

SB 24 & AWG HIGHLIGHTS:

THURSDAY, 25 MAY 2006

On Thursday, SBI reconvened in plenary, concluding its work and adopting the report of the session. SBSTA met and adopted conclusions and/or draft decisions on many items, including several methodological issues, research and systematic observation, and reducing emissions from deforestation in developing countries. However, discussions on the five-year programme of work on adaptation continued late into Thursday night, and will be taken up in the SBSTA plenary on Friday. The AWG concluded its work very late on Thursday night after lengthy informal consultations by agreeing on text outlining the "planning of future work."

SUBSIDIARY BODY FOR IMPLEMENTATION

ADMINISTRATIVE, FINANCIAL AND

INSTITUTIONAL MATTERS: Delegates adopted SBI conclusions prepared by SBI Chair Becker on budget performance for the biennium 2006-2007 (FCCC/SBI/2006/L.3) and on Implementation of the Headquarters Agreement (FCCC/SBI/2006/L.5).

UNFCCC ARTICLE 4.8 & 4.9: On matters relating to the least developed countries (LDCs), Samuel Adejuwon (Nigeria), who co-facilitated the informal consultations, reported agreement on the LDC Expert Group's work programme, and delegates adopted the conclusions (FCCC/SBI/2006/L.2).

CAPACITY BUILDING (CONVENTION): Contact group Co-Chair Crispin D'Auvergne (St. Lucia) summarized discussions. CHINA noted that the proposal by some parties to integrate monitoring with the comprehensive review would mean that the results of regular monitoring would only be seen every five years. Parties then adopted the conclusions (FCCC/SBI/2006/L.15).

FINANCIAL MECHANISM (CONVENTION): On the Special Climate Change Fund, contact group chair Bubu Jallow (Gambia) reported progress on understanding what a staged approach to support various economic development issues could mean, noting that the SB 22 text would be the basis of deliberations at SB 25. The G-77/CHINA said the phased approach is really only one stage. Delegates then adopted the conclusions (FCCC/SBI/2006/L.6).

On the third review of the financial mechanism, contact group Co-Chair Marcia Levaggi (Argentina) noted that the annex to the draft SBI conclusions is a compilation of views expressed and could be used as the basis for negotiations at SBI 25, but that it is still open for further input. Parties then adopted the conclusions (FCCC/SBI/2006/L.4).

ARRANGEMENTS OF INTERGOVERNMENTAL MEETINGS: Parties adopted conclusions addressing arrangements for COP 12, COP/MOP 2 and future sessional periods, and review of arrangements for COP 11 and COP/MOP 1 (FCCC/SBI/2006/L.9). Contact group Co-Chair Sandea de Wet (South Africa) noted that the SBI, SBSTA,

AWG and UNFCCC Dialogue will all take place in the next sessional period, and that meetings will close by 6:00 pm unless "exceptional circumstances" arise.

Richard Kinley, Officer-in-Charge, UNFCCC Secretariat, said these conclusions on meeting arrangements were "quite revolutionary" for this process. He said the Secretariat would discontinue the current practice of scheduling evening meetings, and that the decision on what constitutes exceptional circumstances would be left to elected officers. He noted the significant implications of restricting the negotiating time available at meetings, given that there are about 36 substantive items or sub-items on the various agendas to be addressed in Nairobi. Describing the changes as "shock therapy," he expressed his "deep anxiety" that such an approach could lead to process "paralysis" unless parties prioritize issues.

CAPACITY BUILDING (PROTOCOL): Contact group Co-Chair Anders Turesson (Sweden) reported that there had been no resolution of this issue, and parties adopted conclusions that forward the matter to SBI 25 (FCCC/SBI/2006/L.16).

COMPLIANCE: After debating and finally accepting a proposal by SAUDI ARABIA to add that the SBI Chair will report orally to the COP/MOP 2 "based on the conclusions on this agenda item," delegates adopted the conclusions (FCCC/SBI/2006/L.1/Rev.1) as amended.

INTERNATIONAL TRANSACTION LOG: Delegates adopted the conclusions (FCCC/SBI/2006/L.8) without comment.

PRIVILEGES AND IMMUNITIES: Chair Paul Watkinson (France) explained that the Secretariat is requested to continue examining different options for protecting individuals in constituted bodies under the Protocol. Delegates adopted the draft conclusions (FCCC/SBI/2006/L.10).

NON-ANNEX I COMMUNICATIONS: Delegates adopted conclusions on the non-Annex I national communications consultative group of experts (FCCC/SBI/2006/L.12/Rev.1), and conclusions on compilation and synthesis of initial national communications (FCCC/SBI/2006/L.13/Rev.1) with a minor correction. On provision of financial support, delegates adopted conclusions (FCCC/SBI/2006/L.7).

BASE YEAR OF CROATIA: Jim Penman (UK) reported on informal consultations. Delegates discussed conclusions and a draft COP/MOP decision on the level of Croatia's base year emissions. Parties were unable to reach consensus on the draft texts and decided to refer the matter to SB 25 (FCCC/SBI/2006/L.17.Rev.1).

ANNEX I COMMUNICATIONS: On the synthesis of Annex I demonstrable progress reports under Article 3.2 of the Protocol, SBI Chair Becker reported on informal consultations. The RUSSIAN FEDERATION and UKRAINE, opposed by the G-77/CHINA, proposed considering the matter at SB 26 instead of SB 25. Delegates were unable to reach consensus on the text and decided to refer the matter to SB 25 (FCCC/SBI/2006/L.14/Rev.1).

FINANCIAL MECHANISM (PROTOCOL): Adaptation

Fund: Following a contact group meeting in which delegates were unable to reach consensus on language on inviting institutions that may manage the Fund, discussion continued in plenary. The Philippines, for the G-77/CHINA, proposed that reference to institutions include "all those contained in the annex," while the EU, CANADA, and NORWAY said they could not support inclusion of the word "all." Following informal consultations, delegates agreed on the text contained in the draft conclusions proposed by the SBI Chair, which states that "the SBI invited relevant international institutions, including, among others, those contained in the annex...without prejudice to any institution," and adopted the conclusions (FCCC/SBI/2006/L.18). The G-77/CHINA, the EU, NORWAY and SWITZERLAND then made statements on the aforementioned text. Following a procedural debate on how to reference these statements, it was agreed that each statement would be recorded in the report of the session.

EXPERTS GROUP MEETING: SBI Chair Becker reported on the outcomes of a meeting of the three expert groups (CGE, EGTT and LEG), noting that they will explore the possibility of a joint meeting on adaptation.

REPORT OF THE SESSION: Delegates agreed to the report of the session (FCCC/SBI/2006/L.1) and SBI Chair Becker closed SBI 24 at 7:24 pm.

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

AGENDA/MAURITIUS STRATEGY: SBSTA Chair Kumarsingh reported no progress on informal consultations on inclusion of the Mauritius Strategy on the SBSTA agenda, and suggested including the item. TUVALU stated that only two countries had opposed consideration of this agenda item, and expressed extreme disappointment on this issue. The US and AUSTRALIA reiterated their opposition to creating a new agenda item, and parties adopted the provisional agenda.

RESEARCH AND SYSTEMATIC OBSERVATION: Co-Chair Sergio Castellari (Italy) reported on contact group consultations. SBSTA then adopted conclusions on this issue (FCCC/SBSTA/2006/L.7).

METHODOLOGICAL ISSUES (CONVENTION):

Bunker Fuels: Noting that conclusions on this agenda item were purely procedural, José Romero (Switzerland) suggested that the lack of substance was due to a perception of this being related to other issues under discussion by SBSTA. The EU and NORWAY expressed regret at the lack of action, and JAPAN called for enhanced collaboration between IMO, ICAO and IPCC. SBSTA then adopted the conclusions (FCCC/SBSTA/2006/L.5).

Brazilian Proposal: Co-Chair Jaekyu Lim (Republic of Korea) reported on consultations on this issue. SAUDI ARABIA, opposed by various parties, proposed asking the IPCC for a technical paper. SBSTA adopted the conclusions (FCCC/SBSTA/2006/L.13).

Deforestation: Co-Chair Audun Rosland (Norway) reported the successful completion of work, including defining the scope of an upcoming workshop on this issue. SBSTA then adopted conclusions (FCCC/SBSTA/2006/L.8).

IPCC 2006 Guidelines and Harvested Wood Products: Riitta Pipatti (Finland) reported on discussions, noting the need for more time to consider these issues. SBSTA then adopted conclusions reflecting this need (FCCC/SBSTA/2006/L.10).

Reporting, review and training of experts: SBSTA adopted conclusions (FCCC/SBSTA/2006/L.4).

METHODOLOGICAL ISSUES (PROTOCOL): HFC-23:

Chair Georg Borsting (Norway) noted that no agreement had yet been reached on guidance to the CDM Executive Board and that submissions on practical approaches to address this issue would be requested. CHINA expressed disappointment at lack of progress. Delegates then adopted conclusions on this matter (FCCC/SBSTA/2006/L.15).

Numerical value inscribed for Italy: Thelma Krug (Brazil) explained that agreement had been reached, and delegates adopted conclusions and a draft decision (FCCC/SBSTA/2006/L.6 and Add.1).

POLICIES AND MEASURES: Normand Trembley (Canada) reported lack of agreement on a second roundtable and said discussion will be postponed until SBSTA 28. Delegates adopted conclusions to this effect (FCCC/SBSTA/2006/L.11).

PROTOCOL ARTICLE 2.3 (ADVERSE EFFECTS): Chair Kumarsingh reported that informal consultations did not result in an agreement. SAUDI ARABIA expressed disappointment that no progress was made. Delegates adopted conclusions (FCCC/SBSTA/2006/L.2).

COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS: Parties adopted brief conclusions on the IPCC Special Report on the ozone layer and climate system (FCCC/SBSTA/2006/L.9) and on cooperation with other conventions, scientific organizations and UN bodies (FCCC/SBSTA/2006/L.14), with SBSTA Coordinator Halldor Thorgeirsson noting overlap between CSD 15 and SB 26.

OTHER MATTERS: Delegates adopted conclusions on the "greenhouse gas data interface" (FCCC/SBSTA/2006/L.12) and on the training programme for expert review team members under Protocol Article 8 (review of information) (FCCC/SBSTA/2006/L.3).

AD HOC WORKING GROUP

The AWG plenary convened shortly before midnight. This followed informal consultations that had extended throughout Thursday in a small group setting, with several delegates and AWG Chair Michael Zammit Cutajar working on a text on planning of future work distributed in the morning (FCCC/KP/AWG/2006/L.2).

Opening the late night plenary, Chair Zammit Cutajar outlined the revised text resulting from the informal negotiations, including paragraphs that he said: describe the focus of AWG; add momentum to the process; describe work that needs to be done for commitments; address the review of implementation of the first commitment period; describe the workshop to be held in Nairobi; set out the organization of the workshop; and explain that the workshop will meet during 2007 regular sessions and that AWG's work plan will be further elaborated in the next session. The text also includes a Chair's indicative non-exhaustive list of topics that may be relevant to the further work of the group. He indicated that the text would be part of the report of the session.

SWITZERLAND proposed adding text to ensure that that AWG's future work is transparent and open to all parties. SAUDI ARABIA proposed that it should be open to all UNFCCC parties. Chair Zammit Cutajar proposed addressing those questions at AWG 2 and delegates adopted the draft report without amendment (FCCC/KP/AWG/2006/L.2/Rev.1). Delegates then adopted the report of the session (FCCC/KP/AWG/2006/L.1) and Chair Zammit Cutajar closed the session at 12:20 am.

CONTACT GROUPS

ADAPTATION: Informal consultations on the five-year programme of work on adaptation were held during the day and late into the night. The results are set to be reported back to SBSTA on Friday.

IN THE CORRIDORS

A sense of relief was apparent among many participants shortly after midnight on Thursday night as the AWG finally completed its work. After lengthy informal consultations, AWG Chair Michael Zammit Cutajar successfully steered the first session to a close after a compromise was achieved that included new language on working "expeditiously" towards agreement on further Annex I commitments. Many delegates seemed satisfied at the result, and those not involved in the final small group negotiations that finalized the deal will likely be poring over the document Friday morning. According to the late night talk in the corridors, that small group did not include the major non-parties to the Protocol, but did include other big emitters from both Annex I and non-Annex I.

ENB SUMMARY AND ANALYSIS: The *Earth Negotiations Bulletin* summary and analysis of SB 24 and the AWG will be available on Monday, 29 May 2006 online at: <http://www.iisd.ca/climate/sb24/>