

## FOURTH SESSIONS OF THE *AD HOC* WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL AND CONVENTION DIALOGUE: 27-31 AUGUST 2007

The fourth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (AWG 4) and the fourth workshop under the “Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention” (Convention Dialogue) are taking place from 27-31 August 2007 in Vienna, Austria.

The AWG and Convention Dialogue were established by decisions taken during the eleventh Conference of the Parties (COP 11) and the first Conference of the Parties serving as a Meeting of the Parties to the Kyoto Protocol (COP/MOP 1) in Montreal in late 2005. At those meetings, delegates discussed a range of issues relevant for a framework for the post-2012 period (when the Kyoto Protocol’s first commitment period ends) and long-term cooperative action on climate change.

AWG 4 is expected to analyze mitigation potentials and policies, and address ranges of emissions reductions for Annex I parties after the first commitment period. It is also expected to develop a timetable to guide the completion of its work. The AWG will resume its fourth session at COP/MOP 3, which will take place from 3-14 December 2007 in Bali, Indonesia.

The Convention Dialogue will focus on bringing together ideas from the previous workshops and address overarching and cross-cutting issues, including financing. This will be the fourth and final workshop in the series launched in May 2006. After Vienna, the co-facilitators will present their report to COP 13 in Bali in December 2007.

### **A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL**

Climate change is considered 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. 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 IPCC will be completing its Fourth Assessment Report (AR4) in November 2007. In their already finalized contributions, the IPCC’s Working Group I findings include a more than 90% probability that human action has contributed to recent climate change, Working Group II emphasized the observed and projected impacts of climate change and Working Group III analyzed various mitigation options.

The international political response to climate change began with the adoption of the United Nations Framework Convention on Climate Change (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 192 parties.

**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 in 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, the Kyoto Protocol has 175 parties, including Annex I parties representing 61.6% of 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 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 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 November 2001 at COP 7 in Marrakesh, Morocco, delegates reached agreement on the outstanding matters in 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 issues such as 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 various technical rules and procedures. At COP 10 parties also agreed on two new agenda items focused on adaptation and mitigation, and began informal negotiations on the complex and sensitive issue of how parties might engage on commitments to combat climate change in the post-2012 period. As a result of these discussions, a seminar was held in Bonn in May 2005 that began to address some of the broader issues facing the climate change process.

**COP 11 AND COP/MOP 1:** COP 11 and COP/MOP 1 took place in Montreal, Canada, from 28 November to 10 December 2005. COP/MOP 1 took decisions on the outstanding operational details of the Kyoto Protocol, including formally adopting the Marrakesh Accords.

The meetings also engaged in negotiations on longer-term international cooperation on climate change. COP/MOP 1 addressed possible processes to discuss post-2012 commitments and decided to establish a new subsidiary body, the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG).

After lengthy negotiations, COP 11 agreed to consider long-term cooperation also under the UNFCCC “without prejudice to any future negotiations, commitments, process, framework or mandate under the Convention.” This would take place through a series of four workshops constituting a “Dialogue” on the matter through to COP 13. The four thematic areas to be addressed during the Dialogue included: advancing development goals in a sustainable way; addressing action on adaptation; realizing the full potential of technology; and realizing the full potential of market-based opportunities.

**AWG 1 AND CONVENTION DIALOGUE 1:** The AWG and Convention Dialogue each convened for the first time in Bonn, Germany in May 2006, alongside the 24th meeting of the Subsidiary Bodies (SB 24).

At its first session, the AWG adopted conclusions on “Planning of future work.” It identified the need to assemble and analyze information on a number of scientific, technical and socioeconomic topics to enhance common understanding of the level of ambition of further commitments for Annex I countries and of the potential for achieving these commitments.

During the first Convention Dialogue workshop participants exchanged initial views, experiences and strategic approaches to the four thematic areas to be addressed during the Dialogue.

**AWG 2 AND CONVENTION DIALOGUE 2:** The second sessions of the AWG and Dialogue took place in November 2006, in Nairobi, Kenya, alongside COP 12 and COP/MOP 2.

During its second session the AWG held an in-session workshop and agreed on a work programme focusing on the following three areas: mitigation potentials and ranges of emissions reductions; possible means to achieve mitigation objectives; and consideration of further commitments by Annex I Parties.

The second Convention Dialogue workshop engaged in discussions on “advancing development goals in a sustainable way” and “realizing the full potential of market-based opportunities,” including the newly published Stern Review on the Economics of Climate Change.

In parallel, COP/MOP 2 carried out the first review of the Protocol under Article 9, and held discussions on a proposal by the Russian Federation on procedures to approve voluntary commitments. While the Nairobi conference did not result in any major breakthrough in negotiations, it did mark a staging post as negotiators seek to pave the way for a future post-2012 agreement.

**AWG 3 AND CONVENTION DIALOGUE 3:** In May 2007, alongside SB 26, the third session of the AWG and the third Convention Dialogue workshop convened in Bonn, Germany.

The AWG held a round-table discussion on the mitigation potentials of policies, measures and technologies. It also adopted conclusions on the analysis of mitigation potential and agreed to develop a timetable to complete its work so as to avoid a gap between the first and second commitment periods.

The third Convention Dialogue workshop involved sessions on adaptation and realizing the full potential of technology. Participants also exchanged views on the fourth and final workshop in Vienna in August 2007. Some parties also began to discuss the issue of what should happen procedurally after the Convention Dialogue workshops report to COP 13.

### INTERSESSIONAL HIGHLIGHTS

**GROUP OF EIGHT (G8) SUMMIT 2007:** At their annual summit held in Heiligendamm, Germany, from 6 to 8 June 2007, the eight leading industrialized countries adopted conclusions with several paragraphs on climate change, energy efficiency and energy security. The G8 expressed its commitment to move forward in the UN climate process and called for active and constructive participation in the Bali meeting with a view to achieving a comprehensive post-2012 agreement. The G8 also addressed issues such as adaptation, technology, deforestation and market mechanisms.

**THE MIDNIGHT SUN DIALOGUE ON CLIMATE CHANGE:** From 11 to 14 June 2007, delegates from 28 countries and the European Commission gathered in Riksgården, Sweden, for an informal dialogue on climate change. The meeting was organized following two similar gatherings in Greenland in 2005 and South Africa in 2006. While no consensus was attempted and no formal conclusions were adopted, participants sought to enhance prospects for agreements in future negotiations by exchanging views on the principles and elements of a future international climate regime.

**UN GENERAL ASSEMBLY INFORMAL THEMATIC DIALOGUE:** The UN General Assembly held an informal thematic debate on the subject of “Climate change as a global challenge” from 31 July to 2 August 2007, in New York. The debate took place in the form of two panel discussions on adaptation and mitigation, general discussion and national statements on national strategies. Much of the discussion focused on the post-2012 negotiations, with some delegations calling for agreement on a “roadmap” at COP 13 in Bali for completing discussions by 2009.