

## SB 28 AND AWG HIGHLIGHTS: FRIDAY, 6 JUNE 2008

On Friday, the AWG-LCA plenary convened in the morning to reflect on progress and agree on next steps. Contact groups and informal consultations convened on a range of issues, including adaptation under the AWG-LCA, capacity building, decision 1/CP.10 (Buenos Aires programme of work), non-Annex I communications, the financial mechanism, reducing emissions from deforestation in developing countries, and technology transfer. Also, an in-session workshop was held on the IPCC's Fourth Assessment Report (AR4).

### AWG-LCA

AWG-LCA Vice-Chair Cutajar reported on informal consultations on the number, duration and timing of AWG-LCA sessions and scheduling of "activities" in 2009. He noted comments on such issues as financial implications, "family-friendly scheduling," and a greater focus in 2009 on the Bali roadmap.

AWG-LCA Chair Machado presented the Chairs' summaries of the AWG-LCA in-session workshops (FCCC/AWG-LCA/2008/CRPs.1-3). Parties emphasized, *inter alia*: a long-term goal; mitigation; submissions of views; MRV; common but differentiated responsibilities; and financing. The EU and others suggested exploring differentiated responsibilities among developing countries and definitions of "developed" and "developing" countries. The US stressed the need to take into account changing circumstances. INDIA and others said the Convention reflects the principle of common but differentiated responsibilities appropriately. CHINA opposed establishing a group of countries in addition to Annexes I and II and the AFRICAN GROUP expressed concern over the EU's proposal with regard to the possible "graduation" of parties. Some parties suggested further work on long-term goals, while many developing countries said these are clearly articulated in the Convention. A contact group, chaired by Chair Machado, will meet five times to address the five elements of the Bali Action Plan.

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

**ARTICLE 9 SECOND REVIEW (SBI):** During informal consultations, parties listed their priority issues. Some suggested distinguishing between questions that can be addressed at COP/MOP 4 in Poznan through COP/MOP decisions, and longer-term issues that may require amendments to the Protocol.

Parties also exchanged views on the review's mandate, with some arguing that the list of issues in decision 4/CMP.3 (Article 9 review) is exhaustive, while others said further issues may be considered. Some proposed starting with the five issues in

decision 4/CMP.3. Some delegates also raised concerns over overlapping meetings on Article 9 and the AWG-KP, and the lack of observer participation in Article 9 negotiations.

**AWG-LCA (ADAPTATION):** In the contact group, Chair Machado invited comments on four areas: national planning for adaptation; scaling up resources; advancing the mechanisms for sharing knowledge; and regional and international frameworks for action.

The G-77/CHINA highlighted the urgency of adaptation actions, financing and additionality. The EU recalled its proposal for a framework of action on adaptation. AOSIS suggested a committee on adaptation under the Convention and enhancing regional mechanisms. BANGLADESH proposed preparing national adaptation action plans and financial needs assessments. MEXICO proposed that the Secretariat prepare a technical paper providing an overview of adaptation activities. The AWG-LCA contact group will reconvene on Saturday to discuss technology transfer and financing.

**BRAZILIAN PROPOSAL (SBSTA):** A Chair's draft text containing SBSTA conclusions was made available Friday morning. The draft noted that further work could be useful and relevant to parties. Consultations will continue on Saturday afternoon.

**CAPACITY BUILDING UNDER THE CONVENTION (SBI):** In informal consultations, parties made preliminary remarks on the draft terms of reference for the second comprehensive review of the capacity building framework (FCCC/SBI/2008/2). Most stated that elements of the draft are inconsistent with the review's mandate under decision 2/CP.10, and suggested using the terms of reference for the first review as a starting point. The Co-Chairs will prepare a draft and the contact group will continue Saturday afternoon.

**CAPACITY BUILDING UNDER THE KYOTO PROTOCOL (SBI):** During informal consultations, parties accepted the Secretariat's explanation about the legitimacy of the second comprehensive review of the capacity building framework under the Protocol. The Co-Chairs will prepare a draft and the group is meeting on Saturday afternoon.

**DECISION 1/CP.10 (SBI):** SBI Chair Asadi introduced draft text to help guide discussions. The EU, RUSSIAN FEDERATION, AOSIS, G-77/CHINA and LDCs expressed willingness to work with the draft as a starting point, though taking issue with certain parts. However, AUSTRALIA required further time before making a decision. Contact group Chair Charles said the aim of this agenda item is to avoid a gap between now and the start of AWG-LCA implementation. The contact group will continue on Saturday afternoon.

**FINANCIAL MECHANISM (SBI):** The contact group continued its work on Friday morning. The EU suggested focusing on input to the GEF on its fifth replenishment. The G-77/CHINA highlighted that input on the GEF-5 replenishment

is a part of the fourth review of the financial mechanism, and suggested a request to the GEF, the UNFCCC Secretariat and other sources to provide additional relevant information. The G-77/China will submit a draft proposal for the group's consideration on Saturday.

**NAIROBI WORK PROGRAMME (SBSTA):** During informal consultations, parties discussed the Chair's document, focusing on: research; technologies for adaptation; economic diversification; dissemination of outputs; and engagement of organizations, institutions, experts, communities and the private sector. Participants highlighted, *inter alia*, the need to focus on economic diversification, the fact that technologies for adaptation are context specific, and the importance of further emphasizing external engagement. Suggestions were made for a workshop on modalities to accelerate work on regional centers, and for a joint workshop with the EGTT in October. Parties agreed to submit text to the Chair for consolidation by Saturday morning and to continue consultations Saturday afternoon.

**NON-ANNEX I COMMUNICATIONS (SBI):** During informal consultations, delegates focused on the sub-item on the CGE. Differences over the mandate of a reconstituted CGE emerged, particularly over the basis for discussions. While developing countries and some Annex I parties thought that the old mandate and terms of reference (decision 3/CP.8) could form the basis for discussions, other Annex I parties argued that the situation had changed considerably in light of the Bali outcomes, and objected to using this earlier text. Parties ultimately agreed that the Co-Chairs would draft text based both on decision 3/CP.8, and on new elements suggested by parties.

Delegates also debated a suggestion from some Annex I parties for the CGE to work on MRV, with many others saying this was an issue for the AWG-LCA, not SBI. Further consultations will take place on Saturday.

**OTHER ISSUES (AWG-KP):** In this contact group, several Annex I parties supported considering new gases, especially those identified in the AR4. South Africa, for the G-77/CHINA, stressed the need to avoid lengthy discussions on this issue. INDIA and CHINA said the IPCC should be requested to consider how new gases would affect the 25-40% emission reduction range. The EU, JAPAN and others replied that the new gases do not have significant mitigation potential as they have not yet been commercialized, but that their inclusion would prevent them from becoming a problem.

On sectoral approaches, delegates highlighted the need for a common understanding. The EU outlined: bottom-up approaches as an analytical tool to set national targets; cooperative sectoral targets in developing countries without crediting; and sectoral crediting and trading. Senegal, for the AFRICAN GROUP, stressed the need to focus on national action in Annex I parties and the G-77/CHINA said quantified targets should not be replaced. NEW ZEALAND proposed examining complementary sectoral targets and CANADA preferred early discussions on sectoral approaches. JAPAN underscored sectoral approaches' contribution to fair and equitable national targets, and technology transfer. Discussions continued informally, with a list of issues for proposed AWG-KP conclusions. The group reconvenes on Saturday.

**REDUCING EMISSIONS FROM DEFORESTATION (SBSTA):** In the contact group, Cameroon, for the CONGO BASIN COUNTRIES, and others, stressed that measures to reduce emissions from deforestation in developing countries should account for local, national, and regional specificity. COLOMBIA and CONGO BASIN COUNTRIES, opposed by BRAZIL, said discussions on methodologies cannot be separated from discussions on financial mechanisms. TUVALU stressed improving inventory systems. On the structure of future discussions, the EU supported an item-by-item consideration of possible outstanding methodological issues outlined in decision 2/CP.13, paragraph 7(a). BRAZIL proposed addressing definitions, followed by permanence. A Co-Chairs' paper will be available Saturday afternoon, prior to further consultations.

## RESEARCH AND SYSTEMATIC OBSERVATION

**(SBSTA):** In the contact group, parties responded to questions from Co-Chairs Rolle and Castellari reflecting on the informal dialogue held the previous day, and highlighted, *inter alia*, the AR4, regional centers, information on research programmes, communication and downscaling, quality and lack of data, research policies, and the way forward. The Co-Chairs will prepare draft text for discussion at informal consultations on Saturday afternoon.

**TECHNOLOGY TRANSFER (SBSTA/SBI):** Co-Chairs Fuller and Liptow proposed draft conclusions endorsing the EGTT's 2008-2009 rolling programme of work. INDIA opposed this, and the US and the G-77/CHINA proposed minor amendments. Consultations will continue informally.

**TECHNOLOGY TRANSFER (SBSTA):** The SBSTA contact group addressed the EGTT's terms of reference for developing performance indicators and for identifying financial resources. CANADA, the G-77/CHINA and others expressed concern that the Secretariat had combined both issues into a single document (FCCC/SBSTA/2008/INF.2). On financial resources, the US, EU, JAPAN and CANADA supported the draft text, while the G-77/CHINA proposed removing a reference to the GEF. Consultations will continue informally.

## WORKSHOP ON THE IPCC FOURTH ASSESSMENT REPORT

Thomas Stocker, IPCC Working Group I, presented the physical science basis of the AR4 and the latest findings, obtained after its preparation, on Antarctic ice cores, Atlantic thermohaline circulation, Arctic sea ice and ice sheet instabilities.

Peter Stott, Working Group I, and Jean Palutikof, Working Group II, outlined a technical paper on Climate Change and Water. Stott noted observed and projected changes in climate as they relate to water, and the latest findings since the AR4. Palutikof presented on climate extremes and their impacts, water resources in systems and sectors, regional implications and mitigation aspects.

Shardul Agrawala, Working Group II, presented the AR4 findings on adaptation planning and practices relevant to the Nairobi Work Programme. He noted that, *inter alia*, costs of adaptation can be low, but that comprehensive assessments of costs are lacking.

On mitigation, Bert Metz, Working Group III, explained findings in the AR4 that a 450 ppm level requires emissions to peak in 2015, return to 2000 levels by 2030, and reduce by 50-85% by 2050. Michel den Elzen, Working Group III, discussed research showing that 30% reductions by Annex I parties from 1990 levels by 2020 would also require reducing non-Annex I emissions 10-25% below the business-as-usual baseline in order to achieve 450 ppm. For more information on the presentations, visit: <http://unfccc.int/meetings/sb28/items/4417.php>

## IN THE CORRIDORS

Delegates were hurrying from one room to another at the Maritim Hotel Conference Center on Friday as a multitude of contact groups and informal consultations got down to business. Some delegates appeared confused about what was happening and when, particularly with regard to the informal consultations. "With so many agenda items and SBI, SBSTA, AWG-LCA and AWG-KP all in session, it's hard to keep track," complained one negotiator on discovering that he had already missed one meeting. "This is the day that the organizational complexities of this meeting became all too obvious," commented another.

Some veterans of the process were also noting the number of new faces at the Bonn talks, with many delegations apparently bringing in new people to build capacity before the process reaches "fever pitch" in 2009.