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REPORT OF THE SECOND MEETING OF THE SUBSIDIARY BODIES OF THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE 27 FEBRUARY - 4 MARCH 1996

The UN Convention on Climate Change's Subsidiary Body on Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI) held their second meetings in Geneva from 27 February through 4 March 1996. The SBSTA considered scientific assessment and cooperation, including the Intergovernmental Panel on Climate Change's (IPCC) Second Assessment Report (SAR), reporting by Annex I and non-Annex I Parties, activities implemented jointly (AIJ) and the Technical Advisory Panels (TAPs). The SBI considered in-depth reviews of national communications, matters related to the financial mechanism, financial and technical cooperation, transfer of technology, arrangements for the relocation of the Secretariat to Bonn and the Second Conference of the Parties.

A BRIEF HISTORY OF THE SBSTA AND SBI

The first meeting of the Conference of the Parties to the Framework Convention on Climate Change (COP-1) requested the Secretariat, in document FCCC/CP/1995/7/Add.1, to make arrangements for sessions of the Subsidiary Body for Scientific and Technical Advice (SBSTA) and the Subsidiary Body for Implementation (SBI). COP-1 characterized the role of the SBSTA as the link between scientific, technical and technological assessments, the information provided by competent international bodies, and the policy oriented needs of the COP. The SBSTA is expected to develop recommendations on the following issues: scientific assessments, national communications from Annex I Parties, methodologies, first communications from non-Annex I Parties, activities implemented jointly under the pilot phase, transfer of technology, allocation and control of international bunker fuels, possible contributions to the "Berlin Mandate" process, cooperation with competent international bodies, including the IPCC, proposals on longer term activities and a workshop on NGO inputs.

COP-1 characterized the role of the SBI as developing recommendations to assist the COP in the review and assessment of the implementation of the Convention and in the preparation and implementation of its decisions. The SBI is expected to develop recommendations on the following issues: national

communications from Annex I Parties, first communications from non-Annex I Parties, matters relating to the financial mechanism, transfer of technology, activities implemented jointly under the pilot phase, institutional and budgetary matters, methodological issues, technical cooperation activities of the Secretariat and its partners, proposals on long term activities and organizational arrangements, proposals for future cooperation between the SBI, the SBSTA and the IPCC, and possible contributions to the "Berlin Mandate" process.

FIRST SESSION

SBSTA: The first meeting of the SBSTA was held in Geneva from 28-30 August 1995. Delegates confronted a daunting array of technically and politically complex issues, including: scientific assessments, national communications from Annex I Parties, methodologies, first communications from non-Annex I Parties, activities implemented jointly under the pilot phase, transfer of technology, allocation and control of international bunker fuels, possible contributions to the "Berlin Mandate" process, cooperation with competent international bodies, including the IPCC, proposals on longer term activities, and a workshop on NGO inputs. The SBSTA was also supposed to establish intergovernmental technical advisory panels on technologies (TAP-T) and methodologies (TAP-M). However, the SBSTA did not have time to consider all of these issues. Among the more contentious issues were:

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definition of the SBSTA's relationship with the IPCC, the terms of reference and composition of the TAPs and the elaboration of guidelines for national communications from non-Annex I Parties. By the end of the meeting, delegates successfully identified areas for cooperation with the IPCC, agreed on a division of labor with the SBI on technology transfer issues, and requested the Secretariat to organize a workshop on non-governmental inputs, among other things. However, no progress was made on the formation of the TAPs and delegates had to resume this discussion at the second session.

SBI: The first meeting of the SBI took place from 31 August - 1 September 1995 in Geneva. The SBI addressed: communications from Annex I Parties; a progress report on in-depth review; institutional and budgetary matters; matters relating to the financial mechanism; and the elaboration and scheduling of the programme of work for 1996-1997. Delegates rapidly adopted the SBI's work programme and recommended that the COP adopt the draft Memorandum of Understanding with the GEF as the financial mechanism, and proposed a draft decision on this item to be adopted by the COP at its second session.

SUBSIDIARY BODY ON SCIENTIFIC AND TECHNOLOGICAL ADVICE

SBSTA Chair Tibor Farago (Hungary) opened the second session of the Subsidiary Body on Scientific and Technological Advice (SBSTA) by noting the tight schedule and the need for SBSTA's work to feed into the second Conference of Parties (COP-2) as well as into the work of other subsidiary bodies, especially the *Ad Hoc* Group on the Berlin Mandate (AGBM).

In his opening statement, UNFCCC Executive Secretary Michael Zammit Cutajar said seven countries had become Parties to the Convention since 3 November 1995: Bhutan, Djibouti, Ghana, Guinea Bissau, Honduras, Mozambique, and Nicaragua. Nine others have ratified or acceded and will become Parties soon: Belgium, Cambodia, El Salvador, Guatemala, Morocco, Slovenia, Syria, the United Arab Emirates and Yemen. The Parties now number 145 and will increase to 154 when the nine states complete their notice period. He noted that financial constraints from the UN budget crisis have also affected document preparation and translation, because a ban on overtime limits flexibility to do last minute translations. He observed the tendency during the work of subsidiary bodies to ask for documents for the next session without evaluating their utility to delegations or the process. He urged delegates to carefully consider the necessity of such requests.

Delegates then adopted the provisional agenda (FCCC/SBSTA/1996/1) and annotations (FCCC/SBSTA/1996/1/Add.1). The Secretariat said that four new NGO observers would be accredited to attend meetings, pending formal action by COP.

The Chair said that the TAPs and AIJ were difficult and complex issues. The Chair's tentative, informal conclusions on the TAPs were circulated following consultations at AGBM 2. Difficulties concerned the terms of reference and the balance and background of experts. To address concerns that the TAPs could duplicate the work of SBSTA, the emphasis should be to develop a concrete task list based on Parties' proposals. Delegates should make more specific, precise suggestions of what is expected from experts. Regardless of the size of a panel, experts could not cover all disciplines, so a roster of experts nominated by governments has been suggested. To address balance in the nomination of experts, two approaches have been considered: nominations by regional groups, or divided evenly between Annex I and non-Annex I Parties. The Chair's draft conclusions combined the two methods. They would give the SBSTA Chair authority to select from Parties' nominated experts. The Chair suggested initiating further informal consultations, which he would lead.

On AIJ, the Chair said the SBSTA needs to establish a framework for reporting, presenting progress and conclusions to COP-2. Several proposals have been received and document FCCC/SBSTA/1996/MISC.1 describes an initial phase of reporting

based on proposals from the US and Germany. Questions include whether recommended elements could be used for an initial reporting period, what entity could assess the reports, and when to begin analysis of the reporting. He recommended beginning informal consultations under Diego Malpede (Argentina), toward consideration of a document later in the week.

TECHNICAL ADVISORY PANELS

Delegates had before them document FCCC/SBSTA/1996/2, a report by the Chair on his informal consultations on the establishment of intergovernmental technical advisory panels (TAPs). The report notes that the Chair conducted consultations during AGBM 2 and produced an informal paper that suggested a single panel on a provisional basis combining the functions of the previously proposed two panels. The paper proposed that SBSTA consider a possible work programme, contained in an annex to the document. It also proposed that the Secretariat invite nominations for the panel and for a roster of experts to assist with specialized tasks. The work programme lists 11 tasks, including technology inventory, assessment of specific innovative technologies, technological aspects of policy guidance to the GEF, IPCC inventory methodologies, technical aspects of national communications and AIJ, adaptation processes, methods for projecting and estimating the effects of measures and information on terms for transfer of technology. The Chair's report also notes that the SBSTA must consider a proposal by its Bureau regarding nominees, review the adequacy the budget for panel meetings, organization of the panel, and the type of recommendations the panel would make to the SBSTA.

Informal consultations were convened in the morning of Wednesday, 28 February to allow delegates to express preliminary views. Those who spoke gave high priority to the work programme of the TAPs and emphasized assessment of specific innovative technologies and methods for projecting and estimating effects of measures. Delegates also expressed flexibility on the number of members, but disagreed on the balance of membership. Developed countries proposed dividing members between Annex I and non-Annex I Parties, while others noted the UN practice and preferred allocating members according to geographic regions. The Chair's paper proposed a 20-expert panel composed of two from each of the five UN regional groups, five from Annex I Parties and five from non-Annex I Parties. The Chair noted that his compromise would not satisfy those who were inflexible on this point, but could provide a solution to the disagreement.

On Thursday, 29 February, the Chair invited additional interventions from delegations and groups on the TAPs. ITALY, on behalf of the EU, said assessment of technologies and methods for estimating the effects of measures have not been properly addressed. He proposed establishing a provisional panel, supported by a roster of experts, that would report by COP-3. The panel should have an equal number of Annex I and non-Annex I experts, but with a reduced work plan could have less than 20 people. COSTA RICA said the G-77/China was working to produce a joint position. The US said the TAPs must draw from private and public sector, industry, academia and NGOs. Members should be independent experts, not representing governments or regional groups. The TAPs' work should be peer reviewed and presented to the SBSTA or the AGBM. Participants should reflect geographic and technical balance.

IRAN, on behalf of the Asian Group, said the Chair's proposal on the number of TAPs is acceptable, but no consensus on distribution of panel members exists. The intergovernmental nature of the panels should restrict participants to intergovernmental or governmental organizations, not NGOs. NIGERIA said the African Group supported the Chair's paper.

Delegates resumed informal consultations during the evening of Friday, 1 March. The Chair noted there was no consensus on the composition of the TAPs and asked if any delegation could offer any innovative approaches. The G-77/China favored the

conventional UN regional approach, but JUSCANZ and the EU, because of the specifics of Convention, wanted an Annex I/non-Annex I balance. The Chair recalled his attempt to produce a middle ground proposal and suggested that if there was no chance for agreement, the Group should take this item off the agenda and devote its time to other issues.

The Chair attempted to give the floor to an environmental NGO representative, but SAUDI ARABIA objected that this issue was between Parties. The US supported allowing the NGO representative to speak. The PHILIPPINES, coordinator of G-77/China on this issue, recalled that her group had entered these negotiations with a solid position, but had moved from it to accommodate the process. She said the G-77/China had made all possible concessions and reiterated the extreme importance of this issue. She also said if there is no agreement, the G-77/China supports setting up the roster of experts.

The EU stated that the discussion had focused on the work plan, the provisional nature of the TAPs and the composition, and asked that these issues be considered on an equal footing. He said the work programme should be restricted to assessing technologies and projecting effects of measures because the other proposed elements are being addressed elsewhere. These tasks should be completed by COP-3. The TAPs should be established on a provisional basis and reviewed by COP-3. On composition, it should be evenly balanced and able to do the work. SLOVENIA supported the Philippines on the TAPs and agreed with the US on the NGO intervention.

CLIMATE ACTION NETWORK said the number and composition are for governments to decide, but noted that the actual number is less important than agreeing that the TAPs can set up sub-panels of independent experts. She said members should serve in their individual capacities. Both Annex I and non-Annex I countries must work to ensure there is a balance of expertise. The TAPs should perform short-term assessments to help identify technology needs at a local level. She agreed that technology assessment and projecting effects of measures are appropriate tasks for the work programme. The TAPs should be reviewed and possibly renewed at COP-4, and the work should not be filtered by the SBSTA. She also said TAPs should be set up under the IPCC, but should not limit it.

The Chair then suggested inviting experts, based on the proposed roster, to produce technical advisory papers. He said that this was not a good alternative, but the group has agreed on the need for expertise. The SBSTA must either establish this panel or find an alternative. The PHILIPPINES said the G-77/China's understanding of balance seems to be at odds with the other groups. She asked if 50/50 represents a real balance when non-Annex I Parties make up 76% of the countries involved. On expertise, she asked if there was suggestion that developing countries cannot produce reliable experts. The regional approach is the only way to ensure geographic balance and guarantee that regions such as Africa and Asia can bring in experts. Setting up a roster will be useful, but then the question arises on how to select it. She said the G-77/China was willing to apply everything the EU suggested on the initial work programme, but adaptation technologies should also be addressed.

INDIA said that the SBSTA should take regional groups as the basis, and noted that Asia has both Annex I and non-Annex I countries. He said the presumption that some experts are inferior to others is unacceptable and asked what reasons exist for objecting if the question is balance.

AUSTRALIA stressed the need to deliver the work plan for the technical experts. He asked if the SBSTA could move forward and establish a roster of experts, set up workshops and produce outputs according to specific timelines. The EU supported an agreed work programme to be carried out through workshops by experts from a roster selected by the Secretariat or the SBSTA Bureau. These arrangements would be reviewed by COP-3.

GERMANY reminded delegates this was the first phase of experimentation that could lead to a more permanent institutional structure. She said there was no intention whatsoever to say that Annex I experts are superior to others. The EU asked for an equal number because this Convention's structure is distinct from other conventions and linked to commitments. Annex I countries have to take lead in action, which is why the EU wants this balance.

Saudi Arabia said SBSTA cannot burden the Secretariat or the Bureau with selection of experts. The TAPs should reflect an equitable distribution of experts nominated by each region.

The Chair suggested the report would give no conclusion but delegates continued the debate, suspending negotiations twice for consultations in regional groups. They were unable to reach agreement when discussions resumed. The Chair's draft conclusions, adopted by the Plenary, note that delegates could not reach an agreement.

SCIENTIFIC ASSESSMENTS

CONSIDERATION OF THE IPCC SECOND

ASSESSMENT REPORT: Delegates considered document FCCC/SBSTA/1996/7, consideration of the second assessment report (SAR) of the IPCC, and three addenda containing the IPCC working group (WG) reports: WGI on the science of climate change; WGII on the scientific-technical analyses of impacts, adaptations, and mitigation; and WGIII on the economic and social dimensions. They also discussed document FCCC/SBSTA/1996/6, Cooperation with the IPCC. IPCC Chair Bert Bolin gave a broad overview of the SAR and highlighted several key findings of the three working groups. WGI found, *inter alia*, that atmospheric greenhouse gas concentrations continue to increase, which leads to an increasingly positive radiative forcing of climate, and the balance of evidence suggests a discernible human influence on global climate change. WGI also found that considerable advancements have been made in distinguishing human-induced climate change from that occurring naturally.

WGII provided several conclusions: models project that a substantial fraction of the existing forested areas will undergo major changes in broad vegetation types; deserts are likely to become more extreme; productivity of agriculture and forestry will increase in some areas and decrease in others; and developing countries will be more seriously affected and may have fewer adaptation options. WGIII found that a prudent way to deal with climate change is through a portfolio of actions, which will differ according to country. Significant "no regrets" opportunities are available in most countries and the risk of damage provides rationale for action beyond "no regrets." WGIII also notes that flexible, cost-effective policies can reduce mitigation costs and increase cost-effectiveness of emission reduction measures.

Some delegates gave general comments on the SAR, while others asked specific questions.

The EU requested that the SBSTA commend the IPCC summaries and synthesis report and bring forward the recommendations on research and observation to COP-2 as a point of action. He called on the Secretariat to prepare a document on priority actions to be discussed by SBSTA-3 and noted that the scale of the problem requires urgent action based on the precautionary principle. SWITZERLAND noted the IPCC report provides a clear signal, but added that mitigation measures are available and many will cost little. MALAYSIA asked whether the climate models will have a global or regional basis. IPCC Chair Bolin replied that any regional modeling developments would be a major undertaking. BRAZIL said the SBSTA can make recommendations to the COP to endorse areas the IPCC identified to promote governmental and international action to fill knowledge gaps. It is appropriate for the IPCC to avoid policy recommendations, but the SBSTA should use the SAR to guide decisions on Parties' actions to determine future emissions without fear of suggesting policies. As Co-Chair of IPCC Working Group I,

he responded to Malaysia's question about regional models: predictions of climate change at smaller scales are not yet accurate.

The US noted the range of cost-effective technologies and policies and said that national and intergenerational issues justify going beyond the "no regrets" strategies. He suggested greater involvement of business, industry, NGO and environmental experts to ease the burden on scientists. The uncertainties demonstrate that action by Annex I countries alone is inadequate. AUSTRALIA noted the number of "no regrets" policies, but said the risk of damage provides rationale for actions beyond "no regrets." He said the difference in resources and potential damage makes equity considerations key to climate change policies.

The INTERNATIONAL OCEANOGRAPHIC COMMISSION (IOC) OF UNESCO reported on recent IOC activities related to the UNFCCC and highlighted proposed actions, including strengthening the cooperative links between IOC, IPCC and SBSTA, preparation of a sea-level database for distribution among AOSIS States at COP-2, initiation of a coral reefs study from the carbon accumulation viewpoint and provision to the IPCC of the list of IOC experts.

The WORLD METEOROLOGICAL ORGANIZATION (WMO) expressed interest in assisting implementation as far as possible and said it will increase support to the IPCC, as appropriate and feasible. IRAN said the SAR provided an opportunity to consider socioeconomic impacts, technology transfer and policy measures for sustainable economic growth. It is important to recognize that significant emissions reductions require actions to accelerate technology transfer.

ZIMBABWE highlighted the result that developing countries are the most heavily affected and have less adaptation options regarding food, water and human health. Supported by KENYA and POLAND, she said there is a need to get information to all levels of society and to improve regional participation using local experts. She proposed a process to disseminate the SAR in a form that could be used at all levels and that the SBSTA could set up a group to evaluate the policy implications of the SAR. NIGERIA said the SAR is a preliminary document that the IPCC will continue to develop. Distinct contributions to climate change from human activities and natural causes need to be determined. JAPAN highlighted: substantial evidence that warming is occurring; the requirement for future emissions lower than 1990 levels, if concentrations are to stabilize; the suggestion that a significant amount of greenhouse gas (GHG) emissions can be reduced at small or negligible cost; that diffusion of technology is vital; and that while scientific uncertainty still exists, the possibly huge impact requires action according to the precautionary principle. He suggested a paper on mitigation technologies.

CHINA asked whether the SAR's impact assessments were based on the latest projections of mean global surface temperature increase or earlier, higher projections. He said reducing uncertainties, especially in regional patterns and timing should be priorities in the IPCC's work. The IPCC should develop a simple version of its report for ordinary people in developing countries.

IPCC Chair Bolin said that technical papers could help convert the SAR's findings into terms that are policy relevant. Wide dissemination is important, but eventually each country needs a unit to absorb and distribute the information at various levels of knowledge and competence. Regarding uncertainty, the climate system is not a machine we completely understand. Delegates must decide whether uncertainty is so great that we do nothing, or that there is a need to do something. Speaking as Co-Chair of IPCC Working Group II, the US replied to China's question about impacts under lower projected temperature rise, noting that the SAR looked at the sensitivity of systems to climate change, thus allowing for lower predictions.

TRINIDAD AND TOBAGO, on behalf of AOSIS, hoped the conclusion that future climate change will be dominated by human influence until GHG concentrations stabilize will provide impetus

to action. Conclusions on vulnerability and adaptation should inform international decisions in this area. He said Parties need to weigh immediate action against delay, and expressed alarm that impacts of climate change will contribute to further climate change. AOSIS countries are especially concerned with the role of reefs as carbon sinks. The MARSHALL ISLANDS said the possible 95 cm sea-level rise would destroy the physical and economic viability of his country. He said such examples of the socioeconomic impact of not dealing with climate change should be given more influence than a few less petrodollars for some countries. Adaptation should get a higher profile, including coral reef adaptation and scientific and technical cooperation. CANADA urged the SBSTA to endorse the SAR and bring it to the COP for action. He placed priority on public dissemination and said impacts on unmanaged water, permafrost regions and boreal forests would impact Canada. Mitigation and adaptation would provide opportunities to private and public sectors.

KUWAIT said agreement on the need to reduce uncertainty means that uncertainty exists. The PHILIPPINES appreciated the report's acknowledgment that developing countries are going to suffer from the adverse effects of climate change. She noted a workshop in the UK on regional climate variation and human activities. KENYA said the report does not say which concentrations could be dangerous and asked if this represented a scientific fact or a policy position. IPCC Chair Bolin replied that "dangerous" is difficult to define and requires a value judgment that the IPCC will not make.

On Friday morning, 1 March, delegates began considering draft conclusions on the consideration of the IPCC SAR (FCCC/SBSTA/1996/L.1/Add.1). The Secretariat noted that paragraph 2 contains highlights of the IPCC conclusions, but that wording should be improved to be fully compatible with the IPCC report language. COSTA RICA, on behalf of the G-77/China, said the SBSTA should receive the information, acknowledge receipt and pass on the report to the COP. The SBSTA should not select topics from the IPCC SAR to highlight in its document. The US, supported by POLAND, said it would be better to use exact IPCC wording because the SAR is a negotiated text. The choice of key conclusions is good but omits mention of very long time scales. He suggested adding to the IPCC work programme early development of new emission scenarios and consideration of implications of emission limitation proposals under discussion.

SAUDI ARABIA said a technical report on economic impacts on non-Annex I Parties from new commitments of Annex I Parties needs to be included, as well as an evaluation of climate change avoided by proposed new commitments. Supported by CHINA, KUWAIT and NIGERIA, he added that the SBSTA should only thank the IPCC for its assessment and transmit the synthesis report and the SAR to the COP. The SBSTA should not be selective or pick and choose conclusions, which could overlook equally important parts of the SAR. Paragraph 2, containing a list of highlights from the IPCC SAR, should be removed.

The MARSHALL ISLANDS said if the SBSTA transmits the IPCC reports without comments, it would insult the IPCC's integrity. He recommended retaining the list of major conclusions. The Chair said the SBSTA was not a "pure and stupid link" and should make a judgment as a collective effort. NIGERIA said the conclusions should reflect that the IPCC report is not the only report available. CHINA said a reference to the IPCC report as "the most authoritative and comprehensive assessment available" should be changed to "useful and comprehensive."

The RUSSIAN FEDERATION said delegates did not have enough time to analyze the SAR to develop recommendations. SBSTA should include analysis of proposed commitments in its timetable. TRINIDAD AND TOBAGO, on behalf of AOSIS, said paragraph 2 was an attempt to reflect the SBSTA's consideration of the SAR and supported taking special note of the findings. Delegates could adjust the list to ensure all members are comfortable. He welcomed assessment of protocol proposals as an

indication of desire for strong reductions like those contained in the AOSIS draft protocol. The EU said paragraph 2 should use IPCC language, but he endorsed including a list. The conclusions should state that the situation requires urgent action at the widest level. NORWAY said paragraph 2 is not a biased selection and supported its inclusion. CANADA said the SBSTA must identify key findings in the SAR if it is to provide appropriate advice to the AGBM and the COP. Deleting paragraph 2 would compromise the SBSTA's ability to carry out its mandate.

The US said deleting paragraph 2 would mean the SBSTA has failed miserably in providing guidance. KENYA supported retention of paragraph 2 using IPCC language. If no agreement was reached, the IPCC reports could be annexed to the decision. AUSTRALIA supported retaining the reference to "most authoritative and comprehensive" as well as paragraph 2. A sub-point in the paragraph should mention uncertainties. The UK supported including paragraph 2.

The question of whether to include a list of highlights from the SAR dominated informal debate Friday afternoon. Saudi Arabia, China, Costa Rica, on behalf of the G-77/China, Iran, Venezuela, India and Kuwait said that developing countries did not have the time to analyze the SAR and that the list of highlights would bias the SBSTA's conclusions against those countries that did not have the opportunity to evaluate the report. Switzerland, Norway, the US, the UK, the Marshall Islands, Uzbekistan, and Trinidad and Tobago, on behalf of AOSIS, supported including a list, noting that the SBSTA should indicate that the SAR had important messages for policy makers. The Chair suggested that the list of highlights be moved from the meeting's conclusions to the report, indicating that many countries said the highlighted SAR conclusions were important. The conclusions would say that the SAR required further study and consideration by the SBSTA. China, the US and Trinidad and Tobago supported the Chair's suggestion to move the highlights to the report. Saudi Arabia, supported by China, said the report would need to reflect the views of delegations that believe the highlights are selective and out of context. Delegates suggested minor changes to other paragraphs in the document.

A contact group led by Evans King (Trinidad and Tobago) negotiated the report sections and conclusions on scientific assessment over the weekend. The draft conclusions on consideration of the SAR (FCCC/SBSTA2/CRP.1) say that the SAR was considered to be an important scientifically-based, comprehensive analysis. They recognize that the IPCC would have to provide further technical inputs and agree that the findings and projections of the SAR should be made available in a suitable form to different audiences with special attention to impacts and circumstances at the national level.

The draft proceedings on consideration of the SAR (FCCC/SBSTA2/CRP.2) state that some delegations drew attention to important findings that they felt should be communicated to Convention bodies, particularly the AGBM, and that these delegations felt the findings underlined the necessity for urgent mitigation action. The proceedings reference the IPCC report's 15 findings including that: atmospheric GHG and aerosol concentrations are increasing largely because of human activities; the balance of evidence suggests a discernible human influence on global climate; a 2° Celsius global mean surface air temperature rise is projected relative to 1990 by 2100 without specific mitigation measures; average sea level is projected to rise 50 cm. by 2100; stabilization at twice pre-industrial levels will require global emissions less than 50% of current levels; temperature and sea level would continue to rise even if GHG concentrations were stabilized in 2100; projected climate change will adversely impact ecological systems and socioeconomic sectors, sometimes irreversibly; developing countries and small islands are typically more vulnerable; significant emissions are technically possible and economically feasible; no regrets opportunities are available in most countries and risk of damage, risk aversion and the precautionary principle are rationales for action beyond no regrets;

a portfolio of measures can reduce net emissions from all sectors; flexible policies using economic incentives and instruments can reduce mitigation and adaptation costs or increase cost effectiveness; equity considerations are important; and uncertainties remain and work is needed to reduce them.

The proceedings note that other delegations said it is very premature to highlight conclusions contained in the SAR, and that the list is highly selective, limited and presents a biased view of the SAR. These delegations suggested that a preliminary review of the SAR indicated *inter alia* that: the highlighted conclusion on discernible human influence selectively quotes the IPCC and fails to note uncertainty in key factors on quantifying human influence including natural variability; the estimated temperature increase is one-third below the 1990 IPCC best estimate; the estimated sea level rise is 25% below the 1990 best estimate; there are inadequate data to determine whether consistent global changes in climate variability or weather extremes have occurred over the 20th century; uncertainties and factors currently limit our ability to project and detect future climate change; the conclusion on food supply impacts is misleading because studies show global agricultural production could be maintained in the face of climate change; IPCC Working Group III put great value on better information about climate change processes and impacts and responses and that the synthesis report called attention to large differences in the cost of reducing emissions and enhancing sinks due to countries economic development, infrastructure choices and natural resource base.

The conclusions and proceedings were adopted at the final SBSTA plenary as part of what SBSTA Chair Tibor Farago called a "fragile package."

COOPERATION WITH THE IPCC: In the morning of Wednesday, 28 February, SBSTA Vice-Chair Soobaraj Nayroo Sok Appadu (Mauritius) opened discussions on scientific cooperation. The US, supported by UZBEKISTAN, said IPCC technical reports should address a variety of gas mixes, time horizons and stabilization levels, use simple models to predict mean temperature change and sea-level rise at 10-year intervals, and evaluate the technical feasibility of each profile. Supported by SAUDI ARABIA, he said another report could address the effects of various emissions limitation proposals, including the AOSIS draft protocol, assessing the technical feasibility and range of cost for each proposal. The IPCC should continue to lead inventory efforts.

The RUSSIAN FEDERATION said the SBSTA should analyze the SAR and elaborate a proposal for implementation of priority measures. The IPCC should move from global to regional scenarios and forecasts, including a scientific evaluation of dangerous effects on the climate system. Regional seminars should be added on regional effects. The NETHERLANDS said the documents are already made for policy makers, so there is no need for further simplification of IPCC documents by the SBSTA.

INDIA said the IPCC should continue to synthesize science and technical research, not stray into policy measures or national technologies. He supported regional workshops, with an Asian regional meeting in India. VENEZUELA said the IPCC should look at the social and economic consequences of a protocol or legal instrument of new commitments for Annex I countries and how new commitments can help avoid temperature and sea-level rise. CHINA said global projections alone are far from enough for countries and regions to formulate policies and strategies.

SAUDI ARABIA stressed assessment of the economic impacts of possible protocols on all Parties, especially developing countries. UGANDA said the question is how SBI and SBSTA can establish regional research institutions, especially in less developed areas like Africa. ITALY, on behalf of the EU, said the IPCC should continue as the primary body providing independent assessments, reviewing published literature and developing methodologies and guidelines. SBSTA should look at operational issues and technical aspects of specific policy questions. He called for a technical paper

on interpreting scenarios, pathways and timetables to stabilization, and an assessment of options relevant to the AGBM.

KUWAIT said it is important to focus on the economic impacts of any proposals for new commitments, and on the reduction in change in temperature and sea-level rise that can be achieved. A summary should not reinterpret the SAR. The INTERNATIONAL ATOMIC ENERGY AGENCY said delegates should consider the role of nuclear power in reducing climate change. CANADA supported looking at criteria for determining dangerous interference, as well as emphasis on social and economic impacts, especially in developing countries, and on the impact of response options on employment, inflation and other economic factors. MALAYSIA recommended that SBSTA prepare a list of adaptation technologies and consider mechanisms to enhance dissemination of experience on adaptation technology. SBSTA should further elaborate the impact of economic instruments on developing countries and provide guidance on how regional scenarios can be developed. EGYPT said the IPCC should continue to assess impacts on vulnerable regions. NEW ZEALAND said the SAR should be referred in its entirety to the COP and the AGBM. He supported the recommended special topic reports and workshops for 1996, especially on coral reefs.

POLAND said guidelines for adaptation measures are needed as well as for inventories. ANTIGUA AND BARBUDA asked whether, as indicated by the IPCC Chair's summary, it was impossible to stabilize atmospheric concentrations at 450 ppm equivalent. He noted that while the level could be difficult to avoid it was not impossible. IPCC Chair Bolin said with current GHG concentrations at about 420-430 ppm, it is impossible not to exceed 450 ppm at some point, but not impossible to stabilize eventually at that level. TRINIDAD AND TOBAGO, on behalf of AOSIS, said the SAR already shows dangerous climate interference. ARMENIA called for a study of methane emissions from municipal dumps and work on the use of municipal refuse as fuel.

The draft conclusions on cooperation with the IPCC (FCCC/SBSTA2/CRP.1) note the IPCC's decisions on a work programme, particularly the intention to prepare a Third Assessment Report by 2000 and continue GHG inventory methodologies. The conclusions request that the IPCC undertake a work programme, listed in an annex, which describes activities, products and timetables under a number of issues. The annex includes work on: regional scenarios and impacts; full scientific assessments; detection of climate change; emissions inventory methodologies; technology transfer and evaluation; modeling of stabilization scenarios; implications of emission limitations; impacts of response measures; and simple climate models. Document FCCC/SBSTA2/CRP.1/Add.1 amends annex sections on modeling of stabilization scenarios and implications of emission limitations and adds a section on impacts of response measures. The conclusions and annex were adopted at the final plenary.

NATIONAL COMMUNICATIONS

COMMUNICATIONS FROM ANNEX I PARTIES:

Delegates considered the following documents: Part One: Elements of the second compilation and synthesis report (FCCC/SB/1996/1); Part Two: Tables of inventories and anthropogenic emissions and removals in 1990 and projected anthropogenic emissions in 2000 (FCCC/SB/1996/1/Add.1); Progress report on in-depth reviews (FCCC/SB/1996/2); and Report on the guidelines for the preparation of first communications by Annex I Parties (FCCC/SBSTA/1996/3).

The US recommended that the SBSTA should improve instructions for subsequent national communications by: eliminating ambiguity from GHG inventories; including implementation status and expected effect in the descriptions of policies and measures; and including all GHGs in emission projects. The US also expressed disappointment at the brevity of the status report and urged the Secretariat to provide a more substantive assessment. NEW ZEALAND supported the US and

stated that the revised measures should be adopted at COP-2 to be applied to second national communications.

INDIA noted the projected values for emissions of all GHGs are substantially higher than 1990 levels, and fall far short of the Convention's goals. He suggested that if 1994 is the base-year for non-Annex I Parties, then there should be a set of values for 1994 for Annex I countries to ensure comparability. JAPAN highlighted the need to clearly define the time frame for prospective steps in the guidelines, which should review the performance of policies and measures and should be more comparable. POLAND said that economies in transition may have trouble submitting national inventory data by 15 April 1996. CANADA supported the further development of guidelines to improve transparency, consistency, descriptions of policies and measures, and reporting on technology cooperation. The MARSHALL ISLANDS, on behalf of AOSIS, expressed concern about the number of Annex I countries failing to meet the relatively soft targets for emissions reductions and supported Japan's proposal to include a performance review on policies and measures.

The EU supported the proposed 1 April 1996 deadline for submissions on the approach for the second compilation and encouraged Annex I Parties with economies in transition to use 1990 as the base-year as soon their capabilities permit. He said the underlying assumptions used in preparing national communications should be reflected in tables to increase comparability.

AUSTRALIA supported the Secretariat's proposal to include examples of national circumstances in the second compilation. URUGUAY expressed concern about the lack of comparability between Annex I national communications. He proposed that Annex I countries include a projection for developing cleaner alternative technology as part of their growth perspectives.

The Chair noted that many delegates referred to the original deadline of 15 April and reiterated the importance of moving the deadline up to 1 April, as proposed by the Secretariat. The US said there is not adequate time to accommodate the request and the extra two weeks is important for providing thoughtful comments.

COMMUNICATIONS FROM NON-ANNEX I PARTIES:

The Secretariat said the document FCCC/SB/1996/3 deals with guidelines to be dealt with by SBSTA and other matters.

COSTA RICA, on behalf of the G-77/China, summarized workshops held 25 and 26 February 1996, on guidelines and the initial communications of non-Annex I Parties. The workshops reviewed a possible format and FCCC principles that should shape the communications. He emphasized the need to accelerate the provision of financial resources by the GEF so that lack of resources do not affect the initial communications.

The G-77/China position paper notes relevant FCCC Articles on commitments, obligations, national circumstances, vulnerability and timing, with the latter emphasizing that non-Annex I Parties' communications are due either within three years of entry into force for a Party or upon availability of financial resources. Regarding inventories, the paper calls for adequate financial resources, technical support and technology transfer. It also suggests a flexible methodology and 1994 as the base year. Reports may include adaptation measures, information on emissions by sources and removals by sinks, financial resources and technical support given and required, capacity building and training needs, and requirements for technology transfer. A format for communications, included as an annex, contains sections and guidelines on general circumstances, special circumstances, inventories of various gases, a summary, general description of steps, financial and technological needs and constraints. The paper expresses disappointment that developed country Parties have not met commitments on provision of financial resources. It says there should be no individual country reviews of non-Annex I communications, only an aggregate assessment. It requests necessary assistance for compilation and communication of information, particularly for a follow-up workshop at the next SBSTA session.

CHINA, supported by the PHILIPPINES, said no one other than the G-77/China could change the group's position paper. He underscored that timing of communications is tied either to ratification or financial resource availability. Developing countries need funds to support measurement, analysis, monitoring and evaluation teams. INDIA said financial support would also be needed for institutional capacity building, including monitoring and research and development for measurement systems. NIGERIA emphasized the importance of technical capacity building through training and other necessary financial assistance.

During informal negotiations, the US and others questioned whether the G-77/China proposal could be improved in consistency, transparency and comparability. ITALY, on behalf of the EU, said the description of policies and measures should include a section on mitigation. He said the reference to use of IPCC or other comparable methodology needed clarification. FRANCE asked whether the 1994 base year should be different than Annex I Parties' base year of 1990, and also suggested that aggregation of reports from non-Annex I Parties did not preclude the need to collect or analyze individual countries' reports. JAPAN said the variety of conditions in developing countries requires flexibility without compromising other values. He proposed that report guidelines classify those elements that are mandatory for inclusion. Projections of GHG emissions should be included. CANADA said guidelines should be finalized for recommendation to COP-2 and for early application by some Parties. IPCC guidelines are preferable and 1990 should be used as a base year where possible.

COSTA RICA, on behalf of the G-77/China, said transparency and comparability are seen as fundamental. The G-77/China position paper is the most non-Annex I countries can do now. The degree of flexibility permits countries wishing to provide more information to do so while those with more difficulties will report what they can. INDIA said transparency, comparability and consistency are requirements of science and of all Parties, but are not totally apparent even in Annex I Parties' communications. CHINA said no Party had achieved transparency, comparability, and consistency, and asked whether it is fair to hold developing countries to standards others have not met. The MARSHALL ISLANDS said there is a diversity of situations that require flexibility. Supported by SRI LANKA, he said developing country Parties will do what they can to use technology and report, but will not undertake mitigation measures until they have taken adequate adaptation measures.

The PHILIPPINES said flexibility does not mean that Parties pick and choose obligations, but the goal is to deal with difficulties. MALAYSIA said delegates should not prejudge transparency, comparability and consistency until the SBSTA can evaluate the communications.

At the final SBSTA plenary, delegates agreed that the G-77/China position paper (FCCC/SB/1996/MISC.1/Add.1) would serve as the basis for the adoption of guidelines and format for preparation of initial communications for non-Annex I Parties.

ACTIVITIES IMPLEMENTED JOINTLY (AIJ)

A contact group under Diego Malpede (Argentina) held informal negotiations throughout the week on activities implemented jointly under the pilot phase. Based on written submissions from Germany and the US (FCCC/SBSTA/1996/Misc.1), they negotiated how reporting should occur, whether at the programme or project level, and how monitoring and verification of projects would be conducted. A draft decision on AIJ was adopted at the final SBSTA plenary, which adopts an initial reporting framework for AIJ projects, invites reports from parties and asks the Secretariat to compile the Parties' reports. The framework defines who reports, the frequency of reporting, and contents.

TECHNOLOGY INVENTORY AND ASSESSMENT

Delegates considered the initial report on an inventory and assessment of technologies and technology inventory database (FCCC/SBSTA/1996/4 and Add.1). COP-1, AGBM 1 and SBSTA requested that the Secretariat prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change. The Secretariat designed a database to organize the information that contains written materials, technical reports, journal articles, books and reports on conferences and workshops. Information is also available on institutions, information centers, databases, and Internet sites. In introducing the document, the Secretariat requested guidance from the SBSTA on the objective of future assessments, the use of information, the types of report that would be helpful, whether work on adaptation technologies would benefit from consideration by the IPCC or the intergovernmental technical advisory panel, technologies in the research and development stage and identification of future work.

UNIDO highlighted its study for developing countries on the impact on climate change response measures on their industrial development. A multidisciplinary team of experts is identifying economically viable options for reducing the rate of growth of GHG emissions while maintaining growth. The study will undertake four tasks: a comparative analysis of patterns of energy use, a review of national and global production and energy scenarios, an inventory of key industrial energy efficiency and fuel-switching measures, and a spreadsheet analysis framework for improving energy efficiency in developing countries.

The NETHERLANDS, on behalf of the OECD, reported on the Climate Technology Initiative (CTI), which was established to assist all interested countries in meeting the objectives of the UNFCCC. Recent developments include: new national initiatives for exchange of experience through voluntary agreements; an international workshop on methods and approaches for assessing technology needs; further expansion and linking of IEA's GREENTIE information system with CC:INFO; and continued expansion of cooperative research and development arrangements. The EU reaffirmed the SBSTA's focus on assessment and identification and said priority should be given to technologies for developing country implementation of national programmes, which should take feasibility into account. INDIA mentioned several other sources of information available, including databases and newsletters, and highlighted the importance of electronic information technology.

MALAYSIA said it is difficult to make full use of the data available. He called for an intergovernmental panel to create a cost-effective, one-stop information clearinghouse to serve the Parties and recommend guidelines for assessment and future development of the database. While comprehensive catalogues of technology are available, many developing countries cannot afford to search through hundreds of sites and many do not have Internet access. JAPAN highlighted activities under the CTI and AIJ. AIJ is important because it promotes technology transfer and contributes to regional economic development. He highlighted the Fifth Asian-Pacific seminar on climate change in Sendai, Japan (23-25 January 1996) and noted the proposals presented, including the formulation of inventories, the use of local and regional centers, and technology transfer. CANADA said the highest priority is preparing national communications, and supported annual reports on technology assessments. On adaptation measures, SBSTA should focus on non-Annex I Parties.

CHINA disagreed with the suggestion that technology transfer should be linked with AIJ, because AIJ is supplementary and voluntary, whereas technology transfer is an obligation. He recalled that COP-1 Decision 13 calls for an itemized progress report on Annex I Parties, and urged Parties who have not done so to include technology transfer efforts in their national communications. He suggested that non-Annex I Parties specify the technologies they need most.

The US called for the development of an ongoing work plan on technologies and consideration of the host of organizations that can contribute. He urged Parties to agree on the allocation of technical work among the various organizations, such as the IPCC, CTI and TAPs. He highlighted the structure of the database and the value of submissions by the private sector and said the report demonstrates the need for effort on specialized information.

IRAN stated that this information should be produced in a manner that covers the demand of countries. He called for establishment of a worldwide information network and database and the strengthening of existing data networks within countries. The Chair noted that many comments requested consideration of technology transfer, but said this element is for the SBI. The guidelines for Annex II Parties should be provided by SBSTA. He also noted a "clear" message that a further survey is necessary. The SBSTA conclusions urge Parties to provide the Secretariat with information and databases on technology and know-how, requests that the Secretariat continue its activities in this area and identify information sources and gaps on technology information centers with a view to developing a plan to set up specialized centers. The conclusions also request that the Secretariat develop a paper for the SBSTA on terms of technology transfer.

LONGER-TERM ACTIVITIES

The Chair said it was necessary to make long-term plans and report to COP-2. He asked delegates for advice on preparations for the next SBSTA session. CANADA requested that the Secretariat prepare a document on a longer-term programme. MALAYSIA said the Secretariat should consider how the SBSTA would provide advice on international research programmes, and research and observation systems. The SBSTA final plenary adopted a decision with dates of future sessions.

SBSTA FINAL PLENARY

WORKSHOP ON MECHANISMS FOR NGO INPUTS:

The SBSTA heard a report on views expressed at the NGO workshop held over the weekend. The workshop originated from a New Zealand proposal to establish a business consultative mechanism whereby different sectors could discuss commitments to emissions reductions. The NGOs representing business interests said a business consultative mechanism should provide business with a convenient, direct and effective, additional channel of communication, further enable business to provide information in timely manner, and be open to all business NGOs accredited by the FCCC process. Representatives from the local authorities wanted intergovernmental organization observer status and stressed the importance of local Agenda 21s. The environmental NGOs said there was no need for a new mechanism for input, only better use of existing mechanisms such as access to the floor, written proposals and interventions in discussions. They said delegations should include NGO representatives and that NGOs could also be involved in technical advisory bodies.

NGO PARTICIPATION: The SBSTA was also informed of consultations by the Bureau of the COP on NGO participation. They agreed, for SBSTA meetings, to provide constituencies with three seats on the floor; one each for environmental, local authorities and business NGOs. The Chair characterized this as a practical approach to the problem. Saudi Arabia said that while he respected the decision of the provisional Bureau of the COP, there should be a full discussion on this issue at the next meeting before taking a substantive decision. The Chair said this decision was within the mandate of the Bureau, not SBSTA, and noted it did not allow access to the floor, but only three additional seats. It noted that this was a "test phase" limited only to SBSTA.

LONGER TERM ACTIVITIES: Delegates adopted a paragraph on future SBSTA meetings scheduling SBSTA-4 in December 1996 and SBSTA-5 in late February or early March 1997.

REPORT OF THE SESSION: Delegates then discussed the draft reports contained in FCCC/SBSTA/1996/L.1, the draft report of the SBSTA on its second session; FCCC/SBSTA/L.1/Add.1, the draft report on the Second Assessment Report of the IPCC and cooperation with the IPCC; and FCCC/SBSTA/1996/L.1/Add.2, the draft report on the communications from Parties included in Annex I. Following the Chair's suggestion to adopt the draft report of SBSTA, CHINA and VENEZUELA objected and made proposals for including specific elements, but the Chair replied that the group was only adopting the structure of report without the substantive elements at this stage, and that all issues would be considered later in the day. He also noted a compromise agreement to reflect the elements of the IPCC report.

CHINA proposed including a paragraph noting the G-77/China's position paper on guidelines for preparing initial communications from non-Annex I Parties. He said that the paper was formally introduced and said this omission was "deplorable." TRINIDAD and TOBAGO supported China and proposed references to the AOSIS statement throughout the report. The US questioned including a reference to a position paper, but China insisted the inclusion was its sovereign right. These suggestions were brought up again as the group began a section by section review.

The Secretariat then introduced the draft conclusions of the SBSTA on technology and inventory assessment (FCCC/SBSTA2/CRP.3). The conclusions note the SBSTA's recognition that the identification of and information on technologies and know-how could assist the Parties in the preparation of national plans and requested the Secretariat to continue its activities related to the preparation of an inventory of technologies and know-how conducive to mitigating and adapting to climate change. The SBSTA also requested that the Secretariat conduct a survey before SBSTA-3 to identify Parties' needs for information on mitigation technologies and know-how, and to prepare an initial catalogue of adaptation technologies and know-how, including information and their costs, environmental impacts and implementation requirements. The SBSTA also requested that the Secretariat periodically report on new information on technologies and know-how in the research and development stage.

The US proposed a reference to continuing coordination with other relevant bodies. The PHILIPPINES requested more time to review the document. She noted there was no mention of her request for information and transfer, not just know-how, and also noted duplication in some paragraphs. The Chair noted the mandate of the SBI addresses facilitation procedures for technology transfer and that the SBSTA should not give instructions. CHINA suggested highlighting transfer of technology and proposed adding a paragraph on Annex II Parties' activities on technology transfer. The Chair again noted that technology transfer is mainly the mandate of the SBI.

MALAYSIA said its proposal had been omitted and added a reference to setting up a one-stop information center, providing financial resources, preparing comprehensive catalogues, disseminating information and assessing the suitability of technology. COSTA RICA, on behalf of the G-77/China, also requested more time for review and noted the number of proposed amendments. A small drafting group was convened to address the proposals. The group later reported back with a text containing the amendments. The Secretariat introduced document FCCC/SBSTA2/CRP.3 and the suggested amendments, including a reference to cooperation with other relevant organizations. It also includes a request to the Secretariat concerning information on technology and refers to probable time-frames related to the terms of transfer of technology and know-how currently available.

On national communications from non-Annex I Parties, the Chair noted the extensive informal consultations, but also said there had been insufficient time to discuss the issues and the necessary conclusions had not been reached. He noted that the SBSTA received a paper from the G-77/China, contained in document

FCCC/SB/1996/MISC.1/Add.1. INDIA proposed adding a paragraph stating that the SBSTA adopted this document as the basis of guidelines and format for preparation of the initial communications from non-Annex I Parties. The PHILIPPINES said the proposal intends to send a clear message for further planning and discussion.

The US said there is a willingness from developing countries to move forward and suggested noting the non-Annex I work and the workshop that developed the guidelines. He also proposed an additional meeting aimed at resolving questions raised and requested that the Secretariat coordinate with experts from developing countries. The EU said that they appreciated the efforts of non-Annex I experts and the G-77/China proposal on guidelines, but could not accept these substantial modifications. The meeting was suspended, but delegates later agreed that SBSTA considered FCCC/SB/1996/MISC.1/Add.1 the basis for the adoption of guidelines and format for preparation of initial communications for non-Annex I Parties. The SBSTA will continue consideration of this item at its next session.

GHANA, on behalf of the African Group, expressed disappointment that guidelines for non-Annex I communications were not adopted and that no contact group was established to resolve differences between Annex I and non-Annex I Parties.

The Chair then presented the draft conclusions on an initial framework for reporting on activities implemented jointly (AIJ) under the pilot phase. The conclusions note that Parties may report jointly or separately to the COP. Reports may be transmitted to the Secretariat at any time and should be updated, preferably each year. It also lists the contents of the report, including: description of the project, governmental acceptance, compatibility with national economic development, benefits derived and calculation of the contribution of AIJ projects. CHINA, the EU and the US debated at length proposed language on methods for and calculation of an outcome of the contribution of AIJ projects, with China arguing for removal of "methods." Delegates eventually agreed to final text referring to calculation of outcomes from AIJ projects.

Conclusions on national communications by Annex I Parties (FCCC/SBSTA/1996/L.1/Add.2) were adopted with minor amendments.

Evans King (Trinidad and Tobago) summarized the results of negotiations in the contact group on scientific assessment and cooperation, resulting in conclusions on scientific assessment and cooperation (FCCC/SBSTA2/CRP.1 and /Add.1) and language for the draft proceedings (FCCC/SBSTA2/CRP.2). SAUDI ARABIA said the documents are part of a delicate compromise package and must be adopted together.

The contact group Chair said there were suggestions for amendments to the proceedings, but no consensus on the amendments. The PHILIPPINES said the list of major IPCC findings should include adverse effects of climate change, including adaptation and mitigation. JAPAN said the highlights should mention technical measures that accelerate technology diffusion and transfer. SRI LANKA said a reference to low and high economic growth estimates should preface projections of temperature change and sea level rise.

The US said economic growth is one of many other factors, so the text should not be changed. SRI LANKA said the projections should have a different opening phrase.

The CLIMATE ACTION NETWORK said by placing the scientific findings in its proceedings but not in conclusions, the SBSTA was falling short of its duty to provide scientific advice to other FCCC bodies.

The conclusions and proceedings were adopted.

The Chair then read the draft conclusions on the Technical Assessment Panels (TAPs): SBSTA recognizes that the TAPs have potential to make an important contribution to processes under the Convention and to the implementation of the Convention by Parties, in particular by providing an opportunity to draw upon a

broad range of expertise available in Parties. However, at this stage the SBSTA could not agree on modalities and has decided to request guidance from next session of the COP on this issue.

COSTA RICA, on behalf of G-77/China, said the basic principle for choosing TAP members should be based on regional representation. He said the G-77/China never tried to block the process or stop progress. The selection procedure must be clear, transparent and intergovernmental. Experts should be appointed by governments but may come from any sector. He requested that the G-77/China position be annexed to the decision. GHANA, on behalf of the African Group, expressed disappointment at the inability to reach agreement. The decision was adopted.

The PHILIPPINES said it was not the G-77/China that blocked establishment of the TAPs. CHINA said the G-77/China paper reflects the serious effort made to facilitate a decision. The US was also saddened by failure to resolve the TAPs and requested that its proposal also be annexed.

JAPAN regretted the lack of decision on TAPs and suggested considering initiating a process with a roster of experts. Delegates discussed this suggestion, and URUGUAY said the Secretariat could prepare a paper on relevant disciplines for the TAPs. The Chair asked that the Secretariat collect and compile Parties' comments for the next SBSTA session. The SBSTA adjourned.

SUBSIDIARY BODY FOR IMPLEMENTATION

The SBI met from 27 February to 4 March 1996 and held informal consultations for three days during the following week (during the AGBM meeting) on issues related to the relocation of the Secretariat to Bonn and arrangements for COP-2. A special session was held on Friday, 8 March, to adopt the conclusions.

SBI Vice-Chair Bert Metz (the Netherlands), on behalf of Chair Mohamed M. Ould El Ghaouth (Mauritania) welcomed delegates to the opening session. The Executive Secretary, Michael Zammit-Cutajar, referred to his statement at the opening of SBSTA, which was also pertinent to SBI, and highlighted two issues on the agenda: the legal arrangements for the relocation of the Secretariat to Bonn and the political aspects of the preparations for COP-2.

NATIONAL COMMUNICATIONS

On communications from Parties included in Annex I, the Secretariat introduced the following documents: Part One: Elements of the second compilation and synthesis report (FCCC/SB/1996/1); Part Two: Tables of inventories of anthropogenic emissions and removals in 1990 and projected anthropogenic emissions in 2000 (FCCC/SB/1996/Add.1) and Progress report on in-depth reviews (FCCC/SB/1996/2).

The EU commended the reviews and supported the Secretariat's proposal to compile information for years subsequent to 1990. The second report should also include a table indicating specific targets set by Parties, provide information on the costs of policies and measures and focus on innovative and successful examples. He proposed an informal workshop at SBI-3 to exchange views and experiences on implementation of national programmes.

The US said that the reporting process could be improved by increasing transparency, comparability and consistency through more specific guidelines. Communications could also be improved by resolving reporting inconsistencies on topics such as temperature adjustments, electricity imports and global warming potentials. Reporting data in electronic form would reduce the workload of the Secretariat. JAPAN called for a more clearly defined in-depth review process. The process should strengthen the formality of policies and measures (P&M) and report on their performance to allow for international monitoring of commitments. Guidelines could be improved by providing more illustrative guidance on inventories of GHGs, more comparable formats for

P&M and more detailed descriptions of technical and financial cooperation.

The NETHERLANDS stressed the importance of exchanging experiences and supported the EU-proposed informal workshop. NORWAY supported the US call for greater consistency in reviews.

ARGENTINA noted there was no communication from the EU listed in the document. The EU later expressed regret at not being in a position to deliver a communication because three new members joined the EU in January 1995. Their individual national communications had to be accounted for and an overview has been submitted. Individual EU members have already submitted their own reports, which provides a good indication of EU efforts.

On 1 March, delegates reviewed the draft conclusions proposed by the SBI Bureau. The conclusions noted that SBI, *inter alia*: invited SBSTA to consider ways of enhancing transparency, comparability and consistency through more specific guidelines; concluded that mechanisms should be explored to facilitate the exchange of experiences in carrying out national programmes, and took note of data indicating that many Annex I Parties will have to make additional efforts in order to return GHG emissions to 1990 levels by 2000. The SBI also requested the Secretariat to convene an informal workshop in conjunction with SBI-4 to focus on implementation aspects of P&M.

ARMENIA replaced a reference to returning to "1990" levels with "base year" levels, in light of the COP decision providing flexibility for countries with economies in transition. Delegates debated a proposal from CHINA for specifying "Annex I" whenever "Parties" were mentioned. The US supported applying the amendment throughout the document, but argued that this change, when referring to the workshop, would limit participation and subject matter. Delegates accepted the conclusions as amended. CLIMATE ACTION NETWORK said there is no evidence that the SBI is systematically taking stock of the ongoing process and producing conclusions on the state of implementation by Annex I Parties.

FINANCIAL AND TECHNICAL COOPERATION

The SBI then discussed matters related to the financial mechanism and a progress report on technical and financial cooperation. Delegates considered a report on arrangements between the COP and the operating entity or entities of the financial mechanism: information on relevant action by the GEF Council (FCCC/SBI/1996/3). Delegates also considered a progress report on the activities of the Secretariat concerning technical and financial support (FCCC/SBI/1996/4). The report covers activities related to information exchange, training and capacity building, networking and financial arrangements.

The US said it is vital that the financial mechanism move swiftly to meet the agreed full costs to developing country Parties in their efforts to prepare national communications.

COSTA RICA, on behalf of the G-77/China, said the implementation efforts of the developing countries will depend on the actions of developed countries. The resource flows to the GEF and developing countries must be accelerated or there will be delays in national communications. He noted that the arrangement between the COP and the operating entity of the financial mechanism contained unrealistic norms and stressed the need for greater emphasis on energy conservation and efficiency.

SAUDI ARABIA stated that an endorsement from the SBI would require line-by-line consideration and noted that the operational strategy was not exactly aligned with the COP decision on programmes, priorities and guidelines. He warned that operational programmes to expand markets for technologies may endanger the availability of funding and the functioning of GEF. He also questioned the operational programme's intent to "remove barriers to implementation." The EU favored making mitigation measures the strategic option for the GEF and placed highest

priority on long-term activities. He said the initial phase must emphasize enabling activities. Short-term projects should receive a lower share of financial resources, and must be cost-effective, likely to succeed and country-driven. SENEGAL said technical and financial support was vital for non-Annex I Parties' preparation of preliminary national communications. IRAN said that an over-emphasis on long-term activities must not undermine the short-term activities in developing countries. Regarding the adoption of renewable energy and removing barriers, he said any measure taken, including unilateral ones, must not be a disguised restriction on international trade.

INDIA noted that national communications are not just part of a process, but are a basis for sustainable development. The effort for national communications will only work if full costs are made available because a national communication is not a feasibility study but a real appraisal. On long-term measures, he said GEF projects should be assessed in terms of sustainable development achieved and noted that the Convention is not limited to global benefits. CHINA stressed the need for more financial resources and said that activities should not be confined to information exchange and training, but should provide technical and financial support. Efforts should be made to expedite developing countries' projects. SWITZERLAND stated, on the objective of eliminating obstacles, that care must be used to ensure that all actions are acceptable. She said rules that would work to the detriment of the poorest countries should not be adopted. She stressed the need to reduce the long-term cost of technologies low in GHG production and to provide conditions for technology transfer.

BRAZIL noted the commitment to provide financial resources but said that no resources had been received to date. While awaiting resources, internal steps have been taken, such as producing a World Wide Web page on Brazil's national communication. The SBI should guide the GEF in its preparation of a standard project package and noted that the GEF Council should consider that financing national communications is not a one-time operation. PANAMA called for more information on activities so that Parties are not dependent on second-hand news. He also expressed interest in the activities under the CC:TRAIN programme. CANADA and GERMANY noted the importance of electronic dissemination of information and encouraged further expansion.

The Secretariat said that the timing of funding is important and that the US and the G-77/China gave the same message. He also noted, as the EU and Brazil stated, that national communications are not a one-time event. As for China and Senegal's call to speed up the process, the Secretariat said a "jump start" is close to "short-circuit," but CC:FORUM is designed to help. This item was discussed in a series of informal meetings chaired by Amb. John Ashe (Antigua and Barbuda). On 1 March, delegates considered the results of these consultations.

The draft conclusions stated that the SBI took note of the actions of the GEF Council, in particular the adoption of its operational strategy. The SBI also concluded, *inter alia*, that the GEF should provide expeditious support for the preparation of national communication by developing countries, take into account that the preparation of national communications is a continuing process, and implement enabling activities and expedite the disbursement of resources. Regarding financial and technical cooperation, SBI instructed the Secretariat to prepare a report for its next session on possibilities for strengthening and expanding CC:INFO and CC:FORUM to support the preparation of non-Annex I Party national communications. SAUDI ARABIA objected to the reference to the adoption of the operational strategy, but FRANCE stated that the phrase was essential. Delegates adopted the conclusions and added that the SBI took note of the relevant GEF Council action, including the adoption by the GEF Council of its operational strategy.

INSTITUTIONAL AND BUDGETARY MATTERS

The Secretariat introduced document FCCC/SBI/1996/6, Implementation of decision 14/CP.1 on the institutional linkage of the Convention Secretariat to the UN and budget-related matters. The document includes information on the endorsement of the linkage by the General Assembly, the establishment of the Permanent Secretariat and the arrangements for administrative support and conference services. It also includes the Convention budget for 1996.

The Secretariat introduced the arrangements for the relocation of the Secretariat to Bonn (FCCC/SBI/1996/7). The document deals with legal arrangements for the Secretariat and notes that because the Secretariat is not a subsidiary body of the UN, the legal regime of the UN cannot be extended automatically. The document includes advice from the UN Office of Legal Affairs that cites the action taken by the Montreal Protocol in a similar situation. The move to Bonn is scheduled to begin in August 1996. The report proposed that the SBI adopt a decision similar to the Montreal Protocol or endorse the intention of the Executive Secretary to sign an agreement that applies the terms of the UN/Germany agreement. The EU suggested postponement of the decision until the next meeting of the SBI. The group held informal consultations on this item for the remainder of the week and produced a draft decision. On Friday, 8 March, the SBI adopted conclusions submitted by the Chair in a special session convened during the AGBM meeting. In the conclusions, the SBI, *inter alia*, requests the Executive Secretary to enter in to an appropriate agreement for the effective discharge of the Secretariat's function in Germany.

ARRANGEMENTS FOR COP-2

The Secretariat introduced document FCCC/SBI/1996/8 on arrangements for COP-2. The issues related to COP-2 include whether to convene a high-level or ministerial segment and the need to select the Bureau. The Secretariat noted that COP-1 did not adopt its rules of procedure but decided the President of COP-1 should conduct consultations and report back at COP-2.

With regard to the need for high-level political participation, some delegates said that ministerial attendance was needed to stress the importance of the meeting. Others said ministerial involvement should not be overused.

Regarding the composition of the Bureau, SAUDI ARABIA said that the rules of procedure cannot be "applied" forever. GERMANY said the President of the COP has raised this issue at every Bureau meeting since COP-1 and used other opportunities for discussion. She said the President of the COP will hold consultations prior to COP-2. The Chair of SBI convened informal consultations on the ministerial segment and the Bureau.

On 1 March, delegates recommended allowing more time for consideration of the ministerial segment and postponed the decision until after the AGBM. The US said a ministerial segment is desirable and useful. It would focus attention on the SAR and generate increased public awareness and support. The EU said that the preparations should focus on policy-making, and there should be a ministerial segment aimed at providing guidance to activities under the Convention. TRINIDAD AND TOBAGO, on behalf of AOSIS, supported a ministerial segment. FRANCE noted there is not yet a final decision from the EU and said the group will have to spend a week preparing for a ministerial segment.

Regarding the composition of the Bureau, the Chair noted a preliminary list of representatives. The COP-2 presidency falls to the African Group. Senegal, on behalf of the African Group, announced that Zimbabwe will preside over COP-2. He also supported that the current SBI Chair continue his post during the elections at COP-2.

The topic of a ministerial segment at the COP and the composition of the Bureau were revisited at the SBI's final plenary and during a special session of the SBI convened on the final day of the AGBM.

TRANSFER OF TECHNOLOGY

The Secretariat introduced a note by the Secretariat on transfer of technology (FCCC/SBI/1996/5). It contains a progress report on technology transfer by Annex II Parties in response to Decision 13 of COP-1. The report notes that the national communications of Annex II Parties were based on guidelines for the preparation of first communications by Annex I Parties, but also states that the section of the guidelines on technology transfer is very general and subject to different interpretations. As a result, the information in Annex II communications differs considerably in format, comprehensiveness and level of detail and a complete picture of technology transfer is not available. The report notes possible issues for consideration by the SBI, particularly clarifying the levels of comprehensiveness, comparability and detail needed for the national communications due in 1997.

MALAYSIA noted there is an enormous amount of information available in many centers and in many forms and said any future compilation on technology transfer should provide sufficient information to explain how the projects or activities fully meet the objective of the Convention. He suggested a short paper on implementation on the two decisions of COP-1. CHINA noted that communications from Annex II Parties failed to elaborate on technology transfer and said the provisions on technology transfer in the Convention have not been satisfactorily implemented. Since communications failed to mention standard methods, the Secretariat should prepare a document containing relevant information, including: technical features, cost analysis and environment. As priority areas, the reduction of emissions should focus on substitute technology; enhancement of sinks should focus on forest management; and adaptation should focus on disaster prevention.

The EU said the SBI should ask the SBSTA for clarification on comprehensiveness and comparability. SWITZERLAND described an international expert meeting for assessing and meeting technology needs, which was co-sponsored by the Netherlands. The meeting discussed possible methodology and terminology for non-Annex I Parties regarding technology transfer. She said that the final report will be communicated to UN Commission on Sustainable Development. COSTA RICA, on behalf of the G-77/China, recalled that developing countries had fought for Decision 13 in Berlin, but noted that the whole process was moving too slowly. He disagreed strongly with attempts to link technology transfer to the issue of activities implemented jointly. Technology transfer should be discussed in reports with clear evaluations of activities.

The US said that much more useful information is available than is reported in national communications. While it is crucial for implementation to increase the speed of transfer, Parties must deal with the reality that the private sector plays a critical role. Governments can support technology transfer, but they are not the main engines for advances and innovations. He called for improving the quality of information, incorporating private sector activities into communications, and encouraging investment in better technology. He recalled that Decision 13 urges all Parties to report their activities and that non-Annex I countries can share information on their needs and priorities. CANADA urged addressing all relevant sectors and GHGs in the reports and specifying those intended to reduce GHGs and those to enhance sinks. IRAN noted that the definition of technology transfer in the report fails to include know-how. He said it is not logical that the private sector is regarded in the same status as governments because it could not be expected to act on the same obligations as the governments.

INDIA said that technology transfer was envisaged as a primary mover in the Convention's implementation, but the spotlight has shifted to the softer side of technology transfer such as capacity building and information networks. He said the question of terms of transfer should not become dormant, and noted there are monopolies in certain technologies. There should be a review of

transfer mechanisms that recognize constraints, such as lack of accessible information on the range of technologies, poor understanding of regulations, poor information on the receiving country, and lack of effective brokering to facilitate appropriate technology. The NETHERLANDS said the Convention should focus on all issues, but take a phased approach. He drew attention to existing information systems such as GREENTIE and the UNEP clearinghouse. The MARSHALL ISLANDS noted the statements calling for urgent progress in reporting technology transfer activities from developed countries when technology transfer has been halted or denied for political reasons. Recent events should be reported, such as when countries were denied valuable tools for sustainable development because they objected to nuclear testing near sensitive atolls. SLOVENIA noted that Annex I activities alone are not enough. Countries with economies in transition view technology transfer as an important and delicate issue that should be given as high a priority as possible.

The CENTRAL AFRICAN REPUBLIC said that it, like other developing countries, doesn't have much to give. Meeting its commitments requires the developed world to transfer technologies and make clean technology accessible. KENYA noted that the subject has not been adequately considered and said a high level of transparency is needed. FRANCE noted contradictory messages condemning and calling for French aid.

Following informal consultations chaired by Daniel Reifsnyder (US), the SBI adopted draft conclusions that state, *inter alia*, that the SBI: recognized the need to improve the comprehensiveness, comparability and detail of information provided by Annex II Parties; recognized the complementary roles of the public and private sectors and urged improved private sector participation; requested SBSTA to prepare recommendations on the guidelines for national communications by Annex I Parties for consideration at SBI-3; requested that the Secretariat prepare a report on technology transfer cooperation by the private sector; and invited Parties to submit comments on this subject by 1 April 1996.

FINAL SBI PLENARY

The Chair reported that the decision on a ministerial segment for COP-2 was still pending. A Bureau meeting had been held and consultations were still underway. With regard to the Bureau, COSTA RICA, on behalf of the Latin American and Caribbean Group (GRULAC), said it will put forward Argentina (Chair of the AGBM), Antigua and Barbuda, and Costa Rica (Vice-Chair). IRAN, on behalf of the Asian Group, said that if there were any allocation, the Asian Group was the largest and should have a proportional share of the Bureau. SENEGAL asked if this action meant the Bureau will be expanded. COSTA RICA replied that although currently one individual was serving in two capacities, as the Chair of AGBM and Vice-President of the Conference, they did not consider the posts to be linked. SENEGAL replied that the quality of leadership was not the issue, but principle of expanding the Bureau. VENEZUELA asked whether the group should open this debate and said there will be a Bureau meeting in due course.

The Chair said there will not be a meeting until the day before COP-2. This question has been allocated to the subsidiary bodies and the place for registering the claims of the regional groups is here. Asia has asked for an additional seat and Africa has raised an additional question. The Chair asked whether the other regional groups accepted the request of GRULAC to split the post. MALI endorsed the comments of Senegal and asked if the rules of procedure can be indefinitely extended. URUGUAY said there were no criteria on whether the Chairs of the subsidiary bodies has to sit on the Bureau and asked if there had been any progress on the rules of procedure concerning the composition of Bureau with 10 or 11 members. The SBI Chair said the membership of the subsidiary bodies' Chairs in the Bureau has been under consideration for two years. The question was whether to allow this rule to continue in force, or to release the Chair of the AGBM.

SAUDI ARABIA said that all delegations realize that the rules of procedure have not been adopted and that there is an official request to grant equal representation. He asked if this issue will be decided at the beginning of COP-2. The Chair said the current President of the COP is aware of the issue and is considering it. SAUDI ARABIA said that there should be a decision on the issue or the Bureau will automatically have 12 members, and his group will make nominations in that regard. He said that holding one COP without representing his group's interests was more than enough. NIGERIA said if the Bureau is to be expanded the African Group will make its own request because it has the most members. The Chair proposed postponing this issue and invited the spokespersons of the regional groups to consult.

On matters arising from sessions of other bodies, SBI considered the conclusions of the SBSTA on a reporting framework for activities implemented jointly under the pilot phase. The SBSTA did not complete its conclusions in time for full consideration, and the SBI will revisit the issue at its next session. The SBI agreed to note the SBSTA conclusions and request a progress report from the Secretariat. The Executive Secretary noted that an AIJ report will require considerable time if produced in all UN languages. He reminded delegates of the request for contributions.

On communications from non-Annex I Parties, the SBI had before it issues related to the preparation, compilation and consideration of communications (FCCC/SB/1996/3) and the position paper of the G-77/China on recommendations for guidelines and format for the preparation of initial communications from non-Annex I Parties (FCCC/SB/1996/Misc.1/Add.1). The Chair presented draft conclusions stating, *inter alia*, that the SBI took note of these documents and the decision of SBSTA to consider the G-77/China's proposal as the principal basis for the adoption of guidelines and format for preparation of initial communications for non-Annex I Parties. The draft conclusions also recall SBI conclusions on matters related to the financial mechanism, invite non-Annex I Parties to nominate national focal points for facilitating assistance and request the Secretariat to continue to facilitate assistance to non-Annex I Parties by organizing fora for the exchange of experiences and information.

The G-77/China proposed an amendment noting that the SBI considered the document FCCC/SB/1996/Misc.1/Add.1 the principal basis for the process of implementation of the guidelines and format for preparation of initial communications from non-Annex I Parties. The proposal also states that the SBI noted the request of non-Annex I Parties to conduct a workshop as a follow-up to the earlier one to address the issues relating to implementation and requests that the Secretariat facilitate assistance in this regard. The NETHERLANDS noted that the SBSTA refers to the G-77/China document as the basis for adoption, whereas this proposal refers to it as the basis for implementation. INDIA said the G-77/China proposal provides more details and places the SBSTA's work in the context of implementation. For non-Annex I countries to begin work, they need an indication from the SBI. Without this, the non-Annex I countries cannot be faulted for not starting work.

The US said that referring to implementation was moving too fast because the guidelines are not yet approved. He proposed to note the intention and request and insert the two sentences as a *bis* paragraph. He said non-Annex I countries should not be hostage to the guidelines and those countries who can proceed should do so.

The PHILIPPINES said the G-77/China wanted to tailor a response to the SBI. At the SBSTA meeting, discussion centered on adoption, which required a decision, but here it is implementation. She said the G-77/China-proposed workshop covered not only guidelines but exchange of information. The US, supported by the EU, proposed changing the language to "facilitate the implementation of the reporting commitments of non-Annex I countries." The G-77/China, the US and India continued to discuss the language in a small group. Delegates agreed on text stating that

the SBI considered the G-77/China proposal as the basis for the decision to adopt and implement guidelines and format for preparing initial communications. The SBI also noted the intention of non-Annex I Parties to conduct a workshop. The SBI adopted the outline of the report of the meeting (FCCC/SBI/1996/L.1).

SPECIAL SESSION OF SBI

During the special session of SBI on 8 March 1996, the Chair introduced an addendum to the draft report of the meeting containing his draft conclusions on arrangements for COP-2 (FCCC/SBI/1996/L.1/Add.4.) The conclusions note that SBI welcomed the designation of Chen. Chimutengwende, Minister of Environment and Tourism of Zimbabwe, for the Presidency of COP-2. SBI also welcomed the support given to holding a ministerial segment of COP-2 and concluded it should be held on 17-18 July 1996. SAUDI ARABIA, supported by VENEZUELA and KUWAIT, objected that no new or substantial issues were slated for discussion and questioned whether the meeting warranted ministerial attendance. He proposed a "high-level," rather than ministerial segment to allow flexibility. The EU said that its ministers had met in Brussels and agreed to a ministerial segment. He said ministerial participation would build political involvement. The US said the ministers should reflect on the IPCC findings and focus public attention on the issue. GHANA, on behalf of the African Group, said the Convention had gathered momentum since COP-1 and a ministerial segment will continue this. SAMOA, on behalf of AOSIS, said the ministers should review the progress and assist in moving forward.

JAPAN stated that many Asian countries favor a ministerial segment. UGANDA said a ministerial segment would allow an exchange of views and experiences and could give Parties the will to move forward on Convention responsibilities. The Chair suspended discussion to consider other issues.

The conclusions also note that the SBI received the following candidatures for the officers of the Bureau for COP-2. The African Group nominated the current Chair of the SBI. The Eastern European Group nominated one Vice President (Russian Federation) and the current Chair of the SBSTA. The conclusions note that the Asian Group, the Latin American and Caribbean Group and the Group of Western European and Other States (WEOG) were not yet able to present their candidates for the COP-2 Bureau. The SBI took note that no nominations had been received for the Rapporteur, which is subject to geographical rotation. It invited the President of the COP to conduct further consultations on the election of Officers of the Bureau. TURKEY, on behalf of WEOG, said the group will maintain the current Vice Presidency of the SBI. For the COP-2 Bureau, he nominated Tony Clark (Canada) and Cornelia Quennet-Theilen (Germany). TRINIDAD and TOBAGO, on behalf of AOSIS, nominated Mr. Tuiloma Neroni Slade (Samoa). IRAN, on behalf of the Asian Group, said his group has a nominee and had also asked for a Vice Presidency of the COP. He asked the Chair to provide the Group with the rules on this situation.

The Chair said he will register the intention of WEOG and the Asian Group for the different posts, but the paragraph will say that the Asian Group and GRULAC did not present a candidate at this stage and they are requested to submit nominees by 18 April 1996. He said the COP is still applying the rules and they are clear. There are eleven members on the Bureau: a president, the two Chairs of the subsidiary bodies, seven Vice Presidents and one Rapporteur.

SAUDI ARABIA said that because the rules are only applied nothing is binding and regional group suggestions are for the whole plenary to decide. He recalled the African Group's re-nomination of the SBI Chair and said the issue is still open. The Chair said this was correct. The SBI adopted the document.

The Executive-Secretary said the decision on the organization of the Conference will make the Secretariat's work easier. He then announced a new document was being distributed that compiles the

conclusions of SBSTA and SBI (FCCC/SB/1996/L.1). One element not included is the decision concerning money and the budget. He reminded Parties that contributions to the core budget were due 1 January and that funds were low in the special voluntary fund for participation. The SBI adjourned.

A BRIEF ANALYSIS OF THE SUBSIDIARY BODIES MEETINGS

The main result of the second meetings of SBSTA and SBI is that Parties to the Framework Convention on Climate Change (FCCC) have documented that they cannot yet agree on how to absorb or respond to scientific predictions of climate change. Although initial discussions gave the impression that SBSTA-2 would greet the IPCC's predictions with less resistance than in previous FCCC negotiations, oil producers and other developing countries ultimately blocked consensus on specific conclusions about the IPCC Second Assessment Report. Weekend negotiations resulted in a fragile agreement on language defining the divergence of opinion. Three paragraphs in the SBSTA's report list points of contention, alternately highlighting the urgency and uncertainty in the IPCC report of a "discernible human influence" on climate change. One line of the SBSTA's conclusions tells the story on Technical Advisory Panels: at this stage SBSTA could not agree on modalities.

Some delegations urgently seeking action said the consensus of disagreement was significant progress, considering that several countries had in the past opposed reference to any specific IPCC findings. To these delegates the listing of the extent and severity of potential climate change and impacts demonstrate two things: that a sizable group of countries has taken the IPCC report as an urgent basis for action; and that despite insistence on including objections to the IPCC highlights, the oil producers and others who have resisted acknowledging human influence on global climate either cannot or are no longer determined to completely obstruct negotiations.

Few, however, took an optimistic view of the decision on the TAPs. A mechanism through which the Climate Change Convention is to evaluate policy and technology options remains imprisoned by the process for selecting its members. Struggling to develop at least a basis for political solutions, delegates found no way to blend the representation and concerns of Annex I, non-Annex I and geographical groupings, and to set the TAPs to work. In the end, a list of delegates were reduced to denying in turn that they had blocked a decision. Asking for more opinions on a roster of experts points the next round of negotiations toward a mechanism for turning technical information into decisions that are more vague than SBSTA-2 began with.

The dispute over the TAPs' membership masks a more substantive division of research priorities that is rooted in the Convention's commitments and the Parties' differentiated responsibilities. Non-Annex I Parties, especially the small island States, are concerned about adaptation measures as much or more than mitigation. Annex I Parties currently obligated to emission reductions want to focus Convention bodies first and primarily on mitigation. If the TAPs were to advise delegates on this work, the balance membership could edge the Convention toward recommended actions or commitments preferred by Annex I or non-Annex I Parties. This is one possible implication. The broader problem remains to identify an acceptable and effective means to apply a political filter to scientific and technical information.

Two instructions for further scientific assessment gained broad support during SBSTA-2. Led by developing countries, delegates asked for regionally-oriented analyses of climate change to specify predicted impacts that, for the most part, have been estimated only at broad, global scales. Interest in socioeconomic effects continued to grow, with SBSTA tying socioeconomic analysis to evaluation of specific proposals for new commitments, including the AOSIS draft protocol.

The SBSTA requested additional scientific assessments that change the basis, if not the consensus, of debate. New or refined analyses will not dismiss the uncertainty that provides the counterpoint to the IPCC's strongest results (and drove some delegations to adamantly insert the word "failed" several times into the SBSTA's report). If anything, additional projections of regional and socioeconomic effects — fields of science younger and even less developed than global climate modeling — will place a new set of uncertainties before delegates.

These and other scientific efforts will introduce new questions along with additional information, but it may be the type of information that delegates are accustomed to using in making political decisions. Even uncertain localized impacts and economic projections could move negotiators toward scientific ground that, while still less than solid, is at least familiar. Governments make decisions all the time based on economic projections. If they are willing, they may be prepared to do so here. The link between socioeconomic analysis and the specific effects of proposals for new commitments could represent the transformation of socioeconomic concerns from a point of resistance by oil producing Parties to a means for refining future action.

Other achievements of SBSTA-2 include progress on formats for national communications by non-Annex I Parties and reporting from the pilot phase of activities implemented jointly (AIJ). The development of the G-77/China position on non-Annex I communications was almost universally greeted as the beginning of the implementation of non-Annex I commitments, although developed countries questioned parts of the proposal. Sections drawing the most scrutiny would grant developing countries flexibility in the methodology and content of their reports and exempt them from individual in-depth reviews performed on Annex I communications. In addition to outlining a reporting structure, developing countries used the paper to point to the lack of resources provided so far by Annex II countries to assist developing countries' in meeting their commitments, a concern also raised in the SBI. Developed country delegates were critical of the potential consistency and transparency of reports based on the G-77/China guidelines, but developing countries pointed out, both in the SBSTA and the SBI, that Annex I communications already suffered from these qualities, particularly in reporting on technology transfer.

The AIJ reporting guidelines advance the evaluation of activities that a number of Annex I countries have promoted as a cost-effective means to meet commitments. Delegates agreed to a relatively specific reporting system, collecting information at the project level and including calculation of the contribution to emissions reductions.

The SBSTA also took steps regarding participation by NGOs, whose representatives were given limited access to the floor during SBSTA meetings. After an initial resistance by business NGOs, who say negotiating sessions should be left to sovereign States, the SBSTA Bureau permitted access to one person each from business, environmental and local authorities' NGOs. A workshop on NGO consultative mechanisms was not as immediately successful. Although business NGOs presented principles for a consultative mechanism, environmental groups found themselves in the unusual position of blocking proposals for new mechanisms, preferring instead to work through existing channels.

The SBI shared several agenda items with SBSTA and heard many similar debates. Like SBSTA, SBI delegates could claim some measurable progress, yet comments on the floor frequently highlighted what has not been done to implement the Convention. While delegates welcomed the GEF Council's adoption of its operational strategy, many noted the need to expedite the process of providing "full agreed costs" for non-Annex I communications or risk serious delays. Developing countries frequently noted that providing funds to the GEF and providing funds to countries were not the same thing. Developing countries stressed that the information provided on technology transfer activities of developed

countries was lacking and actual transfers were scarce. The SBI's review of in-depth reports revealed that many delegations found the national communications in need of comparability and consistency.

The problem of membership distribution provoked several lengthy debates on the composition of the Bureau, a question pending since COP-1. Despite numerous consultations the issue remains outstanding.

THINGS TO LOOK FOR BEFORE COP-2

CONFERENCES ON ACTIVITIES IMPLEMENTED JOINTLY (AIJ): *Regional Conference on Joint Implementation: Countries in Transition.* This Conference will be held from 17-19 April 1996 in the Hotel Ambassador, Václavské, nám 5-7, 111 24 Prague, Czech Republic, and is sponsored by the UNEP Regional Office for Europe, the governments of the Netherlands and Norway. The Conference is organized under the auspices of the Ministry of the Environment of the Czech Republic. Further information is available from SEVEN, Mr. Miloš Tichý, P.O. Box 39, 120 56 Prague 2, Czech Republic, tel: +42 2 2424 7552; fax: +42 2 2424 7597; email: seven@earn.cvut.cz. Information is also available on the Internet at <http://www.org.ji>.

UNEP Conference on Activities Implemented Jointly under the UNFCCC: Structuring Opportunities for Building Consensus and Promoting International Cooperation. The Conference is being organized by the UNEP and the World Foundation for Environment and Development (WFED) and will be held 20-24 May 1996 at the Herradura International Conference Center, San Jose, Costa Rica. For more information contact: UNEP Conference on AIJ, c/o WFED, 1101 30th Street, NW-Suite 500, Washington, DC 20007 USA. Fax: +1-202-686-3771.

IPCC WORKSHOPS: The IPCC will convene three workshops for the further development of the Guidelines for National GHG Inventories on the following topics: sources and removal by sinks of greenhouse gases from land use and forestry (Sao José dos Campos, Sao Paulo, 21-22 March 1996); emissions from fuel combustion and industrial processes (Abingdon, UK, 29-30 March 1996); and methane emissions from rice cultivation (Bangkok, Thailand, 30 April -2 May 1996). The results will be incorporated as additions and/or revisions to the guidelines, and approved at IPCC-12, scheduled for the week of 9 September 1996 in Mexico. For more information contact: IPCC Secretariat, WMO, 41 Av. Giuseppe-Motta, C.P. N° 2300, 1211 Geneva 2 Switzerland, tel: +41 22 7308 215/254/284, fax: +41 22 7331 270, e-mail: narasimhan.sundararaman@itu.ch.

REGIONAL WORKSHOPS: A Workshop on Climate Change Vulnerability and Adaptation in Latin America will take place in Montevideo, Uruguay, from 22-24 April 1996. The workshop is sponsored by the US Country Studies Program (USCSP), the Comisión Nacional sobre el Cambio Global and the Inter-American Institute for Global Change Research (invited). For more information contact: Annie Hareau or Cecilia Ramos-Mañé, Comisión Nacional sobre el Cambio Global, Cuidadela 1414, Piso 6, Montevideo 11100, Uruguay, Tel/Fax: +598-2 932088 or Tel/Fax: +598-2 922416, e-mail: iauiuy@attmail.com; or Christopher B. Bordeaux or Jack Fitzgerald, USCSP, 1000 Independence Ave., SW, PO-63, Washington, DC 20585, USA, tel: +1-202 426-1637, fax: +1-202 426-1551, e-mail: cbordeaux@igc.apc.org or jfitzgerald@igc.apc.org.

THE SECOND MEETING OF THE CONFERENCE OF THE PARTIES: COP-2 will be held 8-19 July 1996 in Geneva. The session will open in plenary the first day, then suspend the plenary until Wednesday, 17 July, to allow for the sessions of the four subsidiary bodies (AGBM, SBSTA, SBI and AG13) to take place. The subsidiary bodies will provide inputs, including draft decisions, for the various items on the COP-2 agenda. The plenary will reconvene to conclude negotiations and adopt decisions on 17-19 July.