

AWG-LCA 5 AND AWG-KP 7 HIGHLIGHTS: MONDAY 30 MARCH 2009

On Monday morning, the AWG-KP opening plenary continued. In the afternoon, the AWG-KP held an in-session workshop on potential consequences of tools, policies, measures and methodologies available to Annex I parties. In the morning and afternoon, the AWG-LCA convened contact groups on technology and finance, adaptation, and a shared vision.

AWG-LCA CONTACT GROUPS

TECHNOLOGY AND FINANCE: Several developing countries underscored finance and technology as “make or break” components of the deal in Copenhagen. The Philippines, for the G-77/CHINA, recalled Convention Article 4.7, which makes developing countries’ commitments conditional to developed country assistance. INDIA noted the lack of metrics on what constitute incremental costs. SAUDI ARABIA stressed that South-South financing is against the Convention’s principles.

Barbados, for AOSIS, called for significant public funding and asked developed countries how much money they would be “putting on the table” in Copenhagen. The US recognized the need for new and additional finance, underscored the need to channel private sector direct investment, and noted that a single financial structure does not satisfy all needs. The EU suggested avoiding “show me the money vs. show me the actions” arguments, and supported low carbon development strategies.

BANGLADESH called for region-specific financing mechanisms and capacity building. SOUTH AFRICA emphasized that climate change financing should not be merely a reshaping of ODA, and PAKISTAN stressed that market mechanisms alone cannot fill the financing gap. UGANDA urged climate change financing commitments on a scale similar to current economic stimulus packages. BRAZIL supported assessed contributions and auctioning of Assigned Amount Units. TANZANIA called for compliance mechanisms for finance.

On technology, CANADA and AUSTRALIA highlighted the EGGT’s advance reports. Noting that discussions on mechanisms and institutional arrangements should not distract from what parties want to accomplish, CHINA supported a technology roadmap, including identifying areas for technology financing, and urged a strong agreement that leads to meaningful technology transfer. Ghana, for the G-77/CHINA, underscored the role of private sector financing of mitigation technologies and public financing of adaptation technologies.

ADAPTATION: BANGLADESH supported a legally binding instrument for adaptation and the development of a vulnerability index. CHINA, NORWAY and the Cook Islands,

for AOSIS, supported an adaptation framework. JAPAN called for a comprehensive framework to sustain the most vulnerable countries and supported establishing a knowledge network for adaptation. UGANDA highlighted access to weather and climate information, and called for strengthening national early warning systems and community-level capacity building. South Africa, for the AFRICAN GROUP, called for more attention to institutional arrangements. NORWAY, CANADA and the US suggested that goals be decided before developing institutional arrangements.

AUSTRALIA highlighted local adaptation actions and linkages with sustainable development. The EU supported a bottom-up approach and building on broader knowledge. ICELAND stressed the need to incorporate a gender perspective. PAKISTAN noted the necessity of defining adaptation needs nationally as well as of clearly identifying resources and mechanisms for their allocation and channeling.

In the afternoon, parties began initial discussions on the structure of the adaptation framework presented by Co-Chair Kolly. The AFRICAN GROUP, BOLIVIA and TUVALU noted the importance of the implementation of adaptation actions. COSTA RICA, for several Central American countries, stated that adaptation should not focus only on infrastructure, and emphasized ecosystem-based adaptation and traditional knowledge. MEXICO highlighted challenges with engaging all levels of government in adaptation. CANADA proposed to build on the success of the Nairobi Work Programme.

SHARED VISION: Argentina, for the G-77/CHINA, with AOSIS, stated that a shared vision is composed of the four building blocks and highlighted proposals for a financial architecture and a multilateral technology fund. CHINA, INDIA and the PHILIPPINES stressed the urgency of setting mid-term emission reduction targets for developed countries. INDIA underscored 1990 baselines, maintaining the principles of the Convention and compensation for incremental costs.

JAPAN said mid-term goals should be addressed under mitigation, and that a shared vision should focus on a long-term global goal. The EU stated that a shared vision includes avoiding warming of more than 2°C, global emission reductions of at least 50% by 2050 and peaking of emissions by 2020. The US said a shared vision should inspire and serve as the chapeau of the elements of the Bali Action Plan. He outlined national plans for a cap-and-trade scheme with interim annual goals guided by a long-term perspective up to 2050, saying this represented a radical shift in national thinking. NEW ZEALAND stressed the need for a quantified path to stabilization at no more than 450 ppm and underlined co-dependence with AWG-KP.

CANADA stressed the principles of equity, common but differentiated responsibilities, precaution and “polluter pays.” Bahamas, for AOSIS, drew attention to the right to existence.

The RUSSIAN FEDERATION emphasized that the future framework should be comprehensive and called for new types of partnerships among countries and stakeholders.

AWG-KP PLENARY

ORGANIZATION OF WORK: Chair Dovland presented the organization of work (FCCC/KP/AWG/2009/1 and 2; FCCC/KP/AWG/2008/8). South Africa, for the G-77/CHINA, opposed contact groups on the flexibility mechanisms and LULUCF, preferring informal consultations. He urged focusing on Annex I emission reductions and draft amendment text. The EU, AUSTRALIA, JAPAN and CANADA stressed the need to retain the contact groups on the flexibility mechanisms and LULUCF. Parties agreed to establish contact groups on: potential consequences; emission reductions; legal matters; flexibility mechanisms; and LULUCF. They also agreed to consult informally on “other issues.”

ANNEX I EMISSION REDUCTIONS: Chair Dovland reported on the pre-session workshop on Friday 27 March, highlighting productive discussions on the overall scale of Annex I emission reductions and ways of defining individual or joint contributions.

Micronesia, for AOSIS, highlighted the latest science and urged stabilization at below 350 ppm, peaking emissions by 2015 and emission reductions of more than 95% by 2050. AUSTRALIA and NEW ZEALAND supported stabilizing greenhouse gas concentrations at 450 ppm. AUSTRALIA called for ambitious mid- and long-term global goals, and stressed their own unconditional commitment to reduce emissions by 5% below 2000 levels by 2020, and by 15% in the context of global mitigation. The EU suggested discussing pathways linking commitment period targets and mitigation goals under the AWG-LCA. NORWAY reiterated her country’s goal of becoming carbon neutral by 2030. CANADA noted that their emissions are currently at 2000 levels but highlighted progress in decoupling emissions from economic growth. JAPAN said his country would announce a mid-term target in June. The RUSSIAN FEDERATION reported that his country was in the process of considering further emission reductions and opposed the adoption of a collective range as this would pre-judge individual obligations.

Expressing disappointment at the failure of many Annex I parties to present concrete numbers, TUVVALU drew attention to the AWG-KP as a “faith-building exercise,” which would allow action under the AWG-LCA. NEW ZEALAND stressed the need to agree on “a shared vision” and a global target under the AWG-LCA before finalizing commitments under the AWG-KP.

INTERNATIONAL MARITIME ORGANIZATION reported on progress in the development of technical and operational measures, including energy efficiency indexes and indicators and management plans. INTERNATIONAL CIVIL AVIATION ORGANIZATION announced a high-level meeting on aviation and climate change to take place on 7-9 October 2009 and said aviation could be the first sector to use alternative fuels on a global basis. Several BUSINESS AND INDUSTRY ORGANIZATIONS urged mid-term targets to send the right market signals and drive the necessary investment.

AWG-KP IN-SESSION WORKSHOP

The AWG-KP in-session workshop on potential consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I parties took place on Monday afternoon, chaired by Vice-Chair Konate.

South Africa, for the G-77/CHINA, proposed classifying impacts in a way that leads to action, i.e. addressing potential consequences, corrective measures and remedies, in order to establish clear funding mechanisms and technology transfer. He called for measures that are non-arbitrary, transparent and compatible with international law and for attention to regional contexts.

Algeria, for the AFRICAN GROUP, discussed the need for: information on spillover effects; efforts that avoid and reduce negative consequences; and measures that enhance resilience.

SAUDI ARABIA highlighted impacts on international trade and suggested, *inter alia*, elimination of green protectionism in Annex I countries, removal of subsidies, a comprehensive approach without targeting specific sectors, and support for economic diversification.

AUSTRALIA stated that the assessment of impacts is a national issue identified principles for response measures to: support mitigation efforts; be balanced; benefit from parties’ experiences and lessons learned; flow from national policies and measures; and focus on the poorest and most vulnerable countries.

KUWAIT drew attention to the negative effects of uncertainty regarding oil demand and called for support mechanisms and technological options such as carbon capture and storage.

QATAR highlighted the deficit of methodologies for assessing negative consequences and called for policy selection criteria based on environmental protection goals and the prevention or minimization of negative impacts. He suggested a transparent reporting obligation that could identify impacts of response measures.

ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES urged making every possible effort to understand consequences of mitigation actions and identified the need for global solutions.

DISCUSSION: Several parties highlighted the need to focus on the most vulnerable countries. CANADA and others supported Australia’s proposal to identify principles. JAPAN and the EU identified difficulties in assessing unintended consequences and called for information from those affected. NEW ZEALAND suggested providing such information in national communications. SAUDI ARABIA noted that many consequences are not unintended. The RUSSIAN FEDERATION and ARGENTINA emphasized the interaction of climate policies and trade. KUWAIT highlighted recent studies on measures that reduce consequences. INTERNATIONAL TRADE UNION CONFEDERATION called for a special scientific study to identify potential consequences, for which developing countries could identify those sectors or regions most at risk.

IN THE CORRIDORS

“Plus ça change, plus c’est la même chose,” (the more it changes, the more it’s the same) a participant was heard muttering as he left one of the day’s contact groups. Others were heard voicing similar concerns, complaining that discussions tended to reiterate well-known positions, even though many had come to Bonn with high hopes of entering a fresh phase in the process. While a feeling of weariness seemed to be infiltrating the corridors, some were quick to point out that this was only the second day of the meeting. Many were also optimistic about the AWG-LCA discussions on adaptation. “Familiar ideas - but presented in a more constructive form,” was how one participant described the day’s two contact group sessions on the topic.

Those emerging from the AWG-KP plenary were also relieved that a satisfactory compromise had been found so quickly in response to the G-77/China’s concerns over the organization of work. Even further reasons for optimism included a new coffee machine in the Maritim Hotel cafeteria, perhaps providing the extra energy that would be needed to plow ahead. After the AWG-LCA Chair’s brief informal consultations on Monday evening, it seemed evident that more energy would be needed also later in the year: Several delegates were overheard talking about the inevitability of further sessions in 2009, although yet to be agreed upon. A few were even seen scanning real estate pages in the local newspaper as they contemplated the need to move their home to Bonn for the next several months.