

## SB 26 HIGHLIGHTS: MONDAY, 7 MAY 2007

The 26th sessions of the UNFCCC Subsidiary Bodies (SB 26) started on Monday morning. The Subsidiary Body for Scientific and Technological Advice (SBSTA) considered agenda items on research and systematic observation, methodological issues, the Nairobi Work Programme on Impacts, Vulnerability and Adaptation, cooperation with relevant international organizations, mitigation, technology transfer, and reducing emissions from deforestation in developing countries. The Subsidiary Body for Implementation (SBI) took up issues such as arrangements for intergovernmental meetings, administrative, financial and institutional matters, national communications, education and public awareness, capacity building, adverse effects, response measures, and the financial mechanism.

### SUBSIDIARY BODY FOR IMPLEMENTATION

SBI Chair Bagher Asadi (Iran) opened the meeting. UNFCCC Executive Secretary Yvo de Boer reflected on his first eight months in the post. He expressed concern at the enormous growth in the Secretariat's workload. He urged a long-term global response to climate change involving deep emission cuts from industrialized countries, further engagement of developing countries, incentives for action, and flexibility through an enhanced carbon market.

**ORGANIZATIONAL MATTERS:** Parties adopted the agenda (FCCC/SBI/2007/1) and organization of work after agreeing to hold two sub-items in abeyance following requests for clarification from Pakistan, speaking for G-77/CHINA, and from SAUDI ARABIA. The sub-items address: Convention Article 4.8 and 4.9 (adverse effects) in the context of implementation of Decision 1/CP.10 (Buenos Aires Programme of Work on Adaptation and Response Measures); and information contained in non-Annex I parties' national communications.

In the afternoon, the Secretariat clarified that the sub-item on Decision 1/CP.10 had two separate headings, on adverse effects and on response measures, because adverse effects was being considered for the first time in this context. SAUDI ARABIA opposed the separate consideration of these issues. However, Germany speaking for the EU, and Micronesia, for AOSIS, supported separate consideration. Chair Asadi said he would consult informally with parties.

**OPENING STATEMENTS:** The G-77/CHINA urged agreement on the Adaptation Fund's management and operational entity. He called for progress on Kyoto Protocol Articles 2.3 (adverse effects of policies and measures) and 3.14 (adverse effects and response measures), the Buenos Aires Programme of Work, capacity building, and funding.

Germany, for the EU, stated the EU's commitment to cut emissions by 30% by 2020 compared with 1990 levels if other developed countries follow suit and economically advanced developing countries "contribute adequately according to their responsibilities and respective capabilities."

She urged extending the carbon market, addressing emissions from international aviation and maritime transportation, and progress on the Adaptation Fund and budget.

Australia, for the UMBRELLA GROUP, highlighted the Adaptation Fund, Russian proposal, and AWG. Nigeria, for the AFRICAN GROUP, called for better geographic distribution of CDM projects and more support for non-Annex I communications. Grenada, for AOSIS, supported progress on the Adaptation Fund, technology transfer, and response measures. Maldives, for the LDCs, highlighted the work of the LDC Expert Group, funding for adaptation, and management of the LDC Fund.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:** On this item (FCCC/SBI/2007/9), SAUDI ARABIA and NIGERIA, opposed by NORWAY and Micronesia, for AOSIS, said IPCC AR4 should be considered under SBSTA rather than COP 13 or COP/MOP 3. The issue was referred to a contact group chaired by Outi Berghäll (Finland).

**ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS:** The Secretariat introduced the item on budget performance for 2006-2007 (FCCC/SBI/2007/INF.1 and INF.5). Chair Asadi said he will consult informally and prepare draft conclusions.

Parties considered the proposed programme budget for the biennium 2008-2009 (FCCC/SBI/2007/8 and Add.1-2; FCCC/SBI/2007/MISC.1). Harald Dovland (Norway) will chair a contact group.

Regarding the sub-item on the implementation of paragraph 7(c) of the financial procedures of the Convention (FCCC/SBI/2007/4), Chair Asadi said he will consult informally.

Regarding the UN headquarters agreement, host country GERMANY discussed the new UN campus in Bonn. Chair Asadi will prepare draft conclusions.

**ANNEX I COMMUNICATIONS:** The SBI took note of information on Annex I parties' fourth national communications (FCCC/SBI/2007/INF.4 and FCCC/SBI/2006/INF.2).

**NON-ANNEX I COMMUNICATIONS:** Lilian Portillo (Paraguay) reported on the work of the Consultative Group of Experts (CGE) on non-Annex I communications (FCCC/SBI/2007/3, 6, 7, 10 and Add.1). Several parties commended the CGE and discussed its mandate. The US said the CGE should regularly examine individual countries' communications, except for LDCs, and focus less on training. Samoa, for AOSIS, suggested training workshops.

The Secretariat reported on financial and technical support and the GEF outlined its work in this area (FCCC/SBI/2007/INF.2). Kristin Tilley (Australia) and Arthur Rolle (Bahamas) will consult parties.

**EDUCATION, TRAINING AND PUBLIC AWARENESS:** Delegates discussed the New Delhi Work Programme relating to UNFCCC Article 6 (FCCC/SBI/2007/MISC.3 and Add.1). KENYA noted lack of financial resources, and UNEP, CBD and CMS outlined their activities. Marie Jaudet (France) will consult informally.

**CAPACITY BUILDING UNDER THE CONVENTION:** JAPAN emphasized the need to avoid duplicating activities and the US said there was a more logical sequence of tasks than that set out in the Secretariat's report (FCCC/SBI/2007/5). Crispin d'Auvergne (Saint Lucia) and Helmut Hojesky (Austria) will hold informal consultations.

**IMPLEMENTATION OF UNFCCC ARTICLE 4.8 AND 4.9: LDCs:** LDC Expert Group Chair Bubus Pateh Jallow (The Gambia) presented outcomes from the Group's 11<sup>th</sup> meeting and on implementation of its work programme. David Lesolle (Botswana) will conduct informal consultations.

**FINANCIAL MECHANISM (CONVENTION): LDC Fund:** The Secretariat reported on this item and delegates agreed that David Lesolle (Botswana) will conduct consultations.

**PROTOCOL ARTICLE 3.14:** The Secretariat introduced the report on the workshop on reporting methodologies in the context of Article 3.14 (adverse effects and response measures) (FCCC/SBI/2006/27). The EU, supported by JAPAN, expressed concern regarding the proliferation of agenda items, observing overlaps with the SBSTA agenda item on Protocol Article 2.3 (adverse effects of policies and measures), and suggested a single agenda item. SAUDI ARABIA urged substantive rather than procedural discussions. Chair Asadi proposed establishing a contact group. The EU opposed this, citing concern relating to duplication of agenda items under SBSTA and SBI. Chair Asadi will consult informally.

**CAPACITY BUILDING UNDER THE PROTOCOL:** The Secretariat introduced this issue (FCCC/SBI/2007/5). The EU cautioned against creating additional reporting burdens. Crispin d'Auvergne (Saint Lucia) and Helmut Hojesky (Austria) will hold consultations.

#### **SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE**

**ORGANIZATIONAL MATTERS:** SBSTA Chair Kishan Kumarsingh (Trinidad and Tobago) presented the provisional agenda (FCCC/SBSTA/2007/1), which was adopted without amendment.

Yvo de Boer urged progress on technology transfer, emphasized the magnitude of emissions from deforestation, and noted the importance of the incentives created by the CDM within the context of the Montreal Protocol.

**RESEARCH AND SYSTEMATIC OBSERVATION:** The Secretariat reported on this issue (FCCC/SBSTA/2007/MISCs.6, 7 and 8; FCCC/SBSTA/2006/MISC.15). The FAO reported on the Global Terrestrial Observing System (GTOS) Secretariat's progress in developing a framework for the preparation of guidance materials, standards and reporting guidelines for terrestrial observing systems.

JAPAN discussed the Earth Simulator project. AUSTRALIA said SBSTA could be more active in supporting exchanges between policy makers and scientists, but should not set scientists' research agendas. Ermira Fida (Albania) and Sergio Castellari (Italy) will chair a contact group.

**METHODOLOGICAL ISSUES UNDER THE CONVENTION: IPCC 2006 Guidelines for national greenhouse gas inventories:** Chair Kumarsingh presented this topic, suggesting that issues other than reporting on harvested woodstocks should be concluded at this meeting (FCCC/SBSTA/2007/7 and Corr.1). The EU supported voluntary implementation of the guideline methodologies. REPUBLIC OF KOREA supported this, adding the need for capacity building for non-Annex I parties. Mika Sulkinoja (Finland) and Nagmeldin Elhassan (Sudan) will co-chair a contact group.

**Greenhouse gas data interface:** The Secretariat presented a report on this topic (FCCC/SBSTA/2007/MISC.9 and Add.1). The EU urged implementation of the interface, with additional sources to be added subsequently. The US opposed adding new sources of data until the database was assessed. Chair Kumarsingh will consult informally.

**NAIROBI PROGRAMME OF WORK ON IMPACTS, VULNERABILITY AND ADAPTATION:** The Secretariat introduced this topic, highlighting upcoming workshops in Cairo and Rome (FCCC/SBSTA/2007/MISC.4 and Add.1; FCCC/SBSTA/2007/MISC.5). COOK ISLANDS and TUVALU urged an IPCC report on SIDS' adaptation. The

IPCC reported on work by its Task Group on Scenarios for Climate and Impact Assessment. Chair Kumarsingh will prepare draft conclusions.

**MITIGATION:** On the scientific, technical and socioeconomic aspects of mitigation, Chair Kumarsingh noted that three workshops are scheduled during SB 26 on this topic, and said he will report back to plenary on 16 May.

**METHODOLOGICAL ISSUES UNDER THE PROTOCOL: HCFC-22/HFC-23:** The EU suggested postponing discussion until policy options and an associated impact study are ready. However, CHINA said this information was already available. Chair Kumarsingh will consult with parties and prepare conclusions.

**Afforestation and reforestation:** On limits under the CDM, REPUBLIC OF KOREA, supported by UGANDA but opposed by TUVALU, proposed revising the limit. Thelma Krug (Brazil) and Satoshi Akaori (Japan) will consult with parties.

**COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS:** Yvo de Boer reported on the successful collaboration of the UNFCCC with IPCC, sister conventions and other UN agencies. Representatives of the FAO, CBD, UNCCD, UNEP and WORLD BANK outlined their relevant activities and linkages with the UNFCCC. The IPCC highlighted key points from the Fourth Assessment Report and the potential development of new socioeconomic emission scenarios to be used in the Fifth Assessment. Marcela Main (Chile) and Greg Picker (Australia) will consult and prepare draft conclusions.

**TECHNOLOGY TRANSFER:** Chair Kumarsingh noted recent consultations in Tokyo and Beijing, and the Secretariat introduced relevant documents (FCCC/SBSTA/2007/2; FCCC/SBSTA/2007/INF.1). Kok Kee Chow (Malaysia), Chair of the Expert Group on Technology Transfer (EGTT), reported on the Group's recent work. Ghana, for the G-77/CHINA, stressed the need to shift to new technologies in a broad range of sectors and urged developed countries to take the lead. The US, JAPAN, CANADA and GERMANY urged the continuance of the EGTT. Clifford Mahlung (Jamaica) and Kunihiko Shimada (Japan) will consult with parties.

**DEFORESTATION:** On reducing emissions from deforestation in developing countries (FCCC/SBSTA/2007/3, MISC.2 and Add.1, and MISC.3), many non-Annex I parties emphasized capacity building and the importance of forest resources in economic development and, with some Annex I parties, the need for early action, better data, and market mechanisms or a basket of market and non-market mechanisms. PAPUA NEW GUINEA urged support for the World Bank's Forest Carbon Partnership Facility and ARGENTINA called on parties to consider the relationship with trade agreements. In response to suggestions from many parties, Chair Kumarsingh agreed to draft a text to serve as a basis for discussions. Hernán Carlino (Argentina) and Audun Rosland (Norway) will co-chair a contact group.

#### **IN THE CORRIDORS**

Delegates were reflecting on a low-key first day on Monday evening, with several referring to it as "business as usual." A few seemed optimistic about making progress on the Adaptation Fund at SB 26, while several were looking forward to more substantive discussions in the AWG later in the session. A couple of participants also commented on the prompt 6:00 pm finish, noting that SBI even beat its deadline by finishing earlier. "I could get used to this," joked one.

Looking outside the Bonn talks, a few delegates were commenting on the parallel CSD meeting in New York and WMO Congress in Geneva, which appear to have thinned out the ranks of negotiators and experts here in Bonn.

Most delegates seemed to have modest expectations for SB 26, noting that this meeting is only part of the process, along with the G8, Vienna meetings, and others, that will contribute in the lead-up to Bali. "We're not expecting much here, so no one should be disappointed," commented one observer. "But, exciting times lie ahead over the coming months," he added.