

COP 13 AND COP/MOP 3 HIGHLIGHTS: SATURDAY, 8 DECEMBER 2007

Contact groups and informal consultations continued on Saturday on a wide range of issues, including: the AWG; second review of the Protocol under Article 9; long-term action under the Convention; the Adaptation Fund; Annex I communications; capacity building; education, training and public awareness; the financial mechanism; IPCC AR4; LDCs; non-Annex I communications; privileges and immunities; reducing emissions from deforestation; and technology transfer.

CONTACT GROUPS AND INFORMAL CONSULTATIONS

AWG: Delegates met informally to continue discussing draft text on the AWG's work programme, methods of work and schedule of future sessions. The text addresses, *inter alia*, submissions, technical papers, workshops and AWG's future sessions, including two intersessional meetings in 2008.

SECOND REVIEW OF THE PROTOCOL UNDER ARTICLE 9 – SCOPE AND CONTENT: At informal discussions, Co-Chair Macey invited discussion on scope and preparations for the second review.

On scope, parties discussed the inclusion of references to the implementation of the review, mitigation, timeframes, scientific assessment, compliance, and annexes and amendments to the Protocol.

On preparations, parties discussed contributions from the IPCC and other relevant organizations, methods of work, and coordination with relevant processes. They also considered the possibility of incorporating an end date without pre-judging a COP/MOP decision, and the review's contribution to the post-2012 negotiations. A number of parties stressed that the mandate given in decision 7/CMP.2 is limited to the scope and content of the second review. The Co-Chairs will produce a draft text and consult informally.

LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION: Co-Facilitators Bamsey and De Wet convened informal discussions. On technology transfer for mitigation and adaptation, parties discussed the role of deployment and diffusion in the context of trust building and strengthening the Convention, and the absence of an implementation mechanism. Parties also discussed invoking the WTO Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) emergency clause, and co-benefits.

On finance, a number of countries described the issue as central to the full implementation of the Convention and future action. Several countries called for a discussion on a

comprehensive scaling up of finance, including innovative mechanisms, and stressed the importance of redirecting planned investments. Specific proposals included a levy on all carbon instruments, assessed contributions to finance adaptation, a venture capital fund for innovative technology, a levy on airline tickets, and measures to address climate unfriendly investment. Others noted the role of the private sector.

In the afternoon, the contact group convened. The Co-Facilitators were joined by COP President Rachmat Witoelar. A draft decision was circulated in the form of a "non-paper."

President Witoelar invited parties to inform their capitals and ministers on the status of their discussions and outlined his plans to convene ministers from regional groups to resolve outstanding issues after Tuesday. He said he may also request some ministers to hold informal discussions.

On the Bali roadmap, he noted uncertainty about what the term encompasses. He explained that he conceptualizes the roadmap as: having several tracks and numerous milestones, including a track for negotiations under the Convention, with a milestone in 2008 and a destination in 2009; and a track for AWG negotiations with a 2009 destination and a Protocol review with a 2008 milestone. He said the roadmap will also have tracks and milestones to progress issues such as technology transfer, reducing emissions from deforestation in developing countries, adaptation implementation, and the Adaptation Fund. He envisioned that the Bali roadmap would take the form of a President's declaration at the end of the Bali conference and stressed that the outcome of the contact group's deliberations would be critical for reaching a secure climate future.

SAUDI ARABIA expressed reservations, given the exclusion of many of his ideas. Co-Facilitator Bamsey said two references in the text responded solely to proposals from Saudi Arabia.

CHINA asked the Co-Facilitators about a reference to quantified national emission objectives by all developed country parties. **TUVALU** said he would like to see the concerns of SIDS and LDCs reflected in the draft. **MEXICO** requested a reference to adaptation in the preamble. Informal negotiations are planned for Monday.

Non-paper: The Co-Facilitators' non-paper contains draft text for a COP decision. In the preamble, the text notes the "unequivocal scientific evidence" that preventing the worst impacts of climate change will require Annex I parties as a group to cut emissions in a range of 25-40 percent below 1990 levels by 2020, that global emissions need to peak within 10-15 years, and that they will need to be reduced well below half the levels reached in 2000 by 2050. The preamble also

recognizes the need to enhance implementation and strengthen commitments, and takes account of progress and outcomes of other processes under the Convention and Protocol, including the AWG.

The operative section addresses a “shared vision” and enhanced action on mitigation, including consideration of “quantified national emission objectives for anthropogenic emissions by sources and removals by sinks of greenhouse gases by all developed country Parties,” taking into account outcomes from the AWG. The text on mitigation also contains paragraphs on recognizing national actions by developing countries, reducing emissions from deforestation in developing countries, positive incentives, technology cooperation and scaling up finance and investment. The operative part contains text with several sub-paragraphs on enhancing action on adaptation and a paragraph on technology cooperation.

The text includes a decision to launch a process for long-term cooperation beyond 2012, and sets out three options, all of which would report to COP 15 in 2009. The options are for a dialogue “without prejudice to any future negotiations,” an open-ended *ad hoc* working group, and an open-ended *ad hoc* working group that is combined with the AWG process. Under the draft text, regardless of the option taken, the first formal meeting would take place before SB 28 in June 2008, and would focus on a work programme, taking into account an indicative list of issues that includes mitigation, adaptation, finance and investment, and technology.

ADAPTATION FUND: During morning and afternoon informal discussions, parties reached agreement on a number of sections in the Co-Chairs’ draft decision text. Working in a small group, parties agreed that the Fund should comprise a Board, a secretariat and a trustee. Agreement was also reached on most of the functions of the Board and the chair. On Saturday evening, outstanding issues were under consideration by representatives from two groups of negotiators. Agreement has yet to be reached on the nature of representation on the Board, and on the secretariat and trustee.

ANNEX I NATIONAL COMMUNICATIONS: Fourth national communications: Delegates agreed to draft SBI conclusions. On a draft COP/MOP decision, delegates discussed the final submission date for the fifth national communications and agreed to January 2010. The contact group concluded its work.

Supplementary information under Protocol Article 7.2: Delegates agreed to a draft COP/MOP decision. On draft SBI conclusions, they considered a paragraph requesting parties that have not done so to provide information that addresses developing country concerns. The EU proposed adding reference to Protocol Article 7.2 and the G-77/China and Japan also proposed some textual changes. Delegates continued discussions in a smaller group.

CAPACITY BUILDING UNDER THE PROTOCOL:

Co-Chair Hojesky introduced draft text on capacity building for developing countries. Tanzania, for the G-77/CHINA, said the text should take the form of a COP/MOP decision. Sweden, for the EU, favored an SBI conclusion rather than a COP/MOP decision. Delegates also considered the draft paragraph-by-paragraph.

EDUCATION TRAINING AND PUBLIC AWARENESS:

Delegates continued working on the draft, with some progress reported. Delegates agreed to a G-77/CHINA proposal to remove text on regional coordinated implementation.

FINANCIAL MECHANISM OF THE CONVENTION:

In the contact group, Co-Chair Guthrie introduced a compilation text based on submissions from the G-77/China, EU, US and Tuvalu. Delegates then broke into an informal group to consider the compilation text.

IPCC AR4: Delegates met informally for more than six hours on Saturday. Discussions focused on a SBSTA workshop on the implications of AR4 for the Convention, on the reporting of such a workshop, and on a draft COP decision on the systematic usage of information contained in AR4 in all relevant agenda items. Discussions will continue informally.

NON-ANNEX I COMMUNICATIONS: Work of the Consultative Group of Experts (CGE): On the mandate of the CGE, the US called for a broader discussion, and proposed discussing the issue at SBI 28. Brazil, for the G-77/CHINA, said the US position of not negotiating because the agenda item on the review of information in non-Annex I communications is in abeyance is not acceptable. CANADA expressed willingness to discuss the work of the CGE without prejudging its continuation.

Financial and technical support: The G-77/CHINA tabled and explained its draft text. Discussions focused on the appropriateness of guidance to the GEF. The GEF said any funding outside of the Resource Allocation Framework (RAF) would have to come from additional resources. Discussions continued informally.

PRIVILEGES AND IMMUNITIES: The group concluded its work with agreement on draft SBI conclusions and a draft COP/MOP decision. The decision notes the need for “an effective, legally sound and long-term solution” to the issue of privileges and immunities for individuals serving on constituted bodies under the Protocol and agrees to address this in the context of the second review of the Protocol under Article 9.

LEAST DEVELOPED COUNTRIES: On Saturday night, the contact group concluded its work with draft conclusions and a draft decision extending the mandate of LEG for three years and enabling LEG to invite the GEF to its meetings.

TECHNOLOGY TRANSFER (SBI): The group met informally on Saturday and considered texts from the G-77/China and Umbrella Group. Most of the text remained bracketed. Discussions will continue informally.

TECHNOLOGY TRANSFER (SBSTA): During informal consultations delegates agreed on most of the terms of reference of the reconstituted EGTT, with some bracketed text remaining. Discussions will continue informally.

REDUCING EMISSIONS FROM DEFORESTATION:

After a very brief contact group meeting, the group agreed to break into informal consultations, which continued throughout Saturday evening and late into the night. Parties maintained their previous positions, with little progress reported.

IN THE CORRIDORS

Buzz in the corridors on Saturday evening was mostly about the non-paper developed by the Co-Facilitators of the group discussing long-term action under the Convention. “I can see the post-2012 talks and the Bali roadmap finally taking shape,” said one delegate.

A few were pointing out that the text referred to “quantified national emission objectives,” which might be viewed as a “step back” from Kyoto’s language on “quantified emission limitation or reduction commitments.” Some observed that the language in the text was likely to be acceptable to a wider range of parties, thus making agreement more likely. “Besides, this is just a draft – anything could happen to it in the coming days,” added one observer.

News that the Bali roadmap is to take the form of a “President’s Declaration” triggered speculation about the timing of the COP President’s announcement. Some felt that the timing would provide an early opportunity for parties to respond to the proposal to use the President’s statement as a device to wrap up elements of decisions of both the COP and COP/MOP. Others noted the likely role of the roadmap in striking a balance between the implementation of current commitments and the future of the climate regime.