

**TWENTY-FOURTH SESSIONS OF THE
SUBSIDIARY BODIES OF THE UNFCCC AND
FIRST SESSION OF THE *AD HOC* WORKING
GROUP UNDER THE KYOTO PROTOCOL:
17-26 MAY 2006**

The twenty-fourth sessions of the Subsidiary Bodies (SB 24) of the UN Framework Convention on Climate Change (UNFCCC) and first session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) were held in Bonn, Germany, from 17-26 May 2006. The events drew 1750 participants, including over 1000 government officials, several hundred representatives of UN bodies and agencies, intergovernmental organizations and non-governmental organizations, and 42 accredited members of the media.

SB 24 and the AWG followed a UNFCCC “Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention,” which took place from 15-16 May. A report on the Dialogue can be accessed online at: <http://www.iisd.ca/vol12/enb12297e.html>. Both the UNFCCC Dialogue and AWG were new processes resulting from decisions taken during the eleventh Conference of the Parties (COP 11) to the UNFCCC and first Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 1) in Montreal in late 2005. Both new processes are intended to consider an approach to long-term cooperative action on climate change.

In the AWG, delegates exchanged initial views on the process for considering future commitments for Annex I parties (industrialized countries) for the post-2012 period, when the Kyoto Protocol’s first commitment period ends. After extensive informal consultations, an agreement was reached late on Thursday, 25 May, on a text setting out the AWG’s plans for its future work.

At SB 24, the Subsidiary Body for Implementation (SBI) took up issues such as national communications, financial and administrative matters, capacity building, and arrangements for future intergovernmental meetings. The Subsidiary Body for Scientific and Technological Advice (SBSTA) considered a range of topics, including the five-year work programme on adaptation, mitigation, technology transfer, reducing emissions

from deforestation in developing countries, and several methodological issues under both the UNFCCC and the Kyoto Protocol.

SBI and SBSTA together adopted 30 conclusions and one draft decision. However, most of these texts did not contain substantive agreements, and instead simply forwarded the issues to SB 25 for further consideration. SB 25 will take place alongside AWG 2, COP 12 and COP/MOP 2 in November 2006, in Nairobi, Kenya.

In addition to the regular SB 24 sessions and the AWG, many contact group and informal consultations took place in an attempt to help the subsidiary bodies make progress on their agendas. In addition, one other pre-session meeting and three in-session workshops were held: the Expert Meeting on Economic Diversification convened from 16-17 May (<http://www.iisd.ca/vol12/enb12298e.html>), while workshops were held on carbon capture and storage on 20 May (<http://www.iisd.ca/vol12/enb12301e.html>), carbon capture as a Clean Development Mechanism project activity on 22 May (<http://www.iisd.ca/vol12/enb12302e.html>), and mitigation in relation to agriculture, forestry and rural development on 23 May (<http://www.iisd.ca/vol12/enb12303e.html>). For information on the numerous side events, visit: <http://www.iisd.ca/climate/sb24/enbots/>.

IN THIS ISSUE

A Brief History of the UNFCCC and the Kyoto Protocol	2
Report of SB 24 and AWG 1	3
<i>Ad Hoc</i> Working Group	3
Subsidiary Body For Implementation	4
Subsidiary Body for Scientific and Technological Advice	9
A Brief Analysis of SB 24 and AWG 1	13
Upcoming Meetings	14
Glossary	15

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Alexis Conrad, María Gutiérrez, Kati Kulovesi, Miquel Muñoz, and Chris Spence. The Digital Editor is Francis Dejon. The Editors are Lisa Schipper, Ph.D. <lisa@iisd.org> and Pamela Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James “Kimo” Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Swiss Agency for Environment, Forests and Landscape (SAEFL), the United Kingdom (through the Department for International Development - DFID), the Danish Ministry of Foreign Affairs, the Government of Germany (through the German Federal Ministry of Environment - BMU, and the German Federal Ministry of Development Cooperation - BMZ), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV) and the Italian Ministry for the Environment and Territory General Directorate for Nature Protection. General Support for the *Bulletin* during 2006 is provided by the United Nations Environment Programme (UNEP), the Government of Australia, the Austrian Federal Ministry for the Environment, the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES) and the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI). Funding for translation of the *Earth Negotiations Bulletin* into French has been provided by the International Organization of the Francophonie (IOF) and the French Ministry of Foreign Affairs. Funding for the translation of the *Earth Negotiations Bulletin* into Spanish has been provided by the Ministry of Environment of Spain. The opinions expressed in the *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Earth Negotiations Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 212 East 47th St. #21F, New York, NY 10017, USA.

In terms of developing the climate regime, SB 24 and AWG 1 did not achieve any major breakthroughs. But this was not its purpose. Climate negotiations show a cyclical pattern, and SB 24 and AWG 1 can be seen as the beginning of a new phase after the entry into force of the Kyoto Protocol and the major developments in Montreal in 2005. Below the surface of an apparently dull meeting, however, things are starting to move and the processes to consider the long-term future are now underway.

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

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

The international political response to climate change began with the adoption of the UNFCCC in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid "dangerous anthropogenic interference" with the climate system. Controlled gases include methane, nitrous oxide and, in particular, carbon dioxide. The UNFCCC entered into force on 21 March 1994, and now has 189 parties. The parties to the UNFCCC typically convene annually in a Conference of the Parties (COP), and twice a year in meetings of the subsidiary bodies – the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

THE KYOTO PROTOCOL: In December 1997, delegates at COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits developed countries and countries making the transition to a market economy to achieve emissions reduction targets. These countries, known under the UNFCCC as Annex I parties, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment period), with specific targets varying from country to country. The Protocol also establishes three flexible mechanisms to assist Annex I parties in meeting their national targets cost-effectively: an emissions trading system; joint implementation (JI) of emissions-reduction projects between Annex I parties; and the Clean Development Mechanism (CDM), which allows for emissions reduction projects to be implemented in non-Annex I parties (developing countries). Following COP 3, parties began negotiating many of the rules and operational details governing how countries will reduce emissions and measure their emissions reductions. To date, 163 parties have ratified the Kyoto Protocol, including 37 Annex I parties representing 61.6% Annex I greenhouse gas emissions in 1990. The Kyoto Protocol entered into force on 16 February 2005.

BUENOS AIRES PLAN OF ACTION: The process for finalizing the rules and operational details of the Protocol was agreed to at COP 4 in 1998 in a document known as the Buenos Aires Plan of Action (BAPA). The BAPA set COP 6 as the deadline for finalizing these rules and operational details and strengthening implementation of the UNFCCC. In November 2000, parties met at COP 6 in The Hague, the Netherlands, to complete these negotiations. They were not successful, and COP 6 was suspended until July 2001, when it reconvened in Bonn, Germany. After further talks, parties adopted the Bonn Agreements, a decision that provided high-level political direction on the implementation of the Kyoto Protocol. But delegates were still unable to finalize text on some issues, and agreed to forward all the draft decisions to COP 7 for final resolution.

MARRAKESH ACCORDS: In late October and early November 2001 at COP 7 in Marrakesh, Morocco, delegates resumed their discussions and reached agreement on the Marrakesh Accords. These Accords consisted of a package of draft decisions on many of the details of the flexible mechanisms, reporting and methodologies, land use, land-use change and forestry (LULUCF) and compliance with the Kyoto Protocol, to be adopted by parties at the first COP/MOP. The Accords also addressed support for developing countries, including capacity building, technology transfer, responding to the adverse effects of climate change, and the establishment of three funds – the Least Developed Countries (LDC) Fund, Special Climate Change Fund (SCCF), and Adaptation Fund.

Delegates built on the Marrakesh Accords at COP 8 and COP 9, elaborating on rules and procedures for the CDM Executive Board, and on modalities and procedures for afforestation and reforestation project activities under the CDM. Parties also discussed how to integrate findings of the IPCC's Third Assessment Report into the work of the UNFCCC, and agreed on two new agenda items focused on adaptation and mitigation.

COP 10: At COP 10 in Buenos Aires in December 2004, delegates agreed on the Buenos Aires Programme of Work on Adaptation and Response Measures. Parties also took decisions on technology transfer, LULUCF, the UNFCCC's financial mechanism, and education, training and public awareness. However, some issues remained unresolved, including items on the LDC Fund, the SCCF, and Protocol Article 2.3 (adverse effects of policies and measures). Meanwhile, lengthy informal negotiations were held on the complex and sensitive issue of how parties might engage on commitments to combat climate change in the post-2012 period. The Kyoto Protocol requires parties to begin considering the post-2012 period by 2005. Delegates agreed to hold a Seminar of Governmental Experts prior to the 22nd sessions of the Subsidiary Bodies (SB 22) in May 2005, although the terms of reference for the Seminar did not refer specifically to the post-2012 period or new commitments.

SEMINAR OF GOVERNMENTAL EXPERTS AND SB 22: This seminar took place in May 2005, in Bonn. Delegates started to address some of the broader issues facing the climate change process, including a future framework and commitments beyond 2012. Immediately following the seminar, SB 22

convened, focusing on preparations for COP 11 and COP/MOP 1, and addressing a variety of issues ranging from budgetary matters to adaptation and mitigation.

COP 11 AND COP/MOP 1: COP 11 and COP/MOP 1 took place in Montreal, Canada, from 28 November to 10 December 2005. At COP/MOP 1, parties discussed and adopted decisions on the outstanding operational details of the Kyoto Protocol, including formally adopting the Marrakesh Accords. Parties also took decisions on a process to discuss commitments for the post-2012 period. Various methodological, administrative, financial and institutional matters were also considered.

COP 11 addressed issues such as capacity building, technology development and transfer, the adverse effects of climate change on developing and least developed countries, and several financial and budget-related issues, including guidelines to the Global Environment Facility (GEF), which serves as a financial mechanism to the Convention. After lengthy negotiations, the COP also agreed on a process to consider future action under the UNFCCC.

REPORT OF SB 24 AND AWG 1

The *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) opened on 17 May. This was followed a day later by the start of the twenty-fourth sessions of the Subsidiary Bodies (SB 24) of the UNFCCC. Parties also met in several in-session workshops and numerous contact groups and informal consultations. These meetings resulted in the adoption of 30 conclusions and on draft decision. This report summarizes the discussions and outcomes based on the agendas of the AWG, SBI and SBSTA.

AD HOC WORKING GROUP

The first session of the AWG began on Wednesday afternoon, 17 May. COP/MOP 1 Vice-President Enele Sopoaga (Tuvalu) welcomed delegates and noted that COP/MOP 1 President Rona Ambrose (Canada) was unable to attend. He drew attention to COP/MOP 1's Decision 1/CMP.1, which he said initiated a process to consider further commitments by Annex I parties for the post-2012 period, in accordance with Kyoto Protocol Article 3.9 (subsequent commitments). He explained that the AWG was a new subsidiary body designed to facilitate this process, and that it would be an open-ended *ad hoc* working group that would report to each session of the COP/MOP.

Vice-President Sopoaga reported that consultations had been held on candidates for the AWG bureau, and proposed Michael Zammit Cutajar (Malta) as Chair and Luiz Alberto Figueiredo Machado (Brazil) as Vice-Chair. Parties elected both candidates by acclamation. Evans Njewa (Malawi) was subsequently elected as Rapporteur.

AWG Chair Zammit Cutajar said the AWG is important because it presents an opportunity for Annex I parties to demonstrate leadership and an occasion to give a signal of continuity to the carbon markets. He stressed the significance of the AWG as part of a larger process both inside and outside the UNFCCC, noting that the AWG by itself does not have the mandate to open or encourage contributions from non-Annex I parties or Protocol non-parties such as the US. Calling for a

harmonious fit with other parts of the process of considering the future of the climate regime, he expressed hope that the work would proceed with momentum, motivation and ambition.

Richard Kinley, Officer-in-Charge of the UNFCCC Secretariat, emphasized the potential of market forces and the need for long-term and cohesive policies to fully unleash their power.

Parties adopted the agenda without amendment (FCCC/KP/AWG/2006/1). Parties began by hearing statements on the AWG's future work, and then took up discussions in contact groups and informal consultations.

Many parties then commented on the AWG's future work plan, focusing on such issues as the nature and "level of ambition" of the second commitment period and its timescale/length, and other matters relating to timing, continuity between the first and second commitment periods, links with other processes such as Protocol Article 9 (review of the Protocol), key topics that should be discussed by the AWG, and the scientific basis of the AWG's work. Several parties highlighted the urgent need to move forward on future commitments under Article 3.9, and that there should be no time gap between the end of the first commitment period and start of the second. For a more detailed written report on these statements, see: <http://www.iisd.ca/vol12/enb12298e.html>. Complete webcast records of these speeches are available online at: http://unfccc.meta-fusion.com/kongresse/SB24/templ/ovw_str_sbi.php?id_kongressmain=4

PLANNING OF FUTURE WORK

The issue of future work was first taken up in plenary on 17 May, and required extensive informal consultations before agreement was reached just before midnight on 25 May. Since this was the first meeting of this new subsidiary body to the Protocol, discussions focused on both the AWG's scope and how it should carry out its work. Parties stated their positions in the opening plenary and during an open informal meeting on 18 May.

South Africa, for the G-77/China, said Annex I commitments for the second commitment period should be "substantially stricter" than the first commitment period and the task of deciding on the details and rules of the second commitment period should be completed by 2008. China stressed the AWG's mandate to decide on new Annex I quantitative commitments and the length of the second commitment period. The EU restated its target (15-50% reductions by 2050), highlighted its Emissions Trading Scheme (ETS) and said commitments must be clearly defined and fair. India called for more extensive use of the CDM, and the Alliance of Small Island States (AOSIS) underscored historical emissions. New Zealand, Switzerland and others, opposed by the G-77/China, noted the linkages between this process and the one for Article 9. Norway stressed consideration of LULUCF issues and bunker fuels, and the Republic of Korea drew attention to the important role of technology. Canada stressed results-oriented actions and lessons learned from climate policy. Iceland highlighted sectoral benchmarking and the Russian Federation noted voluntary commitments. Japan said the second commitment period should be based on a thorough scientific analysis and should not be not a "political exercise."

Over the weekend, Vice-Chair Figueiredo Machado held informal bilateral consultations with many delegations, resulting in the idea of holding a workshop. On Monday, 22 May, draft text was introduced by Chair Zammit Cutajar, and discussions focused on the content and format of the proposed workshop, as well as on what and what not to include in AWG's future work. On 24 May, a revised Chair's non-paper was presented, including a list of indicative relevant topics. Informal consultations continued throughout 25 May in a very small group. Discussions emphasized the possible focus of the AWG's work, with parties seeking to ensure that the priorities raised in plenary received sufficient attention. In particular, delegates focused on the proposed workshop at COP/MOP and on whether to include an indicative list of key issues to be considered by the AWG that had been developed by the Chair. Late on 25 May, agreement was finally reached on text regarding the planning of future work (FCCC/KP/AWG/2006/L.2/Rev.1), which was included as part of the report of the session (FCCC/KP/AWG/2006/L.1).

AWG Outcome: In its agreement on the planning of future work (FCCC/KP/AWG/2006/L.2/Rev.1), the AWG:

- takes note of parties' submissions (FCCC/KP/AWG/2006/MISC.1 & Add.1) and statements concerning Protocol Article 3.9;
- reaffirms that its discussions will focus on the consideration of further commitments by Annex I parties to be established in amendments to Annex B of the Kyoto Protocol;
- recalls that AWG should aim to complete its work on time to ensure no gap between the first and the second commitment periods;
- reaffirms that it will proceed "expeditiously" towards agreement on further commitments;
- observes that Annex I parties need to assemble and analyze information on scientific, technical and socioeconomic topics to enhance understanding of the ambition level of further commitments;
- notes that information can be sought from other bodies and processes under the Convention and Protocol, IPCC, intergovernmental organizations and parties themselves;
- considers that it is important to keep in mind work underway and relevant results from other Convention and Protocol bodies and processes; and
- notes the relevance of continuing to review implementation of commitments for the first commitment period.

The AWG also decides to hold its second session at COP/MOP 2, considers holding an in-session workshop at AWG 2 for the presentation and exchange of relevant information, and invites submissions from Annex I parties on emission trends, mitigation potential of policies and technologies, and cost and benefits of emission reductions. In addition, it requests the Secretariat to organize this workshop, including a presentation by the IPCC, and decides that AWG will meet during the two sessional periods in 2007 and will further elaborate its work plan at AWG 2.

The AWG's plan of future work also includes a list made by the Chair under his own initiative and responsibility on "non-exhaustive" topics that may be relevant to the further work of the AWG. These include: the scientific basis for the determination of further commitments; scenarios and risks associated with those

scenarios; costs and impacts of adaptation; emission trends and socioeconomic drivers; mitigation potential of policies, measures and technologies; costs and benefits of mitigation; sectoral analyses and impacts on competitiveness; experience gained and lessons learned in implementing the Kyoto Protocol; duration of commitment periods; sectoral approach; architecture of future commitments; further incentives for technology development, deployment and transfer; and legal matters.

CLOSING SESSION

On Thursday, 25 May, the AWG reconvened in plenary just before midnight. Chair Zammit Cutajar noted concerns expressed by Switzerland regarding future transparency of the process and by Saudi Arabia regarding inclusion of observer parties, and said these would be addressed at AWG 2. Parties adopted the draft report of the session (FCCC/KP/AWG/2006/L.1) and Chair Zammit Cutajar closed the session at 12:20 am.

SUBSIDIARY BODY FOR IMPLEMENTATION

SBI Chair Thomas Becker (Denmark) opened the session on Thursday morning, 18 May. Delegates then considered the proposed agenda (FCCC/SBI/2006/1 and Corr.1). The Philippines, with support from several others, proposed deletion of the item on Application of the COP-GEF Council Memorandum of Understanding, stating that since there is no financial mechanism established for the Protocol this item could prejudice the outcome of discussions on the Adaptation Fund, also scheduled to take place at SB 24. Saudi Arabia then proposed inclusion of an item on Matters related to Article 3.14 of the Kyoto Protocol (adverse effects), noting that Decision 31/CMP.1 mandates that a workshop on this issue be held before COP/MOP 2. Parties agreed to delete the item on the COP-GEF Council MOU and that parties can submit views on a workshop under Article 3.14 during the next intersessional period. Parties then adopted the agenda.

Delegates also agreed to the organization of work proposed by Chair Becker, before turning their attention to election of officers other than Chair. Given the retirement of Rapporteur Gladys Ram (Botswana) and the resignation of Heorhiy Veremiychyk (Ukraine) as Vice-Chair, József Feiler (Hungary) and Phetolo Phage David Lesolle (Botswana) were elected as Vice-Chair and Rapporteur, respectively, to serve at both SBI 24 and SBI 25.

ANNEX I COMMUNICATIONS

This issue was first taken up by the SBI plenary on 19 May, when delegates considered a synthesis of reports by Annex I parties on demonstrating progress under Protocol Article 3.2 (FCCC/SBI/2006/INF.2). The matter was then referred to informal consultations conducted first by Dimitrios Lalas (Greece) and then by SBI Chair Becker.

Discussions on this item focused on reports that Annex I parties were required to submit by 2005 to demonstrate progress in achieving their emission targets. Several delegates lamented that only 18 parties had submitted their reports in time to be included in the synthesis report. The G-77/China stated that Annex I parties are failing to meet their obligations under the Protocol, while the EU, Japan and others stressed their commitment and efforts to achieving their targets.

In the SBI closing plenary, SBI Chair Becker reported on informal consultations and introduced draft SBI conclusions, which, *inter alia*, addressed emission trends in Annex I parties and called on them to “continue, and where appropriate intensify” their efforts to reduce or limit their emissions. The text also included a draft COP/MOP decision on forwarding the demonstrable progress reports to the facilitative branch of the compliance committee “with the aim of promoting compliance and providing for early warning of potential non-compliance.”

The Russian Federation and Ukraine, opposed by the G-77/China, proposed changing the draft conclusions so that the matter would be further considered at SB 26 instead of SB 25. Parties were unable to agree on this amendment and only adopted short, procedural SBI conclusions.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.14/Rev.1), the SBI decides to continue consideration of this matter at SBI 25.

NON-ANNEX I COMMUNICATIONS

WORK OF THE CONSULTATIVE GROUP OF EXPERTS (CGE):

This issue was first taken up in plenary on 18 May and was then forwarded to informal consultations conducted by Emily Ojoo-Massawa (Kenya) and Henriette Bersee (the Netherlands). The SBI adopted conclusions on this item on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.12/Rev.1), the SBI, *inter alia*, welcomes the CGE’s progress report and notes the outcomes of two “hands-on” training workshops. The SBI also welcomes the CGE’s report on its examination of 41 initial non-Annex I national communications and urges parties and bilateral, multilateral and international organizations to take into account the recommendations contained in the document (FCCC/SBI/2006/4).

COMPILATION AND SYNTHESIS OF INITIAL NATIONAL COMMUNICATIONS:

This issue was first taken up in the SBI plenary on 18 May. Switzerland and the EU called for a “desk review” of non-Annex I communications, and, supported by AOSIS, suggested grouping countries with similar circumstances for such a review. The Philippines noted the need for full-cost financial support. The item was then considered during informal consultations conducted by Ojoo-Massawa and Bersee. The SBI adopted conclusions on this item on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.13), the SBI notes the importance of enhancing and maintaining capacity in non-Annex I parties, *inter alia*, in the area of national greenhouse gas inventories. It appreciates non-Annex I parties’ continuing compliance with UNFCCC Articles 4.1 and 12.1 (national commitments and communications), urges non-Annex I parties that have not yet done so to submit their initial national communications as soon as possible, and requests the CGE to examine such communications.

PROVISION OF FINANCIAL AND TECHNICAL SUPPORT:

This issue was first taken up in plenary on 19 May, with the G-77/China and AOSIS emphasizing the importance of addressing financial, technical and institutional constraints. The issue was then forwarded to informal consultations conducted by Ojoo-Massawa and Bersee. The SBI adopted conclusions on this item on 25 May.

SBI Conclusions: In the conclusions (FCCC/SBI/2006/L.7), the SBI welcomes information from the GEF on its support for non-Annex I national communications and invites the GEF to continue providing such information. The SBI appreciates the technical assistance by the GEF-National Communications Support Programme of UNDP/UNEP and other organizations for the preparation of non-Annex I national communications and requests relevant organizations to submit by 4 August 2006 information on their relevant activities for consideration at SB 25.

FINANCIAL MECHANISM (CONVENTION)

THIRD REVIEW OF THE FINANCIAL MECHANISM:

This item was first taken up in plenary on 19 May. It was then considered informally and in contact group meetings co-chaired by Marcia Levaggi (Argentina) and Karsten Sach (Germany).

At the first contact group meeting, the Co-Chairs proposed exchanging views based on the criteria contained in the annex to Decision 3/CP.4 (review of the financial mechanism), but several parties preferred to discuss issues raised in the synthesis report prepared by the Secretariat, and related to the GEF’s functioning as the Convention’s financial mechanism. Several Annex I countries, including the US, Norway, the EU, and Switzerland, noted their support for the GEF’s work, while several developing countries cited issues with the GEF. Following the submission of EU and G-77/China proposals for inclusions to a draft COP decision, the Co-Chairs prepared a compilation text that parties then added to but did not negotiate. This compilation text was bracketed and annexed to the draft SBI conclusions, with the intention of using it at SB 25 as the basis of negotiations on a draft COP decision. The SBI conclusions and its annex were adopted in plenary on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.4), the SBI: takes note of the submissions from parties (FCCC/SBI/2006/MISC.9), from intergovernmental organizations (FCCC/SBI/2006/MISC.3), and a synthesis report on the financial mechanism of the Convention prepared by the Secretariat (FCCC/SBI/2006/7); notes that it made progress in its consideration of the third review and prepared a draft text, based on a compilation of views expressed and text submitted by parties at SBI 24; and agrees to continue deliberations at SB 25 on the basis of the draft text, with a view to finalizing recommendations to COP 12.

SPECIAL CLIMATE CHANGE FUND: This item was first considered in plenary on 20 May, and then informally and in several contact group meetings chaired by Bubu Jallow (Gambia). Negotiations were undertaken based on the draft text from SB 22 (FCCC/SBI/2006/10, Annex I). While the intention was to remove all of the brackets contained in that document, discussions on language for the section on financing of activities set out in Decision 7/CP.7, paragraph 2(d) (funding under the Convention) dominated the sessions. Consistent with the existing proposals in the SB 22 text, the EU supported language referencing technical assistance and opposed using the SCCF to fund activities involving fossil fuels, while the G-77/China supported broader language and noted that technical assistance is limited and open to interpretation. Based on a proposal from Chair Jallow, delegates later discussed a two-stage approach: the first stage would consist of technical assistance, while the second

could include funding activities and programmes. Agreement that these were conceptually useful did not lead to agreed text, however, and delegates decided to continue deliberations at SBI 25 based on the SB 22 text. SBI conclusions reflecting this agreement were adopted in plenary on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.6), the SBI notes that SBI 24 continued to consider the draft text produced at SB 22 (FCCC/SBI/2005/10, Annex I), and the matter will continue to be deliberated at SB 25 on the basis of that text, with a view to finalizing its recommendation to COP 12 on the operation of the SCCF.

FINANCIAL MECHANISM (KYOTO PROTOCOL)

ADAPTATION FUND: This item was introduced in the SBI plenary on 19 May, and then considered in informal consultations and contact group meetings co-chaired by Karsten Sach (Germany) and Marcia Levaggi (Argentina). Delegates spent much of the time in contact group meetings and informal consultations discussing which institution will eventually be chosen to manage the Fund. The EU, Canada, Norway, Switzerland, and other Annex I parties preferred the GEF to be designated as the operating entity of the Fund, while several developing countries cited concerns with existing GEF operational policies and expressed interest in exploring other options for managing the Fund. Based on the submissions and outcomes from a workshop on the Adaptation Fund held in May 2006, the Co-Chairs developed a document that compiles parties' views on the operation of the Fund. Parties then added new options to this text, focusing particular attention on language concerning membership of the Fund's governing council, the share of proceeds, and eligibility criteria. This document was eventually annexed to draft SBI conclusions and, with a submission by the G-77/China (FCCC/SBI/2006/MISC.11) and the pre-existing compilation of parties' views from the workshop (FCCC/SBI/2006/MISC.7), will form the basis upon which institutions that could manage the Fund can respond to the request from the SBI for further information.

The final issue to be resolved under this item was how to refer to those institutions from which such information would be requested. Delegates discussed several options for wording, with the G-77/China proposing wording that more directly referenced the institutions specifically included in the annex to the draft SBI conclusions (the GEF, UNDP, UNEP, the Multilateral Fund of the Montreal Protocol, and the Executive Board of the CDM), while many Annex I parties preferred language that was less specific in this regard. After a lengthy plenary discussion on wording, parties eventually agreed to reference "relevant international institutions, including, among others, those contained in the annex." When agreeing to accept the SBI conclusions, the G-77/China said that it wanted it recorded that the "the SBI" interpreted this wording to refer to "all of the options listed...in the annex." The EU, Norway and Switzerland then noted that since they did not agree with the word "all," the report should not reference the "SBI." Delegates eventually agreed that all four statements would be included in the report of the session.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.18), the SBI: takes note of submissions from parties, intergovernmental organizations, and the report of the workshop on the Adaptation Fund; notes that it made progress in its

consideration of the Fund and prepared a compilation document containing possible elements for a draft decision, without prejudice to further input by parties; invites relevant international institutions, including, among others, those contained in the annex referred to above, without prejudice to any institution, to submit information on issues contained in the compilation document, taking into account views expressed by parties; requests the Secretariat to compile information submitted by institutions in a miscellaneous document for consideration at SB 25; and agrees to continue deliberating on the matter at SB 25, on the basis of the compilation document and responses provided by institutions, with a view to finalizing its recommendation on the Fund to COP/MOP 2.

IMPLEMENTATION OF UNFCCC ARTICLE 4.8 AND 4.9

PROGRESS ON IMPLEMENTING DECISION 1/CP.10:

This issue was taken up in plenary on 18 May. Discussions focused on recent workshops on response measures, economic diversification and regional adaptation in Latin America. Ecuador noted the importance of regional adaptation workshops. Saudi Arabia stressed the importance of considering economic diversification under the UNFCCC, while the EU called for broader analysis by organizations such as UNDP and UNCTAD.

Final Outcome: SBI took note of the information provided.

MATTERS RELATING TO LEAST DEVELOPED

COUNTRIES: This issue was first taken up in plenary on 18 May, when delegates addressed the Least Developed Countries Expert Group (LEG) and its need for a new work programme in response to Decision 4/CP.11, which extends the LEG's mandate. Many parties highlighted LEG's role in monitoring and implementation of National Adaptation Programmes of Action. The issue was then forwarded to informal consultations conducted by Tina Guthrie (Canada) and Samuel Adejuwon (Nigeria). SBI adopted conclusions on this item on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.2), the SBI expresses its appreciation of the LEG's work. It welcomes the new work programme and requests the LEG to keep the SBI informed of its implementation. The SBI also requests the LEG to ensure that its activities are complementary to other relevant actors, including the GEF, and encourages parties to continue to provide resources to the LEG and its work programme.

CAPACITY BUILDING (CONVENTION): This issue was first taken up in plenary on 19 May. It was then considered by a contact group co-chaired by Crispin D'Auvergne (Saint Lucia) and Anders Turesson (Sweden), and during informal consultations.

Discussions focused on monitoring of capacity building activities. While the G-77/China stressed the importance of monitoring and defining its objectives, the US highlighted the need to avoid monitoring requirements that hinder implementation, Japan called for streamlining, and the EU highlighted the role of national communications and the comprehensive review of the capacity building framework. Delegates also discussed a possible synthesis report on capacity building activities, whether and when to organize an in-session workshop on monitoring and whether countries should be

able to make submissions to the workshop. Failing to reach an agreement on these issues, parties adopted only procedural conclusions.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.15), the SBI states that it did not complete the consideration of this item and agrees to continue consideration at SBI 25.

CAPACITY BUILDING (PROTOCOL): This issue was first taken up in plenary on 19 May. The issue was subsequently taken up in the contact group co-chaired by Crispin D'Auvergne and Anders Turesson, and in informal consultations.

The discussions focused on the capacity building needed for developing countries to participate effectively in the CDM. Several non-Annex I countries, especially African parties, underscored the unequal geographical distribution of CDM projects. Japan highlighted a workshop for CDM Designated National Authorities (DNAs) and the EU drew attention to the informal DNA Forum held recently in Bonn. Discussions also addressed a possible workshop and a synthesis report on the status of implementation of CDM projects in developing countries. Failing to reach an agreement on capacity building issues under the Protocol, parties adopted only procedural conclusions.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.16), the SBI states that it did not complete the consideration of this item and agrees to continue consideration at SBI 25.

COMPLIANCE

The agenda item on "amendment of the Kyoto Protocol in respect of procedures and mechanisms relating to compliance" was taken up in plenary on 19 May and during informal consultations. During brief discussions on this issue, parties noted that a decision on an amendment to the Kyoto Protocol in respect to procedures and mechanisms relating to compliance is due at COP/MOP 3.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.11/Rev.1), the SBI agrees to consider this issue at SBI 25 with the view to completing consideration at SBI 27. The SBI Chair will give an oral report to COP/MOP 2 based on the conclusions developed during SBI 25.

INTERNATIONAL TRANSACTION LOG

The international transaction log, a computer system that performs automated checks to verify transactions of carbon credits under the Kyoto Protocol, was considered briefly by SBI 24 in plenary on 18 May. Several parties, including the G-77/China, the Russian Federation and Argentina expressed concerns about the timing and procedures for the international transaction log to become fully operational. Japan said delays could result in distortions in the emissions credit market. SBI Chair Becker subsequently developed draft conclusions on this topic, which were adopted without amendment on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.8), the SBI takes note of the progress report on implementation of the transaction log (FCCC/SBI/2006/INF.3). The SBI reaffirms the importance of making rapid progress in work to develop, test and make the log operational, and stressed the need for sufficient contributions to the UNFCCC Trust Fund for Supplementary Activities to support related work. The SBI also requests the

Secretariat to provide written details on funding requirements, especially in relation to the development and operation of the transaction log, and to do so as soon as possible prior to SB 25.

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS

At SB 24, parties considered various issues relating to future arrangements and organization of meetings (FCCC/SBI/2006/2). These included arrangements for COP 12 and COP/MOP 2 in Nairobi in late 2006, the general organization of the UNFCCC process, lessons from a review of COP 11 and COP/MOP 1, and a proposed change to the second sessional period in 2011. These matters were addressed primarily in a contact group and informal consultations co-chaired by Sandea De Wet (South Africa) and Aloisia Wörgetter (Austria).

Regarding the review of COP/MOP 1, the status of Convention parties who are not parties to the Protocol at informal Protocol consultations emerged as a point of dispute. During discussions on draft conclusions, the EU argued that informals should be closed to non-parties unless Protocol parties give their consent, while the US and Australia considered that Protocol Articles 13.2 and 15.2 establish the right of UNFCCC parties to participate. Delegates ultimately removed text on this issue, noting during the discussions that "inclusiveness" should be the aim. Another topic that was discussed briefly was a US request to move the sessional period for late 2011 so it did not coincide with Thanksgiving (a national holiday in the US). Parties agreed to this request.

The main issues to emerge under this agenda item, however, related to arrangements for COP 12 and COP/MOP 2 and the general organization of the intergovernmental process. In the contact group, it soon became apparent that many parties wanted to revise the organization of future meetings. In particular, there was broad agreement among parties that the long work hours, evening sessions, proliferation of contact groups and packed agendas that characterize the climate process should be addressed. With many speakers citing exhaustion at meetings as a concern, parties agreed not to extend the meeting dates for COP/MOP 2 and COP 12, and urged ongoing efforts to prioritize issues, streamline work, and introduce multi-sessional work programmes so that some agenda items are not addressed at every meeting. Several suggestions from the EU were accepted in this regard (FCCC/SBI/2006/MISC.8).

There were also some differences of opinion, though, with developing countries rejecting EU suggestions to "cluster" several agenda items. Also, while the Umbrella Group and the G-77/China sought strict limitations on evening meetings, the EU favored a more flexible approach. For COP 12 and COP/MOP 2, the discussions resulted in a recommendation that meetings should normally end by 6:00 pm but may, in exceptional circumstances, continue later, but not beyond 9:00 pm. In terms of general guidance for future meetings, the US and others favored applying normal working hours for meetings at UN headquarters (which are 10:00 am to 6:00 pm with a two-hour lunch break) to the climate process. The EU preferred less prescriptive text, and compromise language resulted that "encouraged," rather than "recommended," the holding of UNFCCC and Kyoto Protocol meetings during normal UN meeting working hours "wherever possible." Additional text

proposed by the US, and supported by Australia, Norway and Japan, recommended that subsidiary bodies and workshops be scheduled “so as to minimize weekend travel wherever possible.” However, this was opposed by the EU, and was not included in the final text.

The decision to limit time for meetings in Nairobi and at future meetings raised some concerns. In the SBI plenary on 25 May, Richard Kinley, Officer-in-Charge of the UNFCCC Secretariat, characterized the conclusions on meeting arrangements as being “quite revolutionary,” particularly in light of the increasing workload. Kinley noted the significant implications of restricting the negotiating time available, describing the changes as “shock therapy.” He also expressed “deep anxiety” that such an approach could lead to process “paralysis” unless parties are successful in prioritizing issues.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.9), the SBI finalizes details relating to COP 12 and COP/MOP 2, noting that additional investments in infrastructure will be required to accommodate these meetings. The SBI also recommends considering some issues only every second sessional period, including research, systematic observation, national communications, cooperation with relevant international organizations, and reports by UNFCCC expert groups. In addition, the SBI encourages applying normal UN headquarters working hours for meetings wherever possible.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS

BUDGET PERFORMANCE FOR THE BIENNIUM 2006-2007: This issue was introduced in SBI plenary on 19 May. SBI Chair Becker noted that he would consult informally with parties and draft conclusions on the status of contributions as of 30 April 2006. Parties adopted SBI conclusions on this matter on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.3), the SBI: takes note of the status of contributions, as of 30 April 2006; expresses its appreciation to parties that have paid their contributions to the core budget in a timely manner, and particularly to parties that have made voluntary contributions to the Trust Fund for Participation in the UNFCCC Process and the Trust Fund for Supplementary Activities; and urges parties that have not yet made their contributions to do so as soon as possible.

IMPLEMENTATION OF THE HEADQUARTERS AGREEMENT

This item was discussed in plenary on 19 May, at which time Karsten Sach (Germany) updated the SBI on progress on the new UN campus and preparations for the construction of an international congress center in Bonn. After summarizing progress and preparations by the Secretariat, Richard Kinley told delegates that since the 1996 Headquarters Agreement had been amended in 2005 to ensure legal certainty related to the Kyoto Protocol, the SBI 25 needed only to take note of this amendment. Chair Becker said he would consult with interested parties and draft SBI conclusions. The SBI adopted those conclusions on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.5), the SBI: takes note of the statement made by the Host Government describing progress on the accommodation of the Secretariat’s offices at the UN campus in Bonn; notes with appreciation that the Host Government has agreed to cover costs associated with

the move; takes note of the statement by the Officer-in-Charge and requests him to inform the SBI of any new developments; invites the Host Government and the Executive Secretary to report to SB 26 on further progress on the implementation of the Headquarters Agreement; takes note of the amendment to the Headquarters Agreement to include the Kyoto Protocol and requests the Officer-in-Charge to proceed with the formalities necessary for entry into force of that amendment.

PRIVILEGES AND IMMUNITIES: This issue was considered in plenary on 18 May. It was then taken up in a contact group chaired by Paul Watkinson (France) and in informal consultations. The SBI adopted conclusions on 25 May.

Discussions focused on various options for protecting individuals serving on constituted bodies under the Kyoto Protocol and expert review teams from legal action. Key issues included continuing consultations with the UN Secretary-General’s office on the application of the 1946 UN Convention on Privileges and Immunities and a possible UN General Assembly resolution; the scope of privileges and immunities necessary; and the role of the Secretariat and options for ensuring that private entities participating in CDM and JI activities do not bring legal actions against members of constituted bodies in respect to acts performed in an official capacity. In the closing plenary, Chair Watkinson explained that the complexities were legal rather than political, and that many parties needed more time to consider the constitutional implications of these issues.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.10), the SBI, *inter alia*:

- notes that it is essential for individuals serving on constituted bodies to be able to perform their official functions effectively;
- requests the UNFCCC Executive Secretary to continue consultations with the UN Secretary-General on how to best extend immunities under the 1946 Convention to individuals serving on Kyoto Protocol constituted bodies and expert review teams, and on whether the COP/MOP could invite the UN General Assembly to adopt a resolution to this effect;
- requests the UNFCCC Executive Secretary to report on the outcome of these consultations at SB 25, and to prepare a note for SB 25 analyzing, *inter alia*, the practical and legal implications of obtaining written agreement from private entities participating in CDM and JI to settle claims against individuals serving on constituted bodies or expert review teams in accordance with the decisions of the COP/MOP and at the Secretariat’s headquarters, and of providing assistance upon request to such individuals faced with complaints concerning their official functions; and
- decides to consider this matter at SB 25 on the basis of this report and note by the Executive Secretary and to prepare a draft COP/MOP 2 decision taking into account views expressed by parties.

OTHER MATTERS

LEVEL OF EMISSIONS FOR THE BASE YEAR OF CROATIA: This issue was taken up in plenary on 18 May and during informal consultations conducted by Jim Penman (UK).

Discussions focused on the request by Croatia, invoking UNFCCC Article 4.6 (flexibility for countries with economies in transition), to change the level of its base year emissions

with regard to its specific circumstances. In the closing plenary, delegates were presented draft SBI conclusions and a draft COP/MOP decision allowing Croatia to add 3.5 Mt of carbon dioxide equivalent to its 1990 level of emissions, but the Russian Federation emphasized that, in its view, consideration of the issue should continue until an acceptable compromise can be found. Parties were unable to reach consensus on the texts and only adopted procedural conclusions on 25 May.

SBI Conclusions: In its conclusions (FCCC/SBI/2006/L.17/Rev.1), the SBI decides to continue consideration of this matter at SBI 25.

CLOSING SESSION

On Thursday evening, 25 May, the closing SBI 24 plenary convened. A number of delegates commented on the Adaptation Fund. Parties then adopted the report of the session (FCCC/SBI/2006/L.1). SBI Chair Thomas Becker thanked participants for their work and closed SBI 24 at 7:24 pm.

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

SBSTA 24 opened on Thursday, 18 May, when SBSTA Chair Kishan Kumarsingh (Trinidad and Tobago) welcomed participants. In its opening remarks, the G-77/China said it would seek to make progress on adaptation, positive incentives for reducing deforestation, adaptation research, and the Mauritius Strategy. The African Group called for strengthening systematic observation and early warning systems in Africa and moving the Buenos Aires Plan on Adaptation to SBI for implementation.

ORGANIZATIONAL MATTERS

Parties then considered organizational matters, including the provisional agenda (FCCC/SBSTA/2006/1 and Corr.1). While the agenda was provisionally agreed, a dispute resurfaced over the agenda item relating to small island developing States (SIDS).

MAURITIUS STRATEGY: The agenda sub-item on the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of SIDS (the Mauritius Strategy) has been held in abeyance since SBSTA 23, when the US and Australia, opposed by AOSIS, the EU and many other parties, objected to its inclusion. The item therefore remained on the provisional agenda and was taken up at SBSTA 24 on 18 May. The US and Australia again objected to the inclusion of this item, while AOSIS, the EU and Belarus called for its retention. Chair Kumarsingh held informal consultations, during which he presented text proposing to invite submissions by parties on how the Mauritius Strategy could be mainstreamed into the agenda of the subsidiary bodies. The US and Australia opposed this course of action, saying that the issue could be addressed as part of other agenda items under SBSTA or SBI. Consequently, the item was again held in abeyance.

FIVE-YEAR PROGRAMME OF WORK ON ADAPTATION

This agenda item was first taken up in SBSTA plenary on 18 May, and then a contact group and informal meetings. Discussions, co-chaired by Helen Plume (New Zealand) and William Agyemang-Bonsu (Ghana), centered on the initial list of activities for the programme of work, as set out in the report of a workshop held in Vienna, Austria, from 13-15 March

2006. The list includes tables with modalities, deliverables and timing for nine initial activities on: methods and tools; data and observations; climate modeling, scenarios and downscaling; climate-related risks and extreme events; socioeconomic information; adaptation planning and practices; research; technologies for adaptation; and economic diversification.

Consistent with their initial statements to plenary, AOSIS, China and others expressed concern that the programme of work as it stood added little to work already underway, and called for practical and substantial outputs, while the US emphasized the need for stocktaking. Over the following days, parties proceeded through the tables in informal group meetings, with the G-77/China adding various proposals to the text, including requests for recommendations on how to address the issues and on practical implementation as part of the deliverables from the various activities. Some progress was reported when the Co-Chairs presented their draft conclusions. However, following closed consultations among a small group, parties reported “fundamental differences” on how they perceived their mandate at this session. The G-77/China explained that, in accordance with Decision 2/CP.11 (which requests SBSTA to “consider and further elaborate additional activities and modalities of the five-year programme of work”), it had sought to define and further elaborate the activities covered under the five-year programme of work. In contrast, the US said that it had focused on establishing the modalities for the initial list of activities to be delivered in the first two years of the programme. Although informal consultations continued and the G-77/China and others expressed a willingness to accept the proposed bracketed draft conclusions with minor amendments, other parties expressed reservations. Unable to agree, they concentrated instead on defining the mandate for SBSTA 25 to continue work on the issue. This situation was reflected in the conclusions on this matter, which were adopted by SBSTA on 26 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.17), the SBSTA welcomes the exchange of views during the Vienna workshop; requests the Secretariat to regularly update the list of organizations and institutions active in areas relevant to the five-year programme of work; and agrees to consider the activities to be undertaken for the period up to SBSTA 28 on the basis of draft text included in the annex, with a view to completing this task at SBSTA 25, and to consider and further elaborate at SBSTA 28 and thereafter additional activities and modalities of the programme of work. The annex consists of bracketed draft conclusions proposed earlier by the Chair, including possible activities under the five-year programme of work.

TECHNOLOGY TRANSFER

This agenda item was first presented in SBSTA plenary on 18 May, and subsequently taken up in contact group and informal consultations co-chaired by Carlos Fuller (Belize) and Kunihiko Shimada (Japan). Conclusions were adopted in plenary on 26 May. Discussions focused on: consideration of the four background reports, in particular Expert Group on Technology Transfer (EGTT) recommendations (FCCC/SBSTA/2006/INF.4); furthering Technology Needs Assessments (TNAs) and their implementation on a sectoral basis; barriers to technology transfer; funding; and future actions. Much of the focus of

discussions was on finding language acceptable to all parties, but no serious differences emerged, and conclusions were adopted in plenary on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.16), the SBSTA, *inter alia*:

- welcomes the recommendations by the EGTT and recognizes that they constitute a set of possible actions for enhancing implementation of the technology transfer framework that could be considered by COP 12 or at subsequent sessions;
- endorses the five themes included in the EGTT recommendations;
- notes the synthesis report on technology needs and completion of TNAs;
- encourages non-Annex I parties that have not done so to complete their TNAs;
- notes technology needs in the energy, industry and transport sectors for mitigation and agriculture and coastal areas for adaptation;
- identifies barriers to technology transfer;
- recommends that TNA summaries are included in non-Annex I national communications;
- urges parties in position to do so to provide technical and financial assistance to further identify and implement technology needs;
- highlights consideration of TNA on a sectoral basis; and
- invites SBI to request the GEF to consider identified barriers when providing support for TNAs.

The SBSTA also welcomes the technical paper on technologies for adaptation, recognizes the importance of addressing actions relating to adaptation technologies, and looks forward to the technical paper on innovative options for financing technology transfer. Finally, the SBSTA notes its interest in collaborative research and development, and requests the SBSTA Chair to hold informal consultations at SBSTA 25 to consider a set of actions for enhancing the implementation of the technology transfer framework. The conclusions include the EGTT's recommendations as an annex.

RESEARCH AND SYSTEMATIC OBSERVATION

This agenda item was first presented in the SBSTA plenary on 18 May, and subsequently taken up in contact group and informal consultations co-chaired by Sergio Castellari (Italy) and María Paz Cigarán (Peru). At SBSTA 24, discussions focused on research, as it was recalled that SBSTA 22 had proposed alternating discussions on systematic observation and research from one SBSTA session to another. Discussions at SBSTA 24 included how best to facilitate interactive dialogue between parties, research programmes and the IPCC; research needs and priorities; regional research networks; and the importance of data and systematic observation for research. Conclusions were adopted on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.7), the SBSTA: takes note of a side event, information and views on identified research needs; invites international climate change research programmes to submit summary reports drawing on the side event, including identification of gaps; notes efforts to establish regional climate change research networks and encourages parties to support and further develop them; recognizes the importance of data exchange and encourages

parties to support and strengthen systematic observation; and notes the need for enhancing two-way communication. The SBSTA also agrees to explore how to facilitate more effective dialogue between parties and regional and international climate change research programmes; and asks the Secretariat to organize an informal discussion among parties at SBSTA 26, inviting representatives of those programmes and the IPCC. Finally, the SBSTA notes that consideration should be given to holding a workshop at SBSTA 28 to facilitate in-depth exchange of views on the research needs under the Convention.

REDUCING EMISSIONS FROM DEFORESTATION IN DEVELOPING COUNTRIES

This agenda item was first presented to the SBSTA plenary on 18 May, and subsequently addressed in contact groups and various informal consultations co-chaired by Audun Rosland (Norway) and Hernán Carlino (Argentina). Parties were expected to initiate consideration of the issue in light of submissions received and to consider the scope of a workshop, to be held in Rome, Italy, from 30 August to 1 September 2006. Initial disagreements surfaced regarding the language on the scope of the workshop, with Brazil opposing any language that referred to the Kyoto Protocol or to trading mechanisms. After informal consultations, parties found alternative wording to replace references to baselines, leakage and uncertainty. But differences remained on whether to refer only to "financial mechanisms," as proposed by Brazil, and/or to economic incentives or other alternatives. Tuvalu noted the limited definition of financial mechanism under the Convention and, with Papua New Guinea and many others, preferred also referencing other economic incentives. Delegates also discussed reference to projected emissions, capacity building, drivers and socioeconomic aspects, and whether to narrow down the agenda for the Rome workshop. This was finally resolved after parties agreed to maintain a broad focus for the workshop, and to accept compromise language that included reference to "financial mechanisms and other alternatives." The conclusions were adopted in plenary on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.8), the SBSTA notes that, in their submissions, parties note the need to address emissions from deforestation in developing countries. The SBSTA also decides to continue consideration of the issue at SBSTA 25, taking into account results of the Rome workshop. The specific topics to be discussed at the workshop will include:

- scientific, socioeconomic, technical and methodological issues, definitional issues (including links between deforestation and degradation), data availability and quality, scale, rates and drivers of deforestation, estimation of changes in carbon stocks and forest cover, and related uncertainties;
- policy approaches and positive incentives, including causes, effectiveness, displacement of emissions, enhancing sustainable forest management, capacity building, and financial mechanisms and other alternatives – basing discussions on experiences and lessons learned; and
- identification of links between methodological issues and policy approaches as positive incentives.

SBSTA further requests the Secretariat to: ensure that relevant intergovernmental organizations, NGOs and experts are invited to the workshop; prepare a background paper for the workshop with a synthesis of relevant information in national communications and the submissions; and plan for a second workshop before SB 26 in May 2007.

METHODOLOGICAL ISSUES (CONVENTION)

IPCC 2006 GUIDELINES FOR NATIONAL INVENTORIES AND HARVESTED WOOD PRODUCTS (HWP):

These two related sub-items were first addressed in plenary on 18 May, and subsequently in various informal meetings chaired by Riitta Pipatti (Finland). As the 2006 IPCC Guidelines for National Greenhouse Gas Inventories were accepted by IPCC 25 only shortly before SB 24, parties agreed that more time was needed to give them full consideration. Concurrent with consideration of the 2006 IPCC Guidelines, parties also had to consider three other reporting issues: how emissions and removals currently covered in the LULUCF and agriculture sectors will be presented in national totals; inventory issues related to biomass burning and natural disturbance as they relate to reporting under the Convention; and the implications for reporting of the conversion to carbon dioxide in the atmosphere of methane, carbon monoxide and non-methane volatile organic compounds emitted in association with carbon stock changes. Parties agreed to consider these issues further at SBSTA 26. They also agreed to further consider HWP at that same session in the context of consideration of the IPCC 2006 Guidelines, while recognizing that there are issues associated with HWP other than reporting inventories that also need to be addressed.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.10), the SBSTA welcomes the timely work of the IPCC in preparing the 2006 IPCC Guidelines and recognizes that parties will need additional time to analyze them. It decides to consider the three other LULUCF and agriculture reporting issues (noted above) at SBSTA 26 in the context of the consideration of the 2006 IPCC Guidelines.

On HWP, the SBSTA: invites parties in a position to do so to report voluntarily on HWP in their national inventories consistent with current reporting guidelines; decides to discuss reporting of HWP at SBSTA 26 in the context of the IPCC 2006 Guidelines; and recognizes that there are other issues associated with HWP that need to be considered by SBSTA 26.

BUNKER FUELS: The issue of emissions from fuel used for international aviation and maritime transport – also referred to as “bunker fuels” – was taken up briefly in SBSTA plenary on 18 May, before being referred to informal consultations conducted by José Romero (Switzerland). The issue had been forwarded by previous SBSTA sessions, most recently at SBSTA 23, which was unable to make progress in talks on whether to hold a workshop on the issue, opposed by Saudi Arabia and several others. Once again, there was little progress reported at SBSTA 24, with the issue being linked by some parties to progress on other topics under discussion. During the SBSTA plenary on 25 May, the EU and Norway expressed regret at the lack of progress, and brief conclusions were adopted reflecting the situation.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.5), the SBSTA notes that consideration of this issue was not completed, and agrees to continue considering the matter at SBSTA 25.

BRAZILIAN PROPOSAL: The scientific and methodological aspects of the proposal by Brazil on accounting for historical and future emissions were taken up in plenary on 18 May and in informal consultations co-chaired by Jaekyu Lim (Republic of Korea) and Jean-Pascale van Ypersele de Strihou (Belgium). The EU, AOSIS and Brazil welcomed work by Modeling and Assessment of Contributions to Climate Change (MATCH) on this issue, and, opposed by the US, supported its further consideration by SBSTA 25. Parties also discussed matters related to developing countries’ participation and capacity building, the need for reducing uncertainties and improving the methodology, and the timing and possible deadline for consideration of this agenda item. On issues of timing, parties agreed to complete consideration once the scientific work is sufficiently developed, expressing hope that this could be done at SBSTA 28, or soon after.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.13), the SBSTA *inter alia*: expresses its appreciation to the scientific community for its work to build on the Brazilian proposal and notes that this process remains open to strengthen participation from scientists from developing countries; notes that further work is required; encourages all interested parties, research institutions and scientists to undertake further work and continue to exchange information; notes that it expects the scientific work to be completed by the third quarter of 2007; requests the Secretariat to organize an in-session special side event at SBSTA 27, inviting parties’ submissions by 7 March 2008; and agrees to complete consideration of this agenda item once the scientific work is sufficiently completed, indicating that it would like to be able to do so at SBSTA 28, or shortly thereafter.

EXPERIENCE WITH REPORTING AND REVIEW, AND WITH TRAINING OF EXPERTS: Parties considered a report on this issue (FCCC/SBSTA/2006/2) in plenary on 18 May, with several parties noting the need to sustain expertise. The matter was taken up in informal consultations, and short conclusions were adopted on the topic on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.5), the SBSTA notes that two sets of relevant guidelines have proved to be valuable tools in improving the consistency, timeliness, completeness, comparability and transparency of greenhouse gas inventories. The SBSTA also concludes that it was not necessary to update these guidelines at SB 24, requests lead reviewers to consider various lessons learned at their next meeting, and asks the Secretariat to continue preparing annual reports on inventory review activities.

METHODOLOGICAL ISSUES (PROTOCOL)

HFC-23: The implications of the establishment of new HCFC-22 facilities seeking to obtain Certified Emissions Reductions (CERs) under the CDM for the destruction of HFC-23 was taken up in SBSTA plenary on 18 May, in a contact group and informal consultations chaired by Georg Børsting (Norway). The issue was placed on the agenda in response to a request by the CDM Executive Board for guidance on potential

perverse incentives resulting from crediting the destruction of HFC-23 under the CDM, which could thereby create incentives for the increased production of HCFC-22, an ozone-depleting gas controlled under the Montreal Protocol.

Parties agreed on the need to avoid higher global production of HCFC-22 as a result of CDM project activities, but differed on how to do so. Brazil, South Africa, Bolivia and others proposed no credits for new facilities and crediting only existing production capacity. However, some parties favored a less strict approach. Canada and China called for practical solutions based on market trends and demand. The EU and Japan called for further exploration of solutions that would provide sufficient incentives for mitigation but not for increased production. Unable to agree, parties accepted a proposal to request submissions on practical solutions and to consider the issue further at SBSTA 25.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.15), the SBSTA notes that COP/MOP 1 recognized that issuing CERs for the destruction of HFC-23 at new HCFC-22 facilities could lead to increases in the production of HCFC-22 and/or HFC-23 and that the CDM should not lead to such increases. SBSTA calls for parties, admitted observers and relevant intergovernmental organizations to submit their views on elaborating practical solutions to address such implications by 30 July 2006, with a view to preparing draft recommendations with guidance to the CDM Executive Board for adoption by COP/MOP 2.

NUMERICAL VALUE FOR FOREST MANAGEMENT UNDER PROTOCOL ARTICLE 3.4 FOR ITALY: This issue was presented in SBSTA plenary on 18 May and then addressed in informal consultations. The item was placed on the agenda at the request of Italy, which sought to reconsider the numerical value for forest management under Protocol Article 3.4 (additional LULUCF activities), based on country-specific data on forest management. Parties agreed to this request and adopted conclusions and a draft decision on 25 May.

SBSTA Conclusions and draft COP/MOP Decision: The conclusions (FCCC/SBSTA/2006/L.6) recommend a draft COP/MOP decision (FCCC/SBSTA/2006/L.6/Add.1), deciding that for the first commitment period, additions to and subtractions from the assigned amount of Italy resulting from forest management under Protocol Article 3.4 (after the application of paragraph 10 of the annex to decision 16/CMP.1 and resulting from forest management project activities undertaken under Protocol Article 6 on Joint Implementation), shall not exceed 2.78 Mt C/year times five.

MITIGATION

At SBSTA 23, parties agreed to continue work on the scientific, technical and socioeconomic aspects of mitigation by holding workshops at the next four SBSTA sessions. The first of these in-session workshops was held during SBSTA 24. The workshop, which took place on 23 May, focused on mitigation as it relates to agriculture, forestry and rural development. A report on the event can be accessed at:

<http://www.iisd.ca/vol12/enb12303e.html>

POLICIES AND MEASURES

The sharing of experiences and exchange of information on policies and measures of Annex I parties was taken up at SBSTA 24 after being considered at a number of previous SBSTA sessions. At SBSTA 24, the matter was referred to informal consultations conducted by Normand Tremblay (Canada) and Hector Ginzo (Argentina). The main focus of discussions was a proposal by the EU to hold a roundtable as a means of pursuing this issue. However, Saudi Arabia, the US, and Australia expressed concerns about the proposed roundtable, with suggestions that this topic could be removed from future SBSTA agendas for four years. Further discussions resulted in a compromise whereby the issue will be taken up again at SBSTA 28 in June 2008.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.11), the SBSTA invites parties to submit, by 1 March 2008, their views specifically on the need for further events to facilitate this exchange of information and sharing of experiences on policies and measures of Annex I parties, and requests the Secretariat to compile those views for consideration by SBSTA 28.

COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS

SPECIAL REPORT ON THE OZONE LAYER AND CLIMATE SYSTEM: HFCS AND PFCS: This agenda item was first presented in the SBSTA plenary on 19 May, and subsequently taken up in informal consultations conducted by Rawlestone Moore (Barbados). During the discussions, the US and others took the position that, in general, a mandate requesting documents for the information of SBSTA would be fulfilled by taking note of such documents, and should not entail opening negotiations on those issues. Conclusions were adopted on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.9) the SBSTA: welcomes the IPCC Special Report and the Technology and Economic Assessment Panel of the Montreal Protocol (TEAP) report; recalls the SBSTA 23 decision to hold an in-session workshop on non-CO₂ emissions by SBSTA 27; recognizes that actions to protect the ozone layer or address climate change can have implications for both climate change mitigation and ozone layer protection; and encourages continued cooperation between the UNFCCC and Montreal Protocol Secretariats.

COOPERATION WITH OTHER CONVENTIONS, SCIENTIFIC ORGANIZATIONS AND UN BODIES: This issue was considered briefly in plenary on 19 May (FCCC/SBSTA/2006/MISC.4) before being taken up in informal consultations conducted by Marcela Main (Chile) and Gregory Picker (Australia). Conclusions were adopted in plenary on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.14), the SBSTA, *inter alia*: recognizes that cooperation at the national level, including through the national focal points, provides the greatest opportunities for efficient and effective cooperation on issues of relevance to the three Rio Conventions; notes that parties set their own priorities regarding the conventions and encourages parties in their efforts to improve and facilitate cooperation at the national level, bearing in mind

the independent mandates of each Convention; and requests the Secretariat to report on the outcome of the fifteenth session of the United Nations Commission on Sustainable Development (CSD-15) at SB 26.

OTHER MATTERS

TRAINING PROGRAMME FOR REVIEWERS UNDER PROTOCOL ARTICLE 8 (REVIEW OF INFORMATION):

The SBSTA considered this item briefly on 19 May, when SBSTA Chair Kumarsingh said he would prepare draft conclusions. These conclusions were adopted in plenary on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.12), the SBSTA takes note of the Secretariat's oral report on progress in implementing training programmes for members of expert review teams participating in review activities under Protocol Article 8. The SBSTA also requests parties to nominate experts to the training programme, and asks the Secretariat to report to SBSTA 25 on progress in implementing the programme.

GREENHOUSE GAS DATABASE: This issue was taken up briefly in plenary on 19 May, when the Secretariat briefed participants on the matter. SBSTA Chair Kumarsingh subsequently presented draft conclusions, which were adopted on 25 May.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2006/L.12), the SBSTA, *inter alia*: requests the Secretariat to continue to improve access to and regularly update greenhouse gas inventory information through the UNFCCC website; requests the Secretariat to present the data interface to parties by the end of 2006 with a view to making it fully operational before May 2007; invites parties to provide the Secretariat, by 23 February 2007, views on the data interface, on possible improvements, and on next steps; and agrees to continue this issue at SBSTA 26.

CLOSING SESSION

On Friday morning, 26 May, SBSTA convened for its closing plenary. Several parties expressed their disappointment at the absence of a substantive outcome on the five-year programme of work on adaptation.

Parties adopted the report of the session (FCCC/SBSTA/2006/L.1) without amendment. Concluding the meeting, SBSTA Chair Kishan Kumarsingh thanked all participants and declared SBSTA 24 closed at 10:56 am.

A BRIEF ANALYSIS OF SB 24 AND AWG 1

After the euphoria experienced at the end of the first COP/MOP in Montreal in late 2005, the subsidiary body meetings (SB 24/AWG 1) could clearly be described as the "hangover meeting," as aptly expressed by one delegate. Adding to the "hangover" effect, a marathon month of climate deliberations, including IPCC 25 in late April and CSD 14 in early May, left delegates tired and delegations dwindled. These factors, coupled with a lack of urgency in the process – underscored by the fact that no major decisions are mandated for COP 12 and COP/MOP 2 in Nairobi – meant that expectations about what would be achieved by SB 24/AWG 1 were low.

In terms of developing the climate regime, therefore, the meeting did not achieve any major breakthrough. However, this is not surprising given that climate negotiations seem to show a

cyclical pattern, and SB 24/AWG 1 can be seen as the beginning of a new phase after the entry into force of the Kyoto Protocol and the major developments in Montreal. Below the surface of an apparently dull meeting, however, things are starting to move and the processes to consider the long-term future are now underway.

This analysis considers SB 24/AWG 1 from the perspective of where they fit into the climate change negotiating cycle and what they mean for the UNFCCC and Kyoto processes. This analysis also explores the increasing importance of the private sector and climate change related actions external to the UN process.

A CYCLICAL PROCESS

To date, climate change negotiations have shown a cyclical pattern. Past cycles culminated in the Kyoto Protocol (1997), the Marrakesh Accords (2001), and the operationalization of the Protocol at COP/MOP 1 (2005). The downside of the cycle demonstrates lackluster meetings filled with recurring, necessary agenda items and lack of momentum. It is now apparent that a new negotiation cycle has begun. Two new processes, the AWG and the UNFCCC Dialogue, have been launched and are in the process of organizing their work. Delegates seemed content with their recent achievements and, with no major deadlines looming, there was subsequently no sense of urgency in the negotiations.

Already, though, the AWG is helping to trigger new ideas, in spite of its limited mandate to discuss further commitments of Annex I parties. More general ideas, old and new, are now being thrown around. These include sectoral approaches, positive incentives, discussions on energy and sustainable development, and new approaches to deforestation. Some of these ideas will catch on, some will surely be discarded, but most will certainly evolve.

While the AWG managed to start planning its future work, and while environmental NGOs and developing countries stressed the need to rapidly define new targets for Annex I countries, most observers agree that nothing significant will happen until 2008-9. While the AWG is not officially linked to Protocol Article 9 (review of the Protocol), and despite the G-77/China's insistence that there should be no linkage, many suspect that progress made on one will be dependent on progress made on the other. If this is true, given that Article 9 will only be addressed for the first time at COP/MOP 2, it was unrealistic to expect Annex I delegates to push for major breakthroughs at AWG 1. In any case, there seems little desire on the part of many parties to move ahead quickly, as many feel this period is critical to stocktaking and better understanding what has, and what has not happened leading up to the first commitment period.

Meanwhile, the SBI and SBSTA were mainly occupied with housekeeping issues. In addition to such items, little progress was reported on the Adaptation Fund and the five-year programme of work on adaptation – two key pieces of the adaptation agenda. Several delegates expressed their opinion that the slow progress had perhaps as much to do with some personality conflicts than with substantive issues. On financing, for example, the slow progress seems to be grounded in a broader debate over the GEF – although the lack of imminent deadlines obviously played its part.

BUSINESS NOT-SO-USUAL

One of the remarkable features about the climate process is the growing involvement of business and the interest of new business sectors. For the first time, the annual Carbon Expo, held the week before SB 24/AWG 1 in nearby Cologne, had more participants than the UNFCCC meeting. Among civil society representatives to SB 24/AWG 1, there were more interventions from Business and Industry NGOs (BINGOs) than from Environmental NGOs (ENGOs), and more accredited BINGOs than ENGOs. Carbon trading and carbon capture and storage (CCS) were the two issues that attracted most business interest. A third of the 45 side events related to carbon trade and two in-session workshops and six side events related to CCS.

In their interventions, business supported further commitments and clear timelines as soon as possible. Business likes certainty and stability. While some of the interest is caused by mandatory regulations, companies from both Kyoto parties and non-parties are increasingly realizing that carbon trade can be potentially very lucrative. With the start of the European Union's Emissions Trading Scheme (ETS) in 2005, there is now empirical data on actual prices of carbon emission reductions, rather than simply academic or government estimations. If the costs of carbon were lower than anticipated, the consequences could be radical. For one, business might find that the co-benefits of mitigation (such as increased efficiency) make up for the additional costs. According to some aficionados, it would be ironic, but not impossible, for business to become one of Kyoto's strongest cheerleaders. But speculation aside, the involvement of business in climate change is real, and welcomed by parties and observers.

GROWING PAINS: CLIMATE CHANGE AND THE UNFCCC

The UNFCCC is growing in size and complexity. Proliferation of work, agenda items, and meetings was an issue throughout the meeting. The work plan for Nairobi includes COP 12, COP/MOP 1, SBI 25, SBSTA 25, AWG 2, the UNFCCC Dialogue, in-session workshops, and numerous side events. Against this tight working agenda, SBI 24's recommendation to restrict available working hours in Nairobi and subsequent meetings is, at first glance, surprising. Justifying the decision, one delegate pointed out that, since delegates tend to fill up all available negotiating time, restricting available time would lead to greater efficiency. However, at least one seasoned analyst suspected a deliberate intention to slow down the process amongst some parties, noting that none of the major actors had an interest or the political momentum to push for rapid progress at this stage. According to one insider, the EU is busy implementing ETS and finding a common long-term position; the US is articulating its strategy on climate change; Japan, already one of the most energy-efficient economies in the world, is struggling to meet its Kyoto commitments; and the major developing countries are not ready or willing to talk about emission reductions or caps.

The proliferation of climate change related institutions and processes is not limited to the UNFCCC. Outside the UNFCCC process, new institutions and initiatives abound. There was a time when only UNFCCC and IPCC addressed climate change at the international level, each with clearly defined roles. That was in 1992. Today, the world has moved on. Everybody talks about

climate change: the World Health Organization issues reports on the health impacts of climate change; the FAO reports on impacts of climate change in agriculture, food production, and forestry; UNEP maintains a database on climate change and environment; the G-8 talks about it; it is being incorporated into some national or local energy and development policies; other international fora are being created for it, such as the Asia-Pacific Partnership; and various private sector events are being organized on carbon trading. And last but not least, carbon-related markets and exchanges are popping up. Some, such as the EU ETS and the CDM, are directly driven by the Kyoto Protocol, but others are mainly driven by national or sub-national mandates, voluntary markets, or to hedge future exposure to climate change related policies.

CYCLE OR TRANSITION?

At SB 24/AWG 1, one UN climate veteran claimed that we are currently experiencing a "bright moment" for climate change when considering the bigger picture beyond the negotiations, but not necessarily for the Convention. Certainly, UNFCCC negotiations are at the beginning of a new cycle and "slow going" is predicted, at least for a while. But is it just that? Observers following the Bonn negotiations from a distance were somewhat surprised at the insularity of SB 24/AWG 1 from related climate change world events. There was, for instance, little discussion of the news about Canada's changing political situation, state level action in the US, or recent renewable energy developments in China and Brazil. Many countries, regions, municipalities and institutions are adopting climate policies and measures with momentum of their own, independent of UNFCCC negotiations. Could it be that, besides the beginning of a new negotiation cycle, we are at the beginning of a transition, a redefinition of the architecture to address climate change, an architecture which includes business and other actors? On the other hand, all these developments could be taken to mean that the Convention has succeeded in mainstreaming climate change and that there is an important role for it in the future.

Looking at the short-term in the UNFCCC process, the next climate change meeting in Nairobi could be simply a procedural exercise or, if time constraints prove too disruptive, a "messy affair." But, stepping back to view the wider picture of actions to address climate change, the situation looks more upbeat. For both the UNFCCC process and the outside world, a new act seems to have begun.

UPCOMING MEETINGS

EIGHTH INTERNATIONAL CONFERENCE ON GREENHOUSE GAS CONTROL TECHNOLOGIES: This conference will take place from 19-22 June 2006, in Trondheim, Norway. For more information, contact: Mari Sæterbakk, GHGT-8 Secretariat; tel: +47-73-59-52-65; fax: +47-73-59-51-50; e-mail: info@ghgt-8.no; internet: <http://www.ghgt8.no>

WORKSHOP ON RENEWABLE ENERGY FOR THE DEVELOPING WORLD: This workshop will be held in Carbondale, Colorado, USA, from 19-23 June 2006. Solar Energy International is sponsoring a workshop on how to incorporate renewable energy technologies into development

projects. For more information, contact: Solar Energy International; tel: +1-970-963-8855; fax: +1-970-963-8866; e-mail: sei@solarenergy.org; internet: <http://www.solarenergy.org>

LIVING WITH CLIMATE VARIABILITY AND CHANGE: UNDERSTANDING THE UNCERTAINTIES AND MANAGING THE RISKS: Sponsored by the World Meteorological Organization, the Finnish Meteorological Institute and the International Institute for Climate and Society, this conference will be held in Espoo, Finland, from 17-21 July 2006. For more information, contact: Marja-Liisa Ahtiainen; tel: +358-9-1929-3433; fax: +358-9-1929-3146; e-mail: wmo2006@fmi.fi; internet: <http://www.livingwithclimate.fi>

UNFCCC WORKSHOP ON REDUCING EMISSIONS FROM DEFORESTATION IN DEVELOPING COUNTRIES: This workshop will take place in Rome, Italy, from 30 August to 1 September 2006. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://www.unfccc.int>

GLOBAL CONFERENCE ON RENEWABLE ENERGY APPROACHES FOR DESERT REGIONS: This meeting will be held in Amman, Jordan, from 18-22 September 2006, and will present a range of information regarding the development of wind, solar, biomass and geothermal energy in desert regions. For more information, contact: Conference Secretariat; fax: +962-6-535-5588; e-mail: gcreader@ju.edu.jo; internet: <http://www.ju.edu.jo/conferences/gcreader/index.htm>

RENEWABLE ENERGY 2006: This conference will take place in Makumahari Messe, Chiba, Japan, from 9-13 October 2006, and is organized by, among others, the Japan Organization for the Promotion of Renewable Energy and the International Solar Energy Society. The meeting will focus on "Advanced Technology Paths to Global Sustainability" by the utilization of renewable energy resources, and it also covers socioeconomic matters and policy issues. For more information, contact: Renewable Energy 2006 Conference Secretariat; e-mail: inquiry@re2006.org; internet: <http://www2.convention.co.jp/re2006/index.html>

CONFERENCE ON HOW TO MAKE MARKETS WORK FOR CLIMATE: This conference will take place in Amsterdam, the Netherlands, from 16-17 October 2006. It will include discussions on how to create new grant and loan mechanisms at the international level and possibilities to blend public and private financial resources through carbon finance. For more information, contact: Dutch Ministry of Housing, Spatial Planning and the Environment; tel: +31-70-339-3939; internet: <http://www.vrom.nl/makemarketwork>

EIGHTEENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL: This meeting will be held in New Delhi, India, from 30 October - 3 November 2006. For more information contact: Ozone Secretariat; tel: +254-20-762-3850/51; fax: +254-20-762-4691/92/93; e-mail: ozoneinfo@unep.org; internet: <http://ozone.unep.org>

TWELFTH CONFERENCE OF THE PARTIES TO THE UNFCCC AND SECOND MEETING OF THE PARTIES TO THE KYOTO PROTOCOL: UNFCCC COP 12 and Kyoto Protocol COP/MOP 2 will take place from 6-17 November 2006 in Nairobi, Kenya. These meetings will also coincide with the 25th meetings of the UNFCCC's subsidiary bodies, the second meeting of the *Ad Hoc* Working Group on Further Commitments from Annex I Parties under the Kyoto Protocol, and the UNFCCC Dialogue on Long-Term Cooperative Action on Climate Change. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://www.unfccc.int>

For more information on upcoming meetings, please visit: <http://www.iisd.ca/upcoming/linkagesmeetings.asp?id=5>

GLOSSARY

AWG	<i>Ad Hoc</i> Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
CCS	Carbon capture and storage
CDM	Clean Development Mechanism
CER	Certified Emissions Reductions (CDM)
CGE	Consultative Group of Experts on non-Annex I national communications
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the Meeting of the Parties
DNAs	Designated National Authorities for the CDM
EGTT	Expert Group on Technology Transfer
EU ETS	European Union Emissions Trading Scheme
HCFC-22	Hydrochlorofluorocarbon-22
HFCs	Hydrofluorocarbons
HFC-23	Hydrofluorocarbon-23
HWP	Harvested wood products
IPCC	Intergovernmental Panel on Climate Change
ITL	International Transaction Log
JI	Joint Implementation
LEG	Least Developed Countries Expert Group
LULUCF	Land use, land-use change and forestry
PFCs	Perfluorocarbons
SB	UNFCCC Subsidiary Body
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SCCF	Special Climate Change Fund
TNA	Technology Needs Assessments
UNFCCC	United Nations Framework Convention on Climate Change

“Your Meeting” Bulletin

IISD REPORTING SERVICES now at your meeting



RENEWABLES 2004 BULLETIN

A Daily Report from the International Conference for Renewable Energies

Published by the International Institute for Sustainable Development (IISD)

DAILY REPORTS AND WEB COVERAGE AT [HTTP://WWW.IISD.CA/SD/REN2004/](http://www.iisd.ca/sd/ren2004/)
VOLUME 95, No. 5, MONDAY, 7 JUNE 2004

SUMMARY REPORT OF THE INTERNATIONAL CONFERENCE FOR RENEWABLE ENERGIES - RENEWABLES 2004: 1-4 JUNE 2004

The International Conference for Renewable Energies (*renewables 2004*) took place from 1-4 June 2004, in Bonn, Germany. Approximately 3600 participants from 154 countries attended the Conference, including several Heads of State, 121 Ministers and representatives from governments, intergovernmental organizations (IGOs), non-governmental organizations (NGOs), the scientific community and the private sector.

The *renewables 2004* programme consisted of nine Plenary Sessions, including a Multi-Stakeholder Dialogue and a Ministerial Segment. The Multi-Stakeholder Dialogue addressed: the value of, and opportunities for, renewable energy - policy frameworks and regulatory certainty; and promoting renewable energy - finance and capacity for the future. Other Plenary Sessions addressed best-practice examples and success stories.

The Ministerial Segment included three Ministerial Roundtables that considered policies for renewable energy market development, financing options, and strengthening capacities, research and policy



Members of major groups and delegations in the main plenary room.

developing countries, and the mobilization of financial resources for new and renewable sources of energy. However, it was only following the 1992 UN Conference on Environment and Development (UNCED) that renewable energy issues began to feature more promi-

"IISD proved to be as professional as their reputation is. The group covered all events taking place at the conference venue itself as well as many side events which were located in the vicinity of the conference hall. IISD produced a well-designed bulletin including informative text and pictures of all important meetings, discussions and results of the main conference events. This bulletin was very useful for participants to follow events they could not attend or were also interested in. IISD also published plenty of information and photos on their web site. This service was a real added value to our own conference coverage. The services of IISD, being an independent organization, were especially appreciated by the conveners of the conference, ie the Federal Ministry for Economic Cooperation and Development and the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety"

Dr. Heinrich Schneider
Conference Secretariat
International Conference for
Renewable Energies, Bonn 2004

This product was developed in 2003 **specifically for large conferences that include both substantive discussions and side events.** Building on the success of the *Earth Negotiations Bulletin* and *ENB on the Side*, “Your Meeting” Bulletin was created as a conference daily report. **IISD Reporting Services** was hired to publish in this format at the World Forestry Congress, Renewables 2004 and the IUCN World Conservation Congress. “Your Meeting” Bulletin is a 4-6 page daily report and summary issue that includes coverage of policy discussions and/or negotiations, and extensive reporting from side events and special events during the conference.

For further information or to make arrangements for IISD Reporting Services to cover your meeting conference or workshop, contact the Managing Director:

Langston James “Kimo” Goree VI
212 E 47th St. #21F, New York
NY 10017 USA
Phone: +1 646-536-7556
Fax: +1 646-219-0955
kimo@iisd.org



Visit our website at www.iisd.ca to find all of the information you need.
Subscribe free-of-charge to our publications at: www.iisd.ca/email/subscribe.htm
To view the IISD Reporting Services archives go to: www.iisd.ca