

COP 13 AND COP/MOP 3 HIGHLIGHTS: WEDNESDAY, 12 DECEMBER 2007

On Wednesday morning, the high-level segment began, with opening statements from the UN Secretary-General, the President of Indonesia and other invited speakers. This was followed by presentations from heads of UN bodies and specialized agencies, and statements from 48 ministers and heads of delegation.

In addition, contact groups and informal consultations continued throughout the day on issues relating to the Bali roadmap, the CDM, joint implementation, and compliance.

COP AND COP/MOP HIGH-LEVEL SEGMENT

COP and COP/MOP President Rachmat Witoelar opened the joint high-level segment of the COP and COP/MOP, inviting participants to observe one minute's silence for UN staff and civilian victims of the attack in Algiers.

UN Secretary-General Ban Ki-moon said the world expects the launch of negotiations in Bali towards securing a comprehensive agreement in 2009. He reminded delegates that world leaders had called for a breakthrough in Bali at the UN high-level session in September 2007, and announced that the UN system will move towards carbon neutrality.

President of Indonesia Susilo Bambang Yudhoyono congratulated the IPCC and Al Gore on the Nobel Peace Prize and Australia on ratifying the Protocol. He highlighted the principle of common but differentiated responsibilities, called on the US to be part of the post-2012 arrangements, and urged breakthroughs on deforestation and technology transfer.

In a video message, Rajendra Pachauri, IPCC Chair, highlighted the major findings of the IPCC's AR4 and synthesis report.

UNFCCC Executive Secretary Yvo de Boer expressed surprise at reports that some people are saying that delivering on IPCC advice is akin to "science fiction." He urged agreement on the launch of formal negotiations and an ambitious agenda with a 2009 deadline.

Kevin Rudd, Prime Minister of Australia, announced that he had presented Australia's instrument to ratify the Kyoto Protocol to the UN Secretary-General. He warned that long-term costs could threaten security and described Treasury preparations for undertaking robust short- and medium-term targets. He noted

expectations that developed countries will embrace binding emission targets and the need for developing countries to undertake specific commitments to take action.

Lee Hsien Loong, Prime Minister of Singapore, called for commitments by all under the UNFCCC, recognizing national circumstances. Michael Somare, Prime Minister of Papua New Guinea, stressed early action on deforestation and funding for adaptation. Palau's President Tommy Esang Remengesau, Jr. hoped the US would join the Protocol, and supported reducing emissions from deforestation. Maumoon Abdul Gayoom, President of the Maldives, said the Adaptation Fund must be adequately resourced and accessible.

UN AGENCIES: The heads of UN bodies and agencies were then invited to speak, with many outlining their organization's work on climate change. Jacques Diouf, Food and Agriculture Organization, addressed the impacts of climate change on hunger and malnutrition, food systems, rural resilience, poverty, and sustainable forest management. Robert Zoellick, World Bank, underlined the Bank's commitment to integrate climate change mitigation and adaptation into core development strategies. Francesco Frangialli, World Tourism Organization, spoke on the Davos Declaration and underlined SIDS and other places at risk.

Sha Zukang, UN Department of Economic and Social Affairs, stressed innovation and access to clean technology. Achim Steiner, UNEP, stressed multilateralism and leadership, and highlighted UNEP's role in capacity building, mobilizing resources, and technological support. Abdoulie Janneh, UN Economic Commission for Africa, called for building capacity to implement adaptation in Africa. Noting rapid urban population growth, Anna Tibajjuka, UN-HABITAT, stressed sustainable construction and settlement patterns for adaptation and mitigation.

Ahmed Djoghlaif, Convention on Biological Diversity, highlighted biodiversity's role in combating climate change, stressing that forest degradation would accelerate climate change. Luc Gnacadja, UN Convention to Combat Desertification, underscored linkages between combating desertification, land degradation, deforestation and climate change. Ad Melkert, UNDP, said finalizing the Adaptation Fund constitutes a genuine global breakthrough. John Powell, World Food Programme, underscored the humanitarian dimension of climate change.

COUNTRY STATEMENTS: Forty-eight ministers and high-level officials spoke. Many called for a Bali roadmap that would lead to an agreement on post-2012 action by 2009. Many

also referred to the four “building blocks” identified as key components of a post-2012 agreement: mitigation, adaptation, technology transfer and financing. Other issues raised included the principle of common but differentiated responsibilities, the need to avoid a gap between the first and second commitment periods, the importance of sending clear signals to the private sector and establishing a global carbon market, emissions from deforestation, and the needs of the most vulnerable countries, including SIDS and LDCs. Several welcomed the operationalization of the Adaptation Fund and expressed disappointment with lack of agreement on technology transfer.

Pakistan, for the G-77/CHINA, emphasized that the Convention and Protocol should remain the central multilateral platform for addressing action on climate change and cautioned against erosion or replacement with a less equitable post-2012 arrangement.

Portugal, for the EU, stated that the EU is fully convinced of the urgency of enhancing international cooperation in order to rapidly accelerate the transfer of environmentally-sound technologies. Maldives, for LDCs, called for a climate change regime to be developed within the existing framework based on the four building blocks. Nigeria, for the AFRICAN GROUP, called for bold and effective action from the international community to address climate change. Grenada, for AOSIS, called for agreement on a shared vision to preserve their islands and people as a priority, taking into consideration their low adaptive capacity.

Australia, for the UMBRELLA GROUP, supported the Bali roadmap and progress on technological cooperation and deforestation. JAPAN supported an *ad hoc* working group under the Convention including all emitters. CHINA supported strengthening implementation of the Convention and Protocol, called on industrialized countries to meet their commitments, and outlined significant action in China. INDIA expressed concerns at attempts to create a new framework that could dilute action on existing commitments. GERMANY announced plans to cut emissions by 40% by 2020 compared with 1990 levels.

Noting calls from some Annex I parties for developing countries to play their part, SOUTH AFRICA said his country would take serious mitigation actions that are measurable, reportable and verifiable, and said industrialized countries must cut emissions by 25-40% by 2020 compared with 1990 levels. NEW ZEALAND suggested considering a possible new Protocol or other instrument under the Convention specifically addressing emissions from deforestation.

The US said a future agreement should include a long-term global emissions goal and national plans with measurable mid-term goals.

Webcast records of the high-level segment will be available online at: <http://www.un.org/webcast/unfccc/>

CONTACT GROUPS AND INFORMAL CONSULTATIONS

AWG: Parties met informally to solve the outstanding issues in AWG Chair Charles’s draft conclusions, including how to reference conclusions from the first part of AWG 4. No final agreement was reached and delegates are expected to continue informal consultations on Thursday.

CDM: Delegates met briefly in a contact group and agreed to a draft COP/MOP decision on further guidance relating to the CDM. The text contains five sections covering general issues, governance, methodologies and additionality, regional distribution and capacity building, and resources for work. It encourages the CDM Executive Board to emphasize its executive and supervisory role, simplify operational aspects of the CDM while ensuring environmental integrity and “further improve its functions to ensure a fair and equitable regulatory system.”

It requests the Board to promote the quality of validation and verification work and improve the substantiation of its decisions. The decision addresses several methodological issues, including non-renewable biomass. It abolishes the CDM levy and registration fee for projects in LDCs and contains several paragraphs on capacity building and equitable distribution of CDM projects.

JOINT IMPLEMENTATION: A contact group convened in the morning to consider the Co-Chairs’ draft COP/MOP decision. After discussing, *inter alia*, whether to include specific reference to Annex I parties in a paragraph requesting contributions to fund the work on JI in 2008-2009 as proposed by China, delegates reached agreement on the draft text (FCCC/KP/CMP/2007/L.2). The text provides guidance to the Secretariat on a web-based interface to establish an overview on all JI projects and on technical issues related to JI Track 1 projects. On governance, the text encourages the JI Supervisory Committee to enhance interaction with accredited independent entities, focal points and other stakeholders. On resources for work, it notes that fees may only cover administrative expenses in 2010 and urges Annex I parties to provide funding.

COMPLIANCE: In the afternoon, a contact group convened to consider a draft COP/MOP decision. After briefly discussing wording in a paragraph on funding the travel expenses of the Compliance Committee’s members, delegates agreed to the draft text.

IN THE CORRIDORS

Support for the launch of a negotiating process under the Bali roadmap was reported from a meeting of ministers on Wednesday afternoon. Ministers met with the COP President’s representative, the Indonesian Foreign Minister, Wednesday. In what was billed by some participants as a “stock taking” exercise, representatives moved towards agreement on the launch of a Bali roadmap, a timetable to conclude in 2009, the building blocks, and a two-track approach to the negotiating process.

Ministers were also apparently informed of outstanding issues, including adaptation and mitigation, technology transfer and the role of finance. It emerged on Wednesday evening that two ministers had been invited to convene bilaterals. South Africa will convene bilaterals on the nature of emission objectives for developed country parties and on actions by developing country parties. Meanwhile, New Zealand will convene bilaterals on Protocol Article 9 discussions on the review of “implementation” or “effectiveness” of the Protocol.

Speculation about the prospects for the Bali Conference intensified among those locked out of the ministerial deliberations and left to speculate. For those tempted to think the worst after the emergence of problems across the “stumbling blocks” of technology transfer, finance, mitigation and adaptation, the words of one former senior UN official offered some reassurance: “On the one hand, there are successful UN conferences; and on the other, there are very successful conferences.”

Some minds have turned back to the negotiation of the Berlin Mandate and the lessons to be drawn for Bali. Some believe that too much content – if only tacit – has crept into negotiations on the future process, provoking at least one large developed country to join a chorus of heated warnings that they would entertain no text that would prejudice outcomes. Meanwhile, after the “derailed” talks on technology transfer under the SBI and SBSTA, some delegates were also talking about another effort to reach agreement, this time under the COP agenda item on the topic. One participant noted, though, that the text would be presented to COP only if informal agreement could be secured.