adopted the conclusions, as amended (FCCC/SBSTA/2004/L.18).

**Issues relating to greenhouse gas inventories:** Helen Plume (New Zealand) reported on the informal consultations. SBSTA adopted the conclusions (FCCC/SBSTA/2004/L.17) without amendment.

**Issues relating to Protocol Articles 7 (communication of information) and 8 (review of information):** Murray Ward (New Zealand) reported on informal consultations. SBSTA agreed on conclusions (FCCC/SBSTA/2004/L.30) and forwarded the draft decision to the COP (FCCC/SBSTA/2004/L.30/Add.1).

**Issues relating to registry systems under Protocol Article 7.4:** Murray Ward introduced draft conclusions and a draft decision. SBSTA adopted conclusions (FCCC/SBSTA/2004/L.29) and agreed to forward the draft decision on registry systems to the COP (FCCC/SBSTA/2004/L.29/Add.1).

**Emissions projections from Annex I Parties:** SBSTA Chair Benrageb introduced the draft conclusions (FCCC/SBSTA/2004/L.23), which SBSTA adopted.

**TECHNOLOGY TRANSFER:** Kishan Kumarsingh (Trinidad and Tobago) introduced draft conclusions (FCCC/SBSTA/2004/L.28) and a bracketed draft decision (FCCC/SBSTA/2004/L.28/Add.1). SBSTA adopted the draft conclusions without discussion. The G-77/CHINA proposed to remove the bracketed text in the draft decision, which was then approved by



Parties as amended to be forwarded to the COP.

**“GOOD PRACTICES” IN POLICIES AND MEASURES IN ANNEX I PARTIES:** Tony SurrIDGE (South Africa) reported on the informal consultations and introduced the draft conclusions, noting that Parties had been unable to reach agreement. SOUTH AFRICA, with several Parties, and opposed by SAUDI ARABIA, KUWAIT and UNITED ARAB EMIRATES, expressed support for the text. Noting no agreement, Parties decided to forward this item to SBSTA-22 (FCCC/SBSTA/2004/L.25).

**RESEARCH AND SYSTEMATIC OBSERVATION:** Stefan Rösner (Germany) outlined discussions in the contact group. Chair Benraged introduced draft conclusions (FCCC/SBSTA/2004/L.24) and a draft decision (FCCC/SBSTA/2004/L.24/Add.1) on how to best put the Global Climate Observing System plan into action. Parties adopted the conclusions, and forwarded the draft decision to the COP for consideration, including a minor amendment.

**COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS:** Marcela Main (Chile) introduced draft conclusions (FCCC/SBSTA/2004/L.22), which were adopted by SBSTA without discussion.

**OTHER MATTERS: Issues relating to the implementation of Protocol Article 2.3:** Chair Benraged introduced draft conclusions (FCCC/SBSTA/2004/L.19), noting that there had been no progress since SBSTA-20. SBSTA adopted the conclusions without discussion.

**Any other matters:** Chair Benraged introduced draft conclusions containing a draft COP decision (FCCC/SBSTA/2004/L.21 and Add.1) on activities implemented jointly under the pilot phase. The conclusions were adopted without amendment, and Parties forwarded the draft decision to the COP.

**REPORT ON THE SESSION:** Chair Benraged presented the report on the session (FCCC/SBSTA/2004/L.16), which Parties adopted. SBSTA-21 closed at 1:43 am.

## SBI

**ORGANIZATIONAL MATTERS: Elections of officers other than the Chair:** Heorhiy Veremiychyk (Ukraine) was elected SBI Vice-Chair, and Emilio Sempris (Panama) will continue to serve as Rapporteur.

**ADMINISTRATIVE AND FINANCIAL MATTERS: Audited financial statements for the biennium 2002-3 and budget performance for the biennium 2004-5:** Harald Dovland (Norway) reported on informal consultations, noting that discussions focused on the impacts of interest-rate fluctuations. Chair Stoycheva introduced the draft conclusions and a draft decision (FCCC/SBI/2004/L.15 and Add.1). Parties adopted the conclusions, and agreed to forward the draft decision to the COP.

**CONTINUING REVIEW OF THE FUNCTIONS AND OPERATIONS OF THE SECRETARIAT:** Harald Dovland reported on the informal consultations on workshop funding and promoting a geographical balance in the Secretariat's senior staff. Chair Stoycheva introduced the draft conclusions (FCCC/SBI/2004/L.14), which Parties adopted without amendment.

**ANNEX I NATIONAL COMMUNICATIONS: Summary report on in-depth reviews, report on the workshop on the preparation of fourth national communications, and status report on the review of third national communications:** Chair Stoycheva introduced draft conclusions (FCCC/SBI/2004/L.17), which Parties adopted without amendment.

**UNFCCC ARTICLE 6:** Crispin d'Auvergne (Saint Lucia) reported on the group's discussions, which focused on the development of an information clearing house and workshops. Chair Stoycheva introduced draft conclusions and a draft decision (FCCC/SBI/2004/L.16 and Add.1). Parties adopted the conclusions and forwarded the draft decision to the COP.

**NON-ANNEX I NATIONAL COMMUNICATIONS: Work of the Consultative Group of Experts on non-Annex I national communications:** Chair Stoycheva introduced the draft conclusions (FCCC/SBI/2004/L.18), which Parties adopted with a minor amendment.

**Provision of financial and technical support:** Chair Stoycheva introduced draft conclusions (FCCC/SBI/2004/L.19), which Parties adopted without amendment.

**Submission of second and, where appropriate, third national communications:** Chair Stoycheva introduced the draft conclusions (FCCC/SBI/2004/L.27), noting that Parties had not reached agreement. Parties decided to forward the text to the COP Presidency for further consideration.

## Compilation and synthesis of initial national

**communications:** Chair Stoycheva introduced the draft conclusions (FCCC/SBI/2004/L.23), noting that Parties could not reach agreement. Parties adopted agreed paragraphs of the draft conclusions and decided to forward the other paragraph to the COP Presidency.

**OTHER MATTERS: Level of emissions for the base year of Croatia:** Jim Penman (UK) reported on informal consultations, noting that text could not be agreed. The US and CROATIA, opposed by SAUDI ARABIA and SERBIA AND MONTENEGRO, suggested that further consultations be held. Parties adopted the draft conclusions with an amendment that SBI will continue its consideration of this issue at its next session (FCCC/SBI/2004/L.21).

**UNFCCC FINANCIAL MECHANISM: Report of the GEF to the COP:** Chair Stoycheva introduced the draft conclusions (FCCC/SBI/2004/L.20). Regarding provisions on resource allocation, ARGENTINA, supported by the G-77/CHINA and others, and opposed by the US and JAPAN, recommended amending text on relevant methodologies, indicators and data. Parties agreed to delete reference to text on methodologies, indicators and data, and adopted the draft conclusions, as amended.

**Special Climate Change Fund (SCCF), matters relating to the implementation of decision 5/CP.8 (review of the financial mechanism), additional guidance to the GEF:** Jozef Buys (Belgium) and Rawlestone Moore (Barbados) noted that the group had made progress on these issues, but had insufficient time to reach agreement on the SCCF or additional guidance to the GEF. Parties adopted draft conclusions on matters relating to the implementation of decision 5/CP.8 (FCCC/SBI/2004/L.24), and agreed to forward a draft decision on the SCCF to the COP Presidency (FCCC/SBI/2004/L.25). A draft decision on assessment of funding to assist developing countries in fulfilling their UNFCCC commitments (FCCC/SBI/2004/L.26) was also forwarded to the COP Presidency with minor amendments.

**CAPACITY BUILDING:** Shirley Moroka (South Africa) said the contact group had reached a decision on capacity building for countries with economies in transition only. SBI agreed to forward the draft decision to the COP (FCCC/SBI/2004/L.22/Add.1). On the issue of capacity building for developing countries she said Parties had not reached agreement. SBI forwarded the bracketed draft decision to the COP Presidency (FCCC/SBI/2004/L.22/Add.2).

**IMPLEMENTATION OF UNFCCC ARTICLE 4.8 AND 4.9: Progress on the implementation of activities under decision 5/CP.7:** Paul Watkinson (France) noted that the group had made some progress and hoped that further consultations during the COP would result in agreement. Chair Stoycheva introduced a conference room paper on the issue (FCCC/SBI/2004/CRP.3), which Parties decided to forward to the COP Presidency.

**Matters relating to the LDCs:** Bubu Jallow (the Gambia) said the group had not reached an agreement. SBI decided to forward bracketed draft decisions and conclusions to the COP presidency (FCCC/SBI/2004/L.28/Add.1, Add.2 and Add.3).

**REPORT ON THE SESSION:** Emilio Sempris introduced the report on the session (FCCC/SBI/2004/L.13), which SBI adopted. SBI-21 closed at 1:14 am.

## IN THE CORRIDORS

As described by one observer, Tuesday was clearly the “day of the brackets” with numerous bracketed draft decisions left unfinished and being forwarded by SBSTA and SBI directly to the COP Presidency that has already begun informal senior-level discussions. Exhausted delegates in the corridors remarked upon the unusual approach taken by the SBI and SBSTA, in limiting strictly the time allowed for discussion on issues that were near completion. In particular, observers pointed out that the issues of the financial mechanism and the LDCs could have completed their work, noting that with three days to go, sufficient time could have been found.

Delegates also expressed their disappointment at the renegotiation of terms of the LDC Fund, meaning that progress made at COP-9 on funding for adaptation is essentially negligible. Meanwhile, closure of SBSTA was held up for hours by insistence by the Russian Federation and Saudi Arabia that their proposals on adaptation be reflected in the draft conclusions, generating speculation about the motivation for the Russian objection.