

COP 13 AND COP/MOP 3 HIGHLIGHTS: THURSDAY, 13 DECEMBER 2007

On Thursday, the high-level segment continued, with statements from over 60 ministers and heads of delegation. In addition, ministerial and high-level informal consultations were held throughout the day on various elements of the Bali roadmap, and on technology transfer.

COP AND COP/MOP HIGH-LEVEL SEGMENT

In a special address, Prime Minister of Norway Jens Stoltenberg supported carbon capture and storage under the CDM, announced more than US\$500 million annually to support efforts to reduce deforestation in developing countries, and offered to host one of the major meetings in the lead up to COP 15 in Copenhagen.

Michel Jarraud, WMO, highlighted his organization's role in research, data collection and other activities that contribute to science-based decision-making and are relevant to the UNFCCC.

COUNTRY STATEMENTS: Over 60 ministers and high-level officials spoke. Many supported a Bali roadmap and the four "building blocks" for a post-2012 agreement, namely mitigation, adaptation, technology transfer and financing. Many speakers expressed their views on the respective roles of Annex I and non-Annex I parties, especially industrialized and large developing countries, in a post-2012 regime. They also considered the role of renewable energy, energy efficiency, carbon capture and storage, national actions, international cooperation, the needs of SIDS and LDCs, vulnerability to extreme weather events, and reducing emissions from deforestation.

CANADA reiterated a determination to honor existing commitments. He supported a long-term global target to cut emissions in half by 2050, which he said should drive medium-term targets. He urged engagement of "all major emitting countries, with appropriate levels of ambition and timetables in a new binding agreement." He also suggested deepened commitments by all industrialized countries and commitments by major developing countries to limit and then stabilize emissions growth.

SWEDEN urged other industrialized countries to match the EU's 2020 commitments and welcomed the increasing engagement of US society, encouraging the US to take on binding emission reductions. Noting that large developing countries cannot be expected to take on the same kind of commitments as industrialized states, he urged incentives for these countries to take action that can be reported, measured and verified. ITALY called for a global strategic alliance

involving industrialized and developing countries and a global framework to limit emissions from aviation and maritime fuels. LUXEMBOURG urged a positive signal from the US.

DOMINICAN REPUBLIC called for synergies between the multilateral environmental conventions and protocols. MALAYSIA suggested a review of intellectual property rights with regard to clean technologies, and said any proposal for national commitments must take into account the absorptive capacity of forests. FIJI, SEYCHELLES and others urged keeping warming as far below 2°C as possible.

COOK ISLANDS called for extended sources of funding for the Adaptation Fund, and REPUBLIC OF CONGO emphasized implementation of the Nairobi Work Programme. TANZANIA supported a levy on the flexible mechanisms to promote technology transfer. INDONESIA and GHANA highlighted technology transfer and sustainable funding to promote new technologies. BHUTAN noted that the present level of funding for adaptation activities was not adequate. CUBA looked forward to a convergence of views on a package of actions, implementation of the Protocol, and regular and sufficient financial resources to meet the adaptation needs of developing countries and technology transfer. The GAMBIA called for concrete and immediate action by developed countries and early operationalization of the Adaptation Fund, and expressed disappointment with lack of progress on capacity building. KUWAIT noted the potential of carbon capture and storage and highlighted the impact of response measures, calling for assistance for economic diversification.

On forestry issues, NORWAY supported New Zealand's initiative to establish a separate working group for considering a new protocol or other legal instrument on deforestation in developing countries. CAMEROON said the Bali roadmap should include conservation, deforestation and land degradation, with pilot projects over the next two years. He said the carbon market should also include these activities. BRUNEI DARUSSALAM highlighted the Heart of Borneo forest conservation initiative, and VIET NAM said the CDM should include incentives for reducing deforestation.

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

HIGH-LEVEL ROUNDTABLE ON INTERNATIONAL TECHNOLOGY COOPERATION

The high-level roundtable on international cooperation in the development, deployment, diffusion and transfer of climate-friendly technologies was held late morning and early afternoon. The event was intended to present a range of views among ministers and senior government officials, as well as representatives of international organizations and the private

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Asheline Appleton, Peter Doran, Ph.D., María Gutiérrez, Ph.D., Kati Kulovesi, Leila Mead, Miquel Muñoz, Ph.D., and Chris Spence. The Digital Editor is Leila Mead. The Editor is Pamela S. 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 United Kingdom (through the Department for International Development - DFID), 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 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), the Italian Ministry for the Environment, Land and Sea, and the Swiss Federal Office for the Environment (FOEN). General Support for the *Bulletin* during 2007 is provided by the Norwegian Ministry of Foreign Affairs and the Ministry of Environment, the Government of Australia, the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, the Ministry of Environment of Sweden, 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 300 East 56th St. Apt 11A, New York, NY 10022, USA. This issue of ENB was published in Bali on recycled paper. The ENB Team at the United Nations Climate Change Conference - Bali can be contacted at the ENB office or by e-mail at <chris@iisd.org>.

sector, on how “to take forward technology cooperation and transfer activities under the Convention and to identify practical approaches toward a common goal.”

INDIA highlighted South-South cooperation, bilateral and multinational efforts, and public-private partnerships. Under the UNFCCC, he called for appropriate funding modalities and approaches, a facilitative environment, and “enhancing absorptive capacity” in developing countries. He also supported a technology transfer fund. GHANA supported a technology fund and a framework for research.

The US highlighted three key requirements: policy, research and development, and commercialization and deployment. He stressed the US commitment to collaboration and “relentlessly advancing clean energy research.” WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (WBCSD) underscored existing opportunities for improving energy efficiency and the need for stable policy frameworks and public-private partnerships. GLOBAL ENVIRONMENT FACILITY reviewed lessons learned from both successful and unsuccessful projects, noting that technology transfer is not a single activity but a long-term engagement.

In the ensuing discussion, participants were asked to address ways of accelerating technology transfer, and to focus on types of technology or the portfolio of technologies available or becoming available. MALDIVES, UGANDA and others stressed the linkage between capacity building and technology transfer. The PHILIPPINES underscored removal of perverse incentives, revision of the intellectual property rights regime, and South-South cooperation. The UK stressed enhancing the private sector’s participation. JAPAN emphasized public research and development investment in the energy sector, subsidies for renewable energies, and protection of intellectual property rights. INDIA underscored the challenge of making existing technologies appropriate for developing countries. WBCSD underscored the “massive” transformation needed in lifestyles and consumption patterns by 2050. The US said intellectual property rights are embodied in its Constitution, and encourage innovation. He said subsidies in some countries are increasing the costs of renewable energies for the rest of the world.

BARBADOS outlined its experience in developing a national solar water heater industry. Pakistan, for the G-77/CHINA, thanked COP President Witoelar for providing another chance to reach agreement on the issue in informal discussions under the COP.

INFORMAL CONSULTATIONS

TECHNOLOGY TRANSFER: Informal discussions on technology transfer, facilitated by SBSTA 27 Chair Kumarsingh and SBI 27 Chair Asadi, were held on Thursday under the instructions of COP President Witoelar, following the lack of agreement on the issue under the SBI and SBSTA. Chairs Kumarsingh and Asadi presented new draft text, based on previous SBI negotiating text. Outstanding issues included whether to have a “facility” or a “programme” under the GEF, and when such an entity would become operational. The G-77/CHINA, opposed by some developed countries, sought an “operational programme.” After further discussions, final informal agreement was reached on the establishment of a “strategic programme.” Agreement was also reached on forwarding draft SBSTA text with the previously bracketed text on financing removed.

Text will be presented by President Witoelar to the COP on Friday. The text indicate that the EGTT shall make recommendations to the subsidiary bodies and identifies a series of points on funding, including implementation of technology needs assessments, demonstration projects, issues related to incremental costs, and licenses to support transfer of technology and “know how.” The text also contains a request to the GEF to elaborate an entity to scale-up investment for technology transfer, and requests the EGTT to develop a set of performance indicators to be used by SBI to monitor progress.

IN THE CORRIDORS

The corridors emptied at 7:30 pm Thursday for the special event featuring Nobel Peace Prize winner Al Gore. The event proved so popular that the doors were locked and many delegates were not able to get in, congregating instead around TV monitors. Security was so tight that even the co-recipient of the Nobel Prize, IPCC Chair Rajendra Pachauri, had problems getting into the room. Many participants left the meeting enthusing about Gore’s “compelling” intervention echoing other calls to do everything possible this side of a US election, and to revisit the US role in twelve months’ time.

Meanwhile, as the deadline for a Bali deal started to draw closer, delegates were bracing themselves for some long discussions as they witnessed an “intensification” of the ministerial-level negotiations taking place behind closed doors on Thursday afternoon and evening. A package of issues, notably linking the ambition of future targets for Annex I countries with “new and additional finance” for developing countries, was at the center of disputes that have reportedly started to cause some concern given the amount of time remaining to secure a deal on the roadmap. Such is the temperature within the ministerial sessions that one industrialized country minister reportedly threatened to “boycott” the next US-sponsored meeting for major economies, in Hawaii.

On the G-77/China side, insiders are suggesting that the emerging package would include such elements as reduced deforestation as a part of non-Annex I objectives, new and additional finance for adaptation, and technology transfer, linked to mitigation objectives for both Annex I and non-Annex I parties. Developing countries were reported to be insisting on pursuing financial issues on Thursday evening before returning to the mitigation options.

On mitigation and targets, a consensus was reportedly emerging among ministers on urgent action and the launch of a roadmap with an end date of 2009. It was also reported that remaining work included agreement on a package balancing Protocol Annex I (and US) commitments with enhanced action by non-Annex I parties. Agreement is also outstanding on the preambular text outlining the ambition of the roadmap, with the US and EU each offering different language. Ministers were expected to recommence discussions on whether to work on a comprehensive text, which would include process, building blocks and details, or whether to settle for a broadly-outlined process.

It was also being reported that Ministers were issued a table setting out sets of options for commitments or efforts for Annex I and non-Annex I parties. At one end, the first option involves “comparable commitments” among Annex I parties and “enhanced and incentivized mitigation [that is] measurable, reportable and verifiable” in non-Annex I parties. At the other end, the final option would have both Annex I and non-Annex I parties taking on “enhanced national mitigation action... that culminates in an international agreement,” with comparability between similar countries. “The options are starting to become clear; which one they select is still anyone’s guess,” said one negotiator.

The news was more clear-cut earlier in the day on technology transfer, as negotiators concluded an informal agreement. Many delegates who had spent the last year working on the issue since it was tabled in Nairobi were showing clear signs of relief. Some movement was also noted on the issue of deforestation.

A deal on the Russian proposal was also being mentioned, with the procedural elements reportedly being considered in the context of the Article 9 review, and its substantive aspects discussed in the context of the Convention track.

ENB SUMMARY AND ANALYSIS: The *Earth Negotiations Bulletin* summary and analysis of COP 13 and COP/MOP 3 will be available on Monday, 17 December 2007 online at: <http://www.iisd.ca/climate/cop13/>