

SUMMARY OF THE BONN CLIMATE CHANGE TALKS: 1-12 JUNE 2009

Delegates convened in Bonn, Germany, from 1-12 June 2009 to participate in four meetings as part of ongoing negotiations under the UN Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol. The Convention's Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) held their 30th sessions. The sixth session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA 6) and the eighth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Protocol (AWG-KP 8) also took place. Over 3,500 participants attended the meetings, representing governments, intergovernmental and non-governmental organizations, academia, the private sector and the media.

The main focus in Bonn was to enhance international climate change cooperation, including in the post-2012 period when the first commitment period under the Kyoto Protocol expires. The long-term issues were considered by the AWG-LCA and AWG-KP, which are both scheduled to conclude their work by the fifteenth Conference of the Parties (COP 15) to be held in Copenhagen, Denmark, in December 2009.

AWG-LCA 6 concentrated on developing negotiating text, using a Chair's draft (FCCC/AWGLCA/2009/8) as the starting point. Throughout the meeting, the AWG-LCA convened in an informal plenary and completed the first and second readings of the draft negotiating text. Many felt that the session offered parties a useful opportunity to clarify and develop their proposals. The main outcome was a 200-page draft negotiating text, which will be forwarded to the AWG-LCA's next meeting, and covers all the main elements of the Bali Action Plan namely: a shared vision for long-term cooperative action, mitigation, adaptation, finance, and technology. Many participants characterized the results as positive, while emphasizing that narrowing down options in the negotiating text and reaching an agreement at COP 15 will require both technical drafting and political vision.

AWG-KP 8 continued considering Annex I parties' further commitments under the Protocol. Discussions focused on proposals by various parties for Annex I countries' aggregate

and individual emission reduction targets beyond 2012. No agreement was reached on the targets, and developing countries expressed disappointment at the outcome, highlighting that the unilateral targets proposed by Annex I countries fall short of the emission reductions required by science. Several developed countries called for closer cooperation with the AWG-LCA, stressing the need to involve developed countries that are not Protocol parties in negotiations on the aggregate scale of Annex I emission reductions.

The main outcomes from the SBI included agreement to reconstitute the Consultative Group of Experts on Non-Annex I National Communications. Many developing countries were disappointed, however, at the lack of agreement on the second comprehensive review of the capacity-building framework under the Convention and the Protocol. Under the SBSTA, the main issues considered included research and systematic observation, various methodological issues, technology transfer and reducing emissions from deforestation and forest degradation in developing countries (REDD). While there was no agreement a draft COP decisions on REDD, many felt that parties were able to clarify areas where methodological work could be done to facilitate political discussions. Overall, these meetings resulted

IN THIS ISSUE

| | |
|--|----|
| A Brief History of the UNFCCC and the Kyoto Protocol | 2 |
| Report of the Meeting | 2 |
| <i>Ad Hoc</i> Working Group on Long-Term Cooperative Action under the Convention | 2 |
| <i>Ad Hoc</i> Working Group on Further Commitments by Annex I Parties under the Kyoto Protocol | 10 |
| Subsidiary Body for Scientific and Technological Advice | 15 |
| Subsidiary Body for Implementation | 18 |
| A Brief Analysis of the Meetings | 23 |
| Upcoming Meetings | 25 |
| Glossary | 26 |

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Tomilola "Tomi" Akanle, Asheline Appleton, Douglas Bushey, Kati Kulovesi, Ph.D., Leila Mead, and Anna Schulz. The Digital Editor is Tallash Kantai. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org>. 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 German Federal Ministry for Economic Cooperation and Development (BMZ), the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV), and the Italian Ministry for the Environment, Land and Sea. General Support for the *Bulletin* during 2009 is provided by the Norwegian Ministry of Foreign Affairs, 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, Swiss Federal Office for the Environment (FOEN), the Finnish Ministry for Foreign Affairs, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI), the Government of Iceland, and the United Nations Environment Programme (UNEP). The opinions expressed in the *Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *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., 11A, New York, New York 10022, United States of America.

in the adoption of 31 conclusions and seven draft decisions that will be forwarded to the COP or to the Conference of the Parties serving as the meeting of the Parties to the Protocol (COP/MOP) in December 2009, in Copenhagen, Denmark, for their consideration.

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

The international political response to climate change began with the adoption of the UNFCCC in 1992, which sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid “dangerous anthropogenic interference” with the climate system. The UNFCCC entered into force on 21 March 1994, and now has 192 parties.

In December 1997, delegates at COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits industrialized countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known under the UNFCCC as Annex I parties, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005, and now has 184 parties.

In 2005, the first Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 1) in Montreal, Canada, established the AWG-KP on the basis of Protocol Article 3.9, which mandates consideration of Annex I parties’ further commitments at least seven years before the end of the first commitment period. In addition, COP 11 agreed in Montreal to consider long-term cooperation under the Convention through a series of four workshops known as “the Convention Dialogue,” which continued until COP 13.

BALI ROADMAP: COP 13 and COP/MOP 3 took place in December 2007, in Bali, Indonesia. The focus of the Bali conference was on long-term issues. These negotiations resulted in the adoption of the Bali Action Plan (BAP), which established the AWG-LCA to focus on four key elements of long-term cooperation identified during the Convention Dialogue: mitigation, adaptation, finance and technology. The BAP contains a non-exhaustive list of issues to be considered under each of these areas and calls for articulating a “shared vision for long-term cooperative action.”

The Bali conference also resulted in an agreement on a two-year process, the Bali Roadmap, which covers negotiation “tracks” under the Convention and the Protocol, and sets a deadline for concluding the negotiations at COP 15 and COP/MOP 5, to be held in Copenhagen in December 2009. The two key bodies under the Bali Roadmap are the AWG-LCA and the AWG-KP, which held four negotiation sessions in 2008: April in Bangkok, Thailand; June in Bonn, Germany; August in Accra, Ghana; and December in Poznań, Poland.

COP 14: During COP 14 in Poznań, AWG-LCA 4 continued discussing all the key elements of the BAP and mandated the AWG-LCA Chair to prepare a document for consideration by AWG-LCA 5 that would focus negotiations on the fulfillment of the BAP, and a negotiating text for AWG-LCA 6 in June 2009.

AWG-KP 6 held a strategic discussion on all elements of its work programme and decided that in order to finalize agreement on Annex I parties’ further commitments at COP/MOP 5, the AWG-KP needs to consider in 2009 the aggregate scale of emission reductions by Annex I parties, and the contribution by parties individually or jointly to the aggregate scale, as well as other issues identified in paragraph 49 of its conclusions (FCCC/KP/AWG/2008/8). These issues include: the flexibility mechanisms; land use, land-use change and forestry (LULUCF); greenhouse gases, sectors and sources; potential consequences of tools, policies, measures and methodologies; aviation and maritime bunker fuels; and legal matters.

AWG-LCA 5 & AWG-KP 7: From 29 March - 8 April 2009, AWG-LCA 5 and AWG-KP 7 convened in Bonn, Germany. The main objective of the session was to work towards negotiating text under both AWGs.

The AWG-LCA considered a note prepared by the Chair to focus negotiations on the fulfillment of the BAP and on the components of the agreed outcome (FCCC/AWGLCA/2009/4, Parts I and II). Discussions at AWG-LCA 5 focused on further elaborating elements for a draft negotiating text to be prepared by the Chair for the next AWG-LCA session in June 2009.

The focus in AWG-KP 7 was on aggregate emission reductions by Annex I parties under the Kyoto Protocol beyond 2012 and on legal issues, including possible amendments to the Protocol. The AWG-KP also considered the other issues in its work programme, including the flexibility mechanisms, LULUCF and potential consequences of response measures. The AWG-KP agreed to request its Chair to prepare two documents for the June session: a proposal for amendments to the Protocol under Article 3.9 (Annex I parties’ further commitments); and a text on other issues, such as LULUCF and the flexibility mechanisms.

REPORT OF THE MEETING

On Monday, 1 June, the Bonn Climate Change Talks began with the opening of the sixth session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA 6), the eighth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Protocol (AWG-KP 8), as well as the 30th sessions of the Subsidiary Body for Implementation (SBI 30) and the Subsidiary Body for Scientific and Technological Advice (SBSTA 30). This report summarizes the discussions and outcomes during the two-week meeting based on the agendas of each meeting.

AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION

Stressing the need to enter into full negotiating mode, AWG-LCA Chair Michael Zammit Cutajar (Malta) opened the session on Monday, 1 June, and parties adopted the agenda (FCCC/AWGLCA/2009/6) and agreed to the organization of work (FCCC/AWGLCA/2009/7).

Parties then delivered opening statements. Sudan, for the Group of 77 and China (G-77/China), highlighted the meeting as a turning point for the AWG-LCA, with commencement of substantive discussions on the content and form of an agreed outcome in Copenhagen. He noted that the Chair’s draft negotiating text (FCCC/AWGLCA/2009/8) should contain a

more balanced and clear reflection of the Group's proposals. Algeria, for the African Group, and several other developing countries expressed concern that the negotiating text did not reflect the views of all parties in an equitable and balanced manner. Saudi Arabia expressed concern many proposals in the negotiating text go beyond the Convention and the Bali Action Plan (BAP), and India said all paragraphs should reference the specific Convention articles whose implementation they aim to enhance.

The Czech Republic, for the European Union (EU), and Australia, for the Umbrella Group, welcomed the text as a starting point for negotiations. With Mexico, for the Environmental Integrity Group, the EU and the Umbrella Group also stressed linkages between the two AWGs. The Russian Federation called for commitments from all major emitters and burden sharing, taking into account country specificities and levels of economic development, while Belarus proposed combining the two AWGs at this session and considering a single negotiating text under one AWG.

Mali said each AWG should continue to work separately until Copenhagen, and China supported the continuation of double-track negotiations under the AWG-LCA and AWG-KP. Saudi Arabia opposed proposals to merge the AWG-KP and AWG-LCA, as well as proposals that would pass the burden from developed to developing countries. For more details on these statements, see <http://www.iisd.ca/vol12/enb12411e.html>.

LONG-TERM COOPERATIVE ACTION: This item was first considered by the AWG-LCA plenary on 1 June. Chair Zammit Cutajar and the Secretariat introduced the relevant documents (FCCC/AWGLCA/2009/7-9; FCCC/AWGLCA/2009/MISC.4 parts I-II and Add.1-2; and FCCC/AWGLCA/2009/MISC.5).

Discussions focused on the key elements outlined in the BAP, namely adaptation, finance, technology, mitigation and a shared vision for long-term cooperative action. The main objective was to develop negotiating text, using the Chair's draft (FCCC/AWGLCA/2009/8) as the starting point.

From 2-12 June, the AWG-LCA convened in an informal plenary, chaired by AWG-LCA Chair Zammit Cutajar. On 2 and 3 June, many parties made general comments on the Chair's draft negotiating text. For details, see: <http://www.iisd.ca/vol12/enb12412e.html>; and <http://www.iisd.ca/vol12/enb12413e.html>.

From 3-12 June, parties completed the first and second readings of the draft negotiating text. During the first reading, they clarified proposals, identified gaps and placed markers where additions should be inserted or where text should be bracketed. Prior to the second reading, parties submitted to the Secretariat textual proposals for incorporation into the draft negotiating text. During the second reading, discussions in the informal plenary were technical, with parties identifying additions and corrections to ensure that their proposals were properly reflected.

No conclusions were adopted but the main outcome was a 200-page draft negotiating text. When closing the informal plenary on Friday, 12 June, Chair Zammit Cutajar said the Chair's negotiating text had now become "the parties' text." He expressed appreciation for the inputs received, explaining that all submissions and proposals would be compiled and issued

as an information document entitled "revised negotiating text." He said that the preface of the document would record issues identified by parties on the structure of text and placement of elements within it.

The AWG-LCA informal plenary's discussions on the key elements of the BAP are summarized below.

Adaptation: The Chair's draft negotiating text (FCCC/AWGLCA/2009/8) contained a chapter on "Enhanced action on adaptation." The first reading of the text took place in the AWG-LCA informal plenary on Tuesday and Wednesday, 3-4 June, and on Tuesday, 9 June, delegates completed a second reading of the revised chapter.

For details of these discussions, see: <http://www.iisd.ca/vol12/enb12413e.html>; <http://www.iisd.ca/vol12/enb12414e.html>; and <http://www.iisd.ca/vol12/enb12418e.html>.

Some countries highlighted adaptation as an issue that affects all countries, and requested including common adaptation obligations at the beginning of the section, while others stressed the emphasis should be on developing countries. Many countries underscored the urgent needs of the most vulnerable countries, particularly Least Developed Countries (LDCs) and small island developing states (SIDS).

The Philippines, for the G-77/China, regretted that the text placed the burden of implementing adaptation on developing countries, expressing concern over reference to integrating adaptation into development, and the preparation, monitoring and review of national adaptation plans and actions, and called for stronger language reflecting a country-driven process. She said Annex II parties should comply with their financial commitments under the Convention to provide finance for adaptation. The Cook Islands, for the Alliance of Small Island States (AOSIS), said the adaptation chapter should, *inter alia*: include flexible institutional arrangements; and include binding commitments for implementation funding.

South Africa, for the African Group, called for a comprehensive international programme on adaptation with scaled-up finance. Argentina said adaptation actions should not be legally binding, in contrast to binding developed country support for them, and called for direct access to sustainable and clearly identified financing sources.

Japan expressed concern with proposals related to, *inter alia*: creation of a legally binding adaptation framework; new, predictable and adequate financial resources additional to official development assistance (ODA); and a committee or subsidiary body on adaptation. Canada expressed concern with references to insurance, addressing loss and damages, and providing finance in the aftermath of extreme climate events. Australia said agreement was required on the following issues: whether the adaptation framework would be binding; a definition of adaptation action; categories of countries that the framework should address; and whether the framework should be under the authority of the COP.

The US, with Switzerland and Mexico, supported integrating adaptation into development strategies and planning, and the US with New Zealand supported including common adaptation obligations for all parties. He said he could not support the proposals on insurance funds, since they do not reflect the nature of insurance as a risk transfer mechanism.

Norway underscored adaptation as a country-led process. Iceland emphasized gender considerations as one of the guiding principles of the adaptation framework. Ecuador also drew attention to gender considerations, as well as social inequality globally and within countries, and highlighted an ecosystem-focused approach, community-level adaptation and financing.

Tuvalu emphasized the need for regional adaptation centers and climate proofing development, and supported elaboration of implementation actions, including project- and sector-based adaptation drawing on indigenous knowledge. He called for: an adaptation committee to enhance implementation; a separate section on risk management, with the inclusion of an insurance arrangement; and innovative means of financing, including levies on international maritime and aviation transport.

Panama, for several Latin American countries, said an adaptation framework should be flexible enough to cover current and future impacts. Senegal supported a legally binding adaptation framework.

The EU suggested strengthening language on the adaptation framework concept. Switzerland emphasized monitoring and review, and highlighted the roles of insurance and public-private partnerships. India and China opposed reference to reviewing national adaptation plans. China suggested replacing the reference to the polluter pays principle with the Convention's guiding principles. The Russian Federation said climate change impacts could also be positive, expressed reservations with reference to climate refugees, and said parties should decide the appropriate level for the implementation of adaptation actions at the national level.

China and others proposed also removing reference to levies on international transactions. Thailand opposed language on financial support provided as concessional loans. Singapore called for language consistent with the Convention on classification of countries

China expressed concern over a proposal to establish national coordinating bodies and, with Pakistan, opposed reference to "poor developing countries." Turkey suggested using language on "vulnerable countries" instead of developed and developing countries.

Tanzania emphasized the importance of text on rehabilitation and compensation. Bolivia said adaptation activities must take traditional knowledge of indigenous peoples into account, and Venezuela urged recognizing the vulnerability of indigenous communities. Colombia, for Chile, Costa Rica and Peru, stressed the importance of adaptation strategies for ecosystems, and said vulnerability should include internal asymmetries. Peru called for strengthening synergies between the Convention on Biological Diversity and the UNFCCC. Egypt said the text should reflect the need for regional coordination, especially when countries share natural resources or ecosystems. He said the role of the private sector should be supplemental to, but not a substitute for, public support.

Saudi Arabia called for reference to adaptation to the impacts of response measures, and expressed concern over possible protectionism from regulatory policies, such as the proposed carbon dioxide (CO₂) tax. Algeria said adaptation to adverse effects and response measures are related and should not be separated. Kuwait called for reference to fossil fuel-dependent

countries in the section specifying vulnerable groups of countries. Norway, the EU and Japan said response measures should be discussed under mitigation.

Outcome: The revised negotiating text contains a chapter on adaptation "Enhanced action on adaptation," which stands at 41 pages. It contains various structural proposals for organizing the chapter, including for section headings, some of which include brackets. The text contains proposed preamble language and sections on: objectives, scope and guiding principles; implementation of adaptation actions; means of implementation; risk reduction, with various proposed formulations for the section; institutional arrangements; and monitoring and reviewing action and support. Various proposals exist for specific wording of these headings, and there was also, *inter alia*, a proposal to have a heading on the role of the UNFCCC.

Finance: The Chair's draft negotiating text (FCCC/AWGLCA/2009/8) contained a chapter on "Enhanced action on financing, technology and capacity building." The first reading of text related to finance took place in the AWG-LCA informal plenary on Friday, 5 June. On Thursday, 11 June, delegates completed the second reading of the revised chapter. For detailed discussions, see: <http://www.iisd.ca/vol12/enb12415e.html> and <http://www.iisd.ca/vol12/enb12420e.html>.

Many developing countries highlighted the need for: adaptation funding over and above existing ODA; bridging the gap between available and required funding; new, additional and predictable sources; and simplified access without conditionalities. Many developing countries requested that the text reflect the commitments of Annex II parties under the Convention.

Developing countries also stressed the need for public financing, saying that the private sector and carbon markets should play a complementary role, highlighting that the private sector is not a predictable funding source. The EU and some other developed countries called for strengthening the text concerning the role of the carbon market. New Zealand highlighted the role of public and private sector finance, and noted the potential role of carbon markets. The US called for recognizing that public sector financing is unlikely to be adequate, and suggested considering how governance can improve access to private funding. Switzerland highlighted the role of CO₂ levies in generating adequate and predictable sources of finance.

There was some support for auctioning allowances, as identified by Norway, and also for extending the share of proceeds under the market mechanism. However, India opposed discussing the share of proceeds under the Convention and China said the proposed increase of the share of proceeds to 3-5% was too high. Mexico supported a "green fund" where the scale of contributions should be based on population, volume of emissions and capacity to pay, with governments making the greatest contribution, as opposed the private sector. China proposed deleting the option on a green fund or a world climate change fund. Tuvalu stressed the need for a variety of funding sources and for innovative funding, such as levies on international transport and a share of the proceeds on market mechanisms that may be developed under the AWG-LCA.

The African Group stressed the need for an equitable governance regime with a financial mechanism under the authority of the COP. The EU proposed focusing on functions before discussing who would perform the functions. Australia noted the need to operationalize an institutional arrangement to facilitate financial flows from the private sector. Tuvalu called for a multilateral climate change fund with five windows on: mitigation, REDD, adaptation, insurance, and technology with each window having an advisory panel. Canada noted that institutional arrangements should be derived from the functions and principles emerging from discussions and emphasized the need to focus on meeting the needs of the poorest and most vulnerable populations. Ghana called for a single financing mechanism with multiple funding windows. On compliance Japan said this should be discussed in a wider context, not only under finance, and after agreement on the content and form of the final outcome

Outcome: The revised negotiating text contains a chapter on “Enhanced action on the provision of financial resources and investment.” The chapter is 23 pages long, and contains various structural proposals for its organization. The chapter contains headings, some of which contain brackets and various proposed formulations, on: objectives, scope and guiding principles; provision of financial resources; and institutional arrangements, including funds.

Technology and capacity building: The Chair’s draft negotiating text (FCCC/AWGLCA/2009/8) contained a chapter on “Enhanced action on finance, technology and capacity building.” The first reading of text related to technology and capacity building was completed by the AWG-LCA informal plenary on Saturday, 6 June. The revised text was introduced on Wednesday, 10 June and parties completed the second reading of the text. For detailed discussions, see: <http://www.iisd.ca/vol12/enb12416e.html>; and <http://www.iisd.ca/vol12/enb12419e.html>.

While many parties highlighted the need for increased transfer of adaptation and mitigation technologies in their general comments, parties held divergent views on means of implementation and funding sources. Many developing countries stressed the need for public sector funding for technology transfer, with the African Group underscoring that for adaptation technologies in particular, public finance is critical due to lack of private sector interest. Several developed countries stressed the need to catalyze private investment in technology development and transfer. Switzerland highlighted the potential role of carbon markets in this regard.

On financing of technology transfer, the G-77/China noted that technology financing must be new, adequate, predictable and stable. Brazil opposed attaching conditionalities to funding, and in particular, the use of co-financing mechanisms.

The debate also extended to intellectual property rights (IPRs). Some developing countries said the IPR system was a barrier to effective technology transfer and urged either modification or suspension of the current IPR regime under the World Trade Organization. Developed countries emphasized that the IPR regime promotes technology transfer and opposed any modification of the IPR system.

On implementation mechanisms, the EU urged forging a link between technology transfer and low-carbon development strategies, while the US argued for the use of voluntary technology-oriented agreements. Pakistan and Mexico expressed doubt that voluntary agreements could effectively facilitate technology transfer. Development of national strategies or actions plans was proposed by Norway and Switzerland as means of facilitating technology development and transfer. The African Group opposed making funding conditional on national strategies. Saudi Arabia called for inclusion of carbon capture and storage (CCS) and noted that economic diversification should be one of the objectives of technology transfer with the view to minimizing impacts of climate change and consequences of response measures.

Many parties also noted the importance of capacity-building measures to enhance action on mitigation and adaptation.

Outcome: The revised negotiating text contains a chapter on “Enhanced action on development and transfer of technologies.” The chapter is 36 pages long, and contains various structural proposals on its organization, as well as proposals for section headings. The headings as they currently stand, some of which contain brackets, include: objectives, scope and guiding principles; promoting policies on cooperation between developed and developing countries on technology research, development, diffusion and transfer; and institutional arrangements, including funds. A section on capacity building is also included.

Mitigation: In the BAP, the text on mitigation includes the following subparagraphs:

- 1(b)(i) on mitigation by developed countries;
- 1(b)(ii) on mitigation by developing countries;
- 1(b)(iii) on reducing deforestation and forest degradation in developing countries, plus conservation (REDD-plus);
- 1(b)(iv) on sectoral approaches;
- 1(b)(v) on market-based approaches; and
- 1(b)(vi) on consequences of response measures.

The Chair’s draft negotiating text (FCCC/AWGLCA/2009/8) contained a chapter on “Enhanced action on mitigation,” with sub-headings reflecting the mitigation paragraphs in the BAP. The first reading of sections related to paragraphs 1(b)(i-iii) of the BAP took place on Saturday and Monday, 6 and 8 June. The second reading of text related to these paragraphs took place on Thursday, 11 June. The combined first and second readings of text related to paragraphs 1(b)(iv-vi) of the BAP also took place on 11 June. For detailed discussions, see: <http://www.iisd.ca/vol12/enb12416e.html>; <http://www.iisd.ca/vol12/enb12417e.html>; and <http://www.iisd.ca/vol12/enb12420e.html>.

In their *general comments* on the mitigation chapter, India, for the G-77/China, proposed inserting a chapeau with principles and guiding objectives, and reflecting that enhanced mitigation does not affect the legal status and continued operation of Annex I parties’ obligations under the Protocol. South Africa, for the African Group, stressed the need to focus on the Convention’s enhanced implementation. Several developing countries highlighted the need for legally binding emission reduction targets by all developed countries. The African Group suggested considering the appropriate balance between domestic action and offsets.

Barbados, for AOSIS, stressed the need to reflect the scientific context and a sense of urgency, highlighting that the level of mitigation ambition under the BAP and AWG-KP will have “serious consequences” for the most vulnerable countries. Peru, for Colombia and Costa Rica, said the preamble should clarify the inverse relationship between mitigation targets and adaptation costs.

The US requested including a section on mitigation for all parties and Canada suggested reaffirming the common commitments of all parties and adding a new section on measuring, reporting and verification (MRV) by all parties. Japan called for comprehensive mitigation commitments from developed countries, as well as from major developing countries, stressing that voluntary nationally appropriate mitigation actions (NAMAs) are not sufficient. Australia highlighted linkages with the AWG-KP discussions.

On **mitigation by developed countries**, discussions focused, *inter alia*, on comparability of efforts, links with the AWG-KP, responsibility and criteria for defining developed countries.

The G-77/China stressed that all Annex I countries must take on legally binding commitments expressed as economy-wide reduction objectives for 2013-20. AOSIS identified the comparability of efforts by Annex I parties as a central issue to be addressed, and called for emphasis on historical responsibility and capability.

Several developed countries stressed linkages with the AWG-KP discussions and called for coordinated and coherent negotiations. The EU proposed deleting the option on voluntary commitments for developed countries, stressing the need to establish binding targets in Copenhagen.

Japan opposed differentiated treatment of Protocol parties and non-parties and supported legally binding actions by major emitting countries. Switzerland called for categorizing developed and developing countries based on objective and transparent criteria. Norway said all members of the Organization for Economic Cooperation and Development (OECD) and candidate states, as well as states with comparable gross domestic products (GDPs), should have legally binding targets. The US suggested including text on countries’ circumstances evolving over time. He called for reflecting his country’s submission more clearly.

Mexico said countries required to adopt legally binding mitigation commitments or actions should be restricted to Annex I parties. Malaysia, Brazil and others also urged using language consistent with the Convention, and opposed references to criteria for defining “developed countries.”

Brazil, China, Saudi Arabia and others proposed highlighting the idea of historical responsibility in the chapeau, while Switzerland, Japan and others opposed the introduction of new principles. Bolivia noted that targets should be based on the historical debt accrued by developed countries, stressing that their excessive emissions have deprived developing countries of equitable use of the atmospheric space.

On **mitigation by developing countries**, issues discussed included: the nature of NAMAs; links between developing country action and developed country support; proposals related to NAMA registries; recognition of unilateral actions; and MRV.

Colombia identified the need to clarify the concept of “NAMA” and stressed the need to define: what actions each option would include; how the actions would be funded; and how access to funding would take place. Singapore proposed three sub-categories of NAMAs: unilateral ones; NAMAs with support; and NAMAs with linkages to carbon markets.

The EU emphasized that the best way to provide tools to developing countries to transition to low-emissions societies is through low-carbon development strategies, which include NAMAs with emissions pathways. He noted that the low-carbon development strategies would be facilitated through a coordinating mechanism and a registry. Japan proposed language reflecting that NAMAs are obligatory and opposed language stating that NAMAs are conditional on developed country support. He supported intensity targets for major developing countries.

The Philippines, for the G-77/China, highlighted that NAMAs are distinct and separate from mitigation commitments by developed countries in terms of both their magnitude and legal nature. She stressed the need to implement Convention Article 4.7, which indicates that action by developing countries is related to the effective implementation by developed countries of their commitments on the transfer of financial resources and technology. She said MRV should only apply to actions enabled by financial, technological and capacity-building support by developed countries, which must also be subject to MRV. She identified the need to find ways to internationally recognize actions implemented by developing countries using their own resources.

Several developing countries highlighted the link between NAMAs and developed country support, and stressed that support for NAMAs must be additional. Saudi Arabia, the Gambia, Mexico, China and others indicated that NAMAs should be voluntary. China highlighted the need for flexibility, enabling developing countries to choose mitigation actions based on their national circumstances. India, Malaysia and others stressed the need to use language compatible with the Convention and opposed proposals to define “developing countries.” India proposed deleting language contrary to this, including references to low-emissions development strategies.

Switzerland said NAMAs should reflect countries’ evolving capabilities and lead to quantifiable results, saying action by the most advanced developing countries should result in measurable deviation from business-as-usual. Pakistan expressed concern with terminology such as “emissions pathways” and “deviation from baseline,” and said differentiation of developing countries is extraneous to the AWG-LCA’s work and the BAP. He proposed a chapeau clearly delineating developing countries’ overriding priorities of economic growth and poverty eradication. Bolivia stressed that NAMAs will only be implemented after developed countries have complied with their finance and technology commitments.

Brazil underscored the importance of recognizing unilateral actions by developing countries, and highlighting unilateral actions are not NAMAs. Mexico said the text does not reflect the large number of unilateral actions already undertaken by developing countries.

The Republic of Korea highlighted his country's proposal for a NAMA registry and expressed willingness to consider related proposals by other countries. China said a possible registry should include both actions and support. Pakistan identified the need to further work on text relating to registries and to the support and accreditation mechanism. Bolivia said she was unconvinced about the usefulness and necessity of a registry.

The EU and New Zealand urged that the option of generating offsets from NAMAs not be excluded, while Tuvalu objected to using NAMAs to generate offsets.

Switzerland said NAMAs benefiting from financial and technological support or carbon credits must be verified according to guidelines that will need to be developed under the COP. The US noted that in order to ensure scaled-up financial support, it is important to understand country strategies through MRV and identification of specific mitigation potentials.

Norway underscored the importance of national greenhouse gas inventories, proposing that they be prepared and submitted annually, and said their expert review should be ensured. The EU stressed the need for: more frequent inventories supported by capacity building, technology transfer and finance; monitoring at the national level; strengthened reporting requirements; and verification supported by expert review.

The African Group stressed that MRV should consider national circumstances and that the decision to report should be unilateral. China and others stressed that MRV only applies to supported NAMAs, and identified the need to enhance the text concerning MRV of support. The African Group stressed that MRV of both finance and NAMA support is important. Pakistan called for a MRV mechanism that is independent from national communications. Ghana opposed additional reporting requirements on developing countries. Bangladesh stressed LDCs should not be required to implement NAMAs or periodically submit national communications. Tuvalu noted that reporting requirements would be less for unilateral NAMAs than for the others.

On *REDD-plus*, the Philippines, for the G-77/China, stressed that REDD activities should receive appropriate financial and technological support. South Africa, for the African Group, favored a broad scope for REDD, not limited to forestry.

The EU highlighted a link between REDD-plus actions and low-carbon development strategies. He called for a clear reference to the ambition level, and ensuring that parties are ready to introduce REDD policies and have the requisite capacity.

New Zealand supported including an article establishing a REDD or REDD-plus mechanism. He called for a process to define scope, and options to address non-permanence. Norway called for a phased approach and, supported by the EU, emphasized the need to establish safeguards for biodiversity.

Brazil, Bolivia and Tuvalu supported addressing REDD in the context of NAMAs, and opposed offsetting. India, supported by Togo, highlighted the need for an explicit definition of REDD-plus actions.

Tuvalu, Paraguay and Bolivia requested reference to the UN Declaration on the Rights of Indigenous Peoples. Underscoring difficulties with the overall framework for addressing REDD under the Convention, Tuvalu noted the need to address demand-

side drivers of deforestation and forest degradation. Mexico proposed introducing language on the co-benefits of REDD-plus actions, as well as taking into account the distribution of benefits to local and indigenous communities.

Papua New Guinea opposed including reference to other non-forest land-use activities, and said discussions on including REDD in NAMAs were premature. He suggested limiting leakage discussions to domestic leakage, and opposed subnational accounting.

The US said the text should include language encouraging all parties to consider actions that relieve pressure on forests and land, which result in emissions. He said a broader view of REDD-plus must be taken, considering the dynamic links between population growth, consumption patterns and land-use decisions.

Japan highlighted the co-benefits of sustainable forest management, called for clarification of the meaning of permanence, and said accounting should take place at the national level. Colombia said the text should reflect national circumstances and be flexible, and said NAMAs and REDD were not necessarily "mixed." Panama, supported by Paraguay, stressed that REDD-plus and NAMAs should be kept separate to reflect the importance of REDD-plus as an option for reducing emissions.

Paraguay said addressing the socioeconomic consequences of REDD-plus requires reflecting the underlying causes of deforestation and emissions, which are linked to consumption patterns.

Australia called for a forest carbon market in the post-2012 regime, and noted the aspiration to expand REDD-plus to broader coverage of the land sector. She also supported: voluntary participation; robust, transparent and simple MRV; an effective and efficient governance framework to minimize transaction costs; and capacity building that supports non-climate outcomes.

China stressed voluntary participation, suggested deleting reference to land use, noted connections to sustainable development, and said REDD should not be an offset mechanism.

On means of implementation, the African Group, Bolivia, El Salvador and Paraguay expressed preference for the use of public funds as opposed to market mechanisms, while India and Indonesia supported a combination of market and non-market approaches.

Papua New Guinea stressed that readiness funding must come from multiple sources, and that market-based reductions must be additional and not simply part of an offsetting mechanism. Colombia supported MRV of finance for readiness by developed countries and said language on finance for REDD-plus should be strengthened and specific resources identified.

Tuvalu supported new and innovative sources of funding, and opposed using market mechanisms for REDD, noting they can lead to problems associated with leakage, permanence and additionality. He also supported a REDD funding window in a broader climate change fund.

The US said some of the MRV elements should be included within the broader MRV section under mitigation. Papua New Guinea supported use of Intergovernmental Panel on Climate

Change (IPCC) guidelines and methodologies, saying that verification of actions should be undertaken by an expert review team under the COP, and that verification of support should be done by a technical panel with developing and developed country representatives.

Noting the increase in costs created by the proposed MRV, Paraguay called for commitments to cover these costs and expressed preference for a funding mechanism under control of the COP. India stressed that MRV of actions should be limited to supported actions, and that MRV of support should be elaborated and specified, stressing that the two are complementary.

On *economic and social consequences of response measures*, Saudi Arabia opposed a structural proposal by some parties to hold the whole section in abeyance pending results of relevant work under the joint SBSTA/SBI contact group and the AWG-KP. Japan opposed creating a forum focused on sharing information, experiences and views on the economic and social consequences of response measures. Tuvalu urged focusing on low-income countries, and particularly the effects on women and children. He stressed that policies and measures should be undertaken to ensure mitigation does not contribute to deforestation and forest degradation.

On *approaches to enhance cost-effectiveness of mitigation actions, including markets*, the EU called for a common vision on how the global carbon market may develop, taking into consideration the relationship between the market mechanisms created under the Protocol and those being proposed under the AWG-LCA. Japan expressed reservation with options seeking to limit to 10% the provision of credits for offsetting reduction targets of developed countries. Tuvalu expressed concern over the use of Protocol terminology in the text, emphasizing that the AWG-LCA's work should not be a substitute for the extension of the Protocol into a second commitment period.

On *cooperative sectoral approaches and sector-specific approaches*, the G-77/China said that sectoral efforts may contribute to, but should not replace, legally-binding mitigation commitments by Annex I countries. With respect to mitigation by developing countries, she said sectoral efforts could be included in "the toolbox for NAMAs." Tuvalu said sectoral approaches would be better considered under NAMAs, and cautioned against creating a new sectoral offsetting mechanism. Algeria stressed that sectoral approaches and sector-specific actions should not be used to circumvent or undermine differences between Annex I and non-Annex I countries. Japan supported incorporating sectoral approaches into finance and technology mechanisms, and proposed establishing a sectoral advisory group, which would match support and actions to achieve emission reductions.

The EU and Australia highlighted the need for global action regarding the maritime and aviation sectors. Australia proposed: an indicative global emission reduction goal for each of the two sectors; commencing negotiations on two new treaties to address emissions from aviation and maritime transport under the UNFCCC; and concluding the negotiations by COP 17. Algeria expressed concern that significant constraints could be imposed on developing country airlines, and said they should be exempt or given financial and technical support without incurring incremental costs.

Tuvalu highlighted opportunities for bunker fuels to generate new sources of funding, while noting that more focused work on bunker fuels was being done under the AWG-KP.

Outcome: The revised negotiating text contains an 82-page chapter on "Enhanced action on mitigation." It contains structural proposals, as well as headings from A to E. Headings for sections A and B contain bracketed language relating to mitigation by developed and developing countries. Section C relates to REDD-plus, section D covers cooperative sectoral approaches and sector-specific actions and section E contains bracketed language on enhancing cost-effectiveness of mitigation actions and market mechanisms.

Shared vision: The Chair's draft negotiating text (FCCC/AWGLCA/2009/8) contained a chapter on "A shared vision for long-term cooperative action." On Friday, 12 June, delegates made general comments on a shared vision for long-term cooperative action, as well specific comments on the revised draft negotiating text, combining the first and second reading in one session.

Many delegates called for a shared vision that is: aspirational and ambitious, includes a long-term goal and reflects urgency in addressing climate change; guided by the objective of the Convention; taking into account common but differentiated responsibilities; and based on sound science. Many also underscored that the shared vision should reflect all four building blocks of the BAP.

The Philippines, for the G-77/China, said a shared vision is already reflected in the Convention and further strengthened in the Protocol. She highlighted implementation gaps with respect to finance and technology to enable and support mitigation and adaptation, which she said should be on equal footing.

Antigua and Barbuda, for AOSIS, said a shared vision should include an ambitious, concrete and measurable long-term target, and that minimizing the negative impacts on SIDS and LDCs should be one of the benchmarks for assessing the adequacy of the long-term goal. She called for stabilization well below 350 parts per million (ppm), a temperature increase limited to below 1.5°C.

The EU called for "a compelling overarching narrative" on where the global community needs to be to address the climate crisis. He stressed the need for an operational and concrete long-term goal, including a temperature rise of below 2°C, a mid-century global reduction goal of 50% compared to 1990 levels, and the need for emissions to peak by 2020. The Republic of Korea supported a global goal of a 50% emission reduction by 2050, and called for a paradigm shift to a low-carbon economy.

India said a global goal for emission reductions cannot be dealt with in isolation from enhanced action on mitigation, adaptation, finance and technology, which should be addressed simultaneously and not sequentially. He said stabilization, either of greenhouse gas concentrations or temperature rise, is inseparably linked to the question of an equitable allocation of the global atmospheric resource, which is needed for developing countries to achieve sustainable development.

Japan said the shared vision should be shared by the entire world, and urged all to take mitigation actions with an enlightened sense of solidarity, in accordance with their common but differentiated responsibilities. He said the shared vision

should address the long-term goal, and that mid-term objectives and aggregate numbers for Annex I parties should be covered in the mitigation section. He stressed peaking emissions in 10-20 years, building a low-carbon society and radical technological development.

Pakistan emphasized a shared vision as an equitable or fair sharing of the carbon space, and said long-term cooperative action should be guided by the best available scientific evidence. Iran stressed the importance of the precautionary principle. Norway said setting short and medium-term goals must be science driven, and that a 50% reduction by 2050 requires changes in consumption and living patterns.

China highlighted a mid-term reduction goal for developed countries of 40% based on 1990 levels by 2020. He underscored that a long-term goal should be based on sound science and economic and technical feasibility, and on an equitable distribution of atmospheric space supported and enabled by adequate technology, finance and capacity building. New Zealand said a shared vision should be a concise statement of political will, and stressed the need for a "crystal clear" long-term global goal for emission reductions.

The US said the shared vision should be inspirational and contain a goal for the world to aspire to, and stressed the importance of a comprehensive strategy at national and global levels to achieve a low-emissions future. He said many of the ideas in the text may be more appropriate in the context of a high-level statement or COP decision, particularly those not relevant to the longer-term vision. Supporting a long-term global goal for emission reductions, he said the metric still remains open and unresolved. Noting the goal should be aspirational, rather than operational, he said reference to mid-term targets should be placed under the mitigation section.

Indonesia said the shared vision requires an integrated approach on how to define global goals through not only emission reductions, but through adaptation, finance and technology, taking into account the needs of developing countries. He stressed the need for sustainable coastal and marine ecosystems, and welcomed proposals on oceans and climate change.

South Africa, for the African Group, stressed the urgent need for new and predictable means of implementation, including support for finance, capacity building and technology. She said the long-term goal must be underpinned by ambitious mid-term targets based on sound science. Australia supported stabilization at 450 ppm CO₂ equivalent or lower, galvanizing adaptation to assist the most vulnerable, and a clear path to achieving a peak in emissions no later than 2020. She said strong action by developed countries would give confidence to developing countries.

Uganda, for LDCs, said the shared vision should provide an aspiration and guide for all parties and people of the world. He supported: stabilization levels below 1.5°C; actions by all countries, including LDCs; the need to reflect the element of time and urgency in the shared vision; and concrete and practical actions to adapt to the impacts of climate change.

Iceland called for a clear, brief and easily understandable shared vision that inspires ownership by ministers. He said it should provide a pointed message on the urgency of climate

change, and supported limiting temperature rise to 2°C above preindustrial levels, and a mid-term goal between 25-40% by 2020.

Switzerland said the shared vision should call for urgency, and provide a synthesis of medium- and long-term aims. He said language on a paradigm shift to low-emission development pathways should be reflected in the text, as should limiting temperature rise to well below 2°C. He requested mention of agriculture, reflecting links between land use and sustainable development, mitigation and adaptation, and particularly in the context of food security and poverty reduction.

The Marshall Islands supported reference to the survival challenges facing the most vulnerable, particularly SIDS, intergenerational equity and state responsibility. She stressed using the best available science and the precautionary principle, and said, based on IPCC Fourth Assessment Report, real and serious threats exist for low-lying atoll nations. She said their survival as sovereign nations is in the hands of the negotiators in the room. Brazil supported a long-term global goal as an aspirational reference, taking into account historical responsibility, equity and common but differentiated responsibilities, and the need for sustainable development and growth and eradicating poverty.

Paraguay called for reflecting the importance of biodiversity and the role of indigenous peoples and local communities, noting they can facilitate adaptation to adverse situations. He underscored the need for rethinking the current economic model.

Bangladesh noted the need to include the aspiration to stabilize greenhouse gas concentrations below 350 ppm. Saudi Arabia stressed including the principle of historical responsibility and burden sharing. Bolivia said that focus should be on developed countries in terms of climate and historical emissions debt.

Outcome: The revised negotiating text contains an 18-page chapter on "A shared vision for long-term cooperative action," which includes various formulations as to how the shared vision should be expressed, as well as proposed preambular language and operational paragraphs.

OTHER MATTERS: Legal form of the outcome: On Tuesday and Wednesday, 4-5 June, Chair Zammit Cutajar held informal consultations on the legal form of the AWG-LCA's outcome. Various options and related issues were discussed, including: COP decisions and their legal nature; proposals for protocols; and the legal nature of implementing agreements.

Several parties maintained that discussions on legal form were premature and should be postponed until COP 15. Parties expressed different views on whether the language in the BAP precludes the AWG-LCA from considering its legal outcome or negotiating a new protocol, and whether it limits the AWG-LCA's outcome to a COP decision. Some proposed that the outcome should be a COP decision or several COP decisions, while others called for a legally binding instrument in Copenhagen.

Some parties stressed that "the form should follow the function," all options should be kept on the table and the legal form should be decided on the basis of the substantive outcome in Copenhagen.

In the AWG-LCA opening plenary on 1 June, the Secretariat noted a proposal from Japan for a draft protocol to the Convention (FCCC/CP/2009/3) to be communicated to parties in accordance with Convention Article 17 (Protocols). During the meeting, four similar requests were made by: Tuvalu (FCCC/CP/2009/4); Australia (FCCC/CP/2009/5); Costa Rica (FCCC/CP/2009/6); and the US, concerning a draft implementing agreement (FCCC/CP/2009/7). The Secretariat clarified that the proposed new instruments would be included in the provisional agenda of COP 15 under an item related to the consideration of proposed protocols, and that consideration of the negotiating text was a separate process under the AWG-LCA. Discussions on legal form of the outcome will continue during subsequent AWG-LCA sessions.

Organization of further work: The AWG-LCA Chair also held informal consultations on organization of further work. Reporting on the outcomes to the AWG-LCA closing plenary on Friday, 12 June, he explained that the AWG-LCA would move into a third phase in August, characterized by work in five informal groups. He clarified that only two groups, open to all parties and observers, would meet at any one time and said efforts would be taken to ensure related matters are not addressed at the same time. He noted plans to conduct further informal consultations on the legal form of the outcome and on other issues, as identified, and explained that interpretation would be provided during the informal plenary sessions and, to the extent possible, at the meetings of informal groups.

He then noted a proposal by some parties for an informal session prior to the August meeting to explain their proposals. Some parties expressed concern that such a session would conflict with group coordination prior to the meeting and noted that such an event should not prejudice the final outcome. India opposed such an event as it falls outside of the AWG-LCA's mandate. The US supported the opportunity for parties to better understand each other's positions.

CLOSING PLENARY: On Friday morning, 12 June, the AWG-LCA closing plenary convened and parties adopted the meeting's report (FCCC/AWG/LCA/2009/L.3). SBSTA Chair Helen Plume (New Zealand) reported on relevant SBSTA and SBI conclusions, including the SBSTA's work on REDD.

The International Maritime Organization (IMO) discussed relevant work being undertaken by his organization, highlighting the next meeting of the Marine Environment Protection Committee (MEPC). He said the MEPC would also give further consideration to market-based reduction measures, including a maritime emission trading scheme and an international compensation fund for emissions from ships, based on a global levy. He said the regulatory package, to be adopted in July, demonstrates that the IMO is able and ready to deliver the necessary global regime to regulate emissions from international shipping. Saudi Arabia noted that there is an established procedure for dealing with the issue of bunker fuels through SBSTA and objected to further reports by IMO and International Civil Aviation Organization (ICAO) on these issues due to its sensitivity.

Sudan, for the G-77/China, reiterated that the AWG-LCA process must continue to be an open, transparent, party-driven and inclusive process focusing only on the full, effective and

sustained implementation of the Convention, as mandated by the BAP. He called for all documents to be translated into all six UN languages and highlighted challenges in coordinating common positions as the process moves rapidly forward.

Highlighting the 200-page negotiating text, Barbados, for AOSIS, expressed concern with the pace of negotiations and called for a significant acceleration and a more balanced allocation of work in future sessions. He concluded by urging parties not to be "too late" in responding to the challenge of climate change.

Lesotho, for LDCs, urged securing the existence of the most vulnerable and tackling the negotiations with renewed commitment. Algeria, for the African Group, stressed the need for a focused intensification of work, transparency and full inclusion of all delegations in discussions. She stressed early information on the organization of work and translation of the text into all six languages.

The EU welcomed progress made, said the text is now "ours," and stressed the need to urgently accelerate the pace of negotiations. He said the text must be brought down to digestible proportions, and further consolidated.

Costa Rica highlighted their national target of carbon neutrality by 2020 and urged other parties to join them in setting ambitious and visionary targets, noting that the sooner parties depart from high-emission trajectories, the easier it would be.

Bolivia gave the floor to an indigenous representative, who stressed that indigenous peoples are already feeling the effects of climate change, and that it is breaking their communication lines with ancestral knowledge, and urged parties to consider future generations.

Bangladesh called for a "great quantum leap forward" by all parties to rise to the occasion and strike a great and ambitious deal in Copenhagen.

Chair Zammit Cutajar expressed his appreciation to the Secretariat and interpreters and hoped that "the winds would pick up" in order to get a good result in Copenhagen. He gavelled the meeting to a close at 1:43 pm.

AD HOC WORKING GROUP ON FURTHER COMMITMENTS BY ANNEX I PARTIES UNDER THE KYOTO PROTOCOL

AWG-KP Chair John Ashe (Antigua and Barbuda) opened AWG-KP 8 on Monday, 1 June. He highlighted the six-month rule, noting that Protocol amendments proposed for adoption in Copenhagen must be communicated to parties by 17 June 2009. Parties adopted the agenda and organization of work (FCCC/KP/AWG/2009/6). Sudan, for the G-77/China, expressed concern at the "extremely slow progress" in completing milestones under the AWG-KP's work programme. Grenada, for AOSIS, stated that the unilateral targets presented by Annex I parties so far have "virtually no chance" of limiting global warming to below 2°C, and called for a 45% reduction in Annex I emissions from 1990 levels by 2020, and a reduction of more than 90% from 1990 levels by 2050.

Venezuela stated that consideration of the flexibility mechanisms is beyond the mandate of the AWG-KP. Malaysia stressed the need to focus on amendment of Protocol Annex B, stating other issues could be considered later, while Tuvalu

emphasized the need to address issues such as extending the share of proceeds. Colombia supported extending the share of proceeds to joint implementation and emissions trading.

The EU underscored that the AWG-KP's mandate allows discussion of all issues affecting Annex I parties' further commitments. Switzerland, for the Environmental Integrity Group, underscored the importance of discussing general improvements to the Protocol. Australia, for the Umbrella Group, stated that the texts on Annex I parties' further commitments and other issues must be considered as a package.

The EU, the Environmental Integrity Group and others underscored the need for coordination with the AWG-LCA. Japan called for mitigation by all major economies and stated that a simple Protocol amendment would be an unacceptable outcome in Copenhagen. The Russian Federation highlighted that the current Protocol is "not a fair and comprehensive agreement," and he called for merging the two AWGs and ensuring a single agreement in Copenhagen under the Convention. For more details on the opening statements, see <http://www.iisd.ca/vol12/enb12411e.html>.

ANNEX I FURTHER COMMITMENTS: This item includes sub-items on proposals for Protocol amendments under Article 3.9 (Annex I further commitments) and on other issues outlined in the AWG-KP's work programme. The item was first considered during the AWG-KP opening plenary on 1 June, where parties agreed to take up jointly the two sub-items.

Chair Ashe introduced the relevant documents (FCCC/KP/AWG/2009/5, 7 and 8; FCCC/KP/AWG/2009/MISC.8 and Add.1; FCCC/KP/AWG/2009/MISC.9 and Add. 1-2; FCCC/KP/AWG/2009/MISC.10; FCCC/KP/AWG/2009/MISC.11 and Add. 1; FCCC/KP/AWG/2008/8). Parties agreed to establish three contact groups on:

- Annex I parties' further emission reductions (paragraphs 49(a) and (b) of the AWG-KP's work programme), co-chaired by Leon Charles (Grenada) and Gertraud Wollansky (Austria);
- other issues (paragraph 49(c) of the AWG-KP's work programme), chaired by AWG-KP Vice-Chair Harald Dovland (Norway); and
- legal matters, co-chaired by Sandea De Wet (South Africa) and Gerhard Loibl (Austria). On the legal matters group, parties agreed that it would only consider issues referred to it by the two other contact groups.

Bolivia urged that the time allocation reflect the importance of emission targets and legal matters.

As requested by AWG-KP 7, AWG-KP Chair Ashe had prepared two documents for the session: a proposal on Protocol amendments pursuant to Article 3.9 (FCCC/KP/AWG/2009/7); and a text (FCCC/KP/AWG/2009/8) on issues outlined in the AWG-KP's work programme (FCCC/KP/AWG/2008/8). These "other issues" include: the flexibility mechanisms; LULUCF; greenhouse gases, sectors and source categories; common metrics to calculate CO₂ equivalence of anthropogenic emissions by sources and removals by sinks; and methodological and other issues.

At the meeting, the contact groups worked to include all proposals and streamline the documents, while AWG-KP Chair Ashe held informal consultations on how to move forward with the resulting documents. According Protocol Articles 20.2

and Article 21.3, proposed amendments to the Protocol and its annexes must be communicated to parties through the Secretariat six months prior to the meeting where they are proposed for adoption. The deadline for communicating amendment proposals for adoption by COP/MOP 5 closing plenary is 17 June 2009.

Some parties would have preferred to give the AWG-KP Chair a mandate to prepare text on proposed Protocol amendments based on the two documents, and request the Secretariat to circulate the text in compliance with the six-month rule. However, parties did not reach consensus on such a request. Instead, they agreed to state that documentation prepared by the AWG-KP Chair "does not constitute" text for possible Protocol amendment to be communicated to parties by the Secretariat under Protocol Articles 20.2 and 21.3.

During the AWG-KP closing plenary, several parties and groups of parties, including Australia, Tuvalu, Colombia, the EU and Brazil, on behalf of 37 developing countries, indicated that they had already submitted or were planning to submit Protocol amendment proposals for communication in accordance with the six-month rule.

Parties also agreed that the AWG-KP Chair is to prepare "documentation" building upon the work at AWG-KP 8. It is expected that such documentation will be based on non-papers that were developed at AWG-KP 8 relating to Annex I parties' emission reductions and "other issues." Detailed discussions on these issues are summarized below.

AWG-KP Conclusions: In its conclusions (FCCC/KP/AWG/2009/L.10), the AWG-KP, *inter alia*, agrees to continue discussions on Annex I parties' aggregate, and individual or joint emission reductions, as well as other issues, at its informal meeting in August 2009. It encourages parties to submit, before August 2009, views on the need for information and data to facilitate parties' understanding of the implications of the options for treatment of LULUCF discussed at AWG-KP 8.

The AWG-KP also invites the AWG-KP Chair to prepare, under his own responsibility, "documentation" to facilitate negotiations among parties, building upon the work of AWG-KP 8, on:

- proposed Protocol amendments under Article 3.9;
- other proposed amendments to the Protocol; and
- draft decisions on other issues identified in paragraph 49(c) of the AWG-KP's work programme.

The AWG-KP recognizes that this documentation: shall reflect proposals, views and discussions by parties in a comprehensive manner; does not prejudice the content of the AWG-KP's outcome; does not reflect consensus among parties regarding the possible contents, form or structure of the results of the work of the AWG-KP, and their subsequent adoption by COP/MOP 5; and does not constitute a text for proposed amendments to the Protocol to be communicated to parties pursuant to Protocol Articles 20.2 and 21.3.

The AWG-KP also agrees that consideration of this documentation should be undertaken in line with the iterative nature of its work programme, and requests the AWG-KP Chair to revise the documentation for each session, drawing on the discussions among parties at each of these sessions and at the informal meeting in August 2009. The AWG-KP agrees to consider such revised documentation and any further relevant

submissions made by parties at AWG-KP 9, and requests the Secretariat to make the revised documentation available at least three weeks before the session.

Annex I emission reductions: The issue of Annex I further commitments was taken up in plenary on 1 June, and the sub-item on Annex I emission reductions was subsequently considered in contact group discussions and informal consultations. No separate conclusions were adopted.

During the AWG-KP closing plenary on Friday, 12 June, Co-Chair Charles reported that three non-papers had come out of the discussions: two Co-Chairs' non-papers compiling parties' views regarding amendments to Protocol Annex B and Protocol Article 3; and the Secretariat's non-paper compiling information relating to possible individual targets as submitted by parties.

The AWG-KP had agreed in its 2009 work programme (FCCC/KP/AWG/2008/8), to adopt at AWG-KP 7 conclusions on the aggregate scale of Annex I emission reductions in the post-2012 period, and at AWG-KP 8 conclusions on Annex I parties' individual or joint contributions to the aggregate emission reductions. As no consensus was reached at AWG-KP 7 on the aggregate scale, parties agreed that this issue should be considered as "a key focus" of AWG-KP 8. Aggregate, as well as individual or joint emission reductions, were therefore the two main tasks for the contact group. The contact group also discussed other relevant issues, including the length and number of commitment periods, and the base year.

Japan indicated that any discussion of Annex I aggregate emission reductions cannot be conclusive without the participation of the US, a Protocol non-party. Japan, Australia, the Russian Federation, Belarus, the EU and many other developed countries stressed links with the AWG-LCA mitigation discussions.

On *Annex I parties' aggregate emission reductions*, the EU supported an aggregate reduction of 30% below 1990 levels by 2020. He explained that this proposed target is based on modeling showing a 50% probability of limiting global temperature to below 2°C, and clarified that although there would be an overshoot beyond 500 ppm, concentrations would come down to 450 ppm later in the century. He also said that the target assumes the continuation of the Clean Development Mechanism (CDM), but does not consider LULUCF.

The Federated States of Micronesia, for AOSIS, proposed an aggregate reduction target of 45% below 1990 levels by 2020 for all Annex I countries, including a substantial deviation from business-as-usual by non-Annex I countries and a significant reduction in deforestation levels. She explained that the target is motivated by the goal of limiting global temperature increase to below 2°C and ultimately to below 1.5°C, and involves a less than 25% probability of exceeding 2°C.

There were also discussions on the proposal for an "X%" aggregate reduction, with Canada clarifying that the idea behind this proposal was to reflect the fact that some Annex I countries are not involved in the AWG-KP discussions.

Japan explained his country's proposal for a new protocol to either replace or substantially amend the Kyoto Protocol. He stressed the need to involve all major emitting economies. He said: the goal is a 50% reduction in global emissions by 2050; developed countries should take the lead by taking on emission

reduction targets; and developing countries should contribute by undertaking mitigation actions, which could be in the form of intensity targets. Brazil and Bolivia stressed that the introduction of a new protocol could take up to 15 years.

South Africa and the Philippines proposed an aggregate scale of Annex I reductions of 40% below 1990 levels by 2020. South Africa clarified that this target does not include offsetting, only domestic actions. Switzerland pointed out that parties already agreed at AWG-KP 5 that the flexibility mechanisms would continue to be available to Annex I parties to meet their reduction commitments.

Norway said their proposed reduction target of 30% below 1990 levels by 2020 accounts for offsetting mechanisms, highlighting, however, that two-thirds of the target would be met by domestic actions.

India said Annex I parties' commitments should be calculated based on "discharge of historical responsibility," which would point to Annex I aggregate reductions of 79.2% below 1990 levels by 2020. The EU questioned the concept of historical responsibility, stating that it is not based on the Convention.

The EU, Norway, Australia and others clarified that their proposals apply to all developed countries, and AOSIS, the Philippines and South Africa specified that their proposed ranges are for all Annex I countries with no distinction between Protocol parties and non-Protocol parties.

The Philippines asked whether there had been any attempt to aggregate the individual targets proposed by Annex I parties in their joint submission (FCCC/KP/AWG/2009/MISC.8). Australia said they had aggregated the targets, but declined to present the numbers, stressing that they could not presume to speak for other parties by calculating a joint target. AOSIS stated that they had aggregated the numbers, and presented updated aggregate figures showing a 9-14% reduction below 1990 levels by 2020, without LULUCF, and 8-13% with LULUCF.

At the request of a number of parties, the Secretariat prepared a non-paper compiling and aggregating the emission reduction targets proposed by some Annex I parties. The non-paper showed a range of 17-26% reduction below 1990 levels by 2020, excluding LULUCF but including deforestation, and 16-24% including LULUCF.

Discussions then focused on issues relating to: the number and length of *commitment periods*; their starting date; and how to define targets in relation to the commitment period or periods. On the number and length of commitment periods, several parties highlighted the need to evaluate commitments in light of new science, including the IPCC's Fifth Assessment Report, expected to be finalized in 2014. Some parties also noted the need to regularly evaluate compliance with commitments.

On setting a *base year* or base period, South Africa, for the G-77/China, the EU, Switzerland, Norway, the Republic of Korea and AOSIS supported retaining 1990 as the base year. The Russian Federation also supported 1990, but added that multiple base years, with 1990 as one of them, would also be acceptable. Canada proposed using a more recent reference year. New Zealand supported 1990 as a base year, adding that a more recent reference year should also be included, as this better reflected parties' efforts and better addressed population changes. Japan said 1990 as a base year favors certain countries and supported

expressing commitments as absolute magnitudes, highlighting that this avoids base year questions. AOSIS said that multiple base years are confusing and, supported by Australia and New Zealand, said the commitments from the first commitment period should be retained in Annex B. Thailand suggested adding a column in Annex B for per capita emissions.

The last main issue discussed by the contact group was *Annex I parties' individual targets*. Several developed countries opposed using a specific formula to determine Annex I parties' individual targets, and identified some elements, which should be taken into account when determining individual targets, including: capability; mitigation potential; past and current achievements and actions taken; population trends; compliance costs; relative wealth of countries; and historical and current responsibility for emissions. South Africa, supported by China, India and others, proposed a criteria-based approach to inform individual targets that could then be agreed on. They also: underscored the need to set targets based on science; urged agreement on an aggregate range of emission reductions; and highlighted that the aggregate range calculated based on the pledges made by Annex I parties so far falls below the scale of emission reductions required by science.

South Africa explained their proposed Annex I individual targets, stating that the starting point for the proposal is an aggregate reduction range by Annex I countries of 40% below 1990 levels by 2020. He said this aggregate target was then allocated among Annex I countries based on responsibility and capability. The Philippines also presented their proposal, explaining that they used a similar methodology and criteria as South Africa, with different aggregate numbers as a starting point. He explained that the numbers they used were: a 30% aggregate reduction by Annex I countries in the second commitment period 2013-2017, and a 50% aggregate reduction in the third commitment period 2018-2022.

During the meeting, the Co-Chairs prepared a non-paper, which aimed to reflect the outcome of the contact group's discussions, and contained revised versions of the options set out in the AWG-KP Chair's text on protocol amendments (FCCC/KP/AWG/2009/7). Parties discussed this non-paper and highlighted issues, including: the status of the non-paper, and its relation to any negotiating text that may be forwarded to COP/MOP 5 in accordance with the six-month rule; and the appropriateness of inscribing in the document individual targets for Annex I parties other than the ones proposed by the parties themselves. Developing countries stressed the need to reflect the proposals for individual targets in the paper, which many developed countries opposed. Parties resolved this issue by deciding to have two non-papers prepared by the Co-Chairs. Overall, the discussions resulted in three non-papers: two Co-Chairs' non-papers compiling parties' views regarding amendments to Protocol Annex B and Protocol Article 3; and the Secretariat's non-paper compiling information relating to possible individual targets, as submitted by parties.

During the AWG-KP closing plenary, the Third World Network, for Environmental NGOs, urged developed countries to honor their historical responsibility, rather than increase their climate debt. She said a principle-based approach is the only way to determine Annex I parties' reduction targets in a fair and non-

arbitrary way, and called on Annex I parties to take sufficiently deep cuts. She also deplored attempts by some Annex I countries to "kill the Kyoto Protocol," and appealed to those countries to give up such attempts. The World Business Council for Sustainable Development, for Business and Industry NGOs, encouraged parties to continue collaborating with the business community, including through direct, enduring consultations on the design of new mechanisms.

Other issues: The mandate of the "other issues" contact group covered issues in paragraph 49(c) of the AWG-KP's work programme (FCCC/KP/AWG/2008/8).

Parties agreed to focus on LULUCF at this session and to create a "spin-off" group, co-chaired by Bryan Smith (New Zealand) and Marcelo Rocha (Brazil). Some, including the EU, Canada, Colombia and Panama, stressed the need to discuss the flexibility mechanisms.

Participants in the *LULUCF* spin-off group agreed that the Co-Chairs would prepare a non-paper incorporating both the proposals in the Chair's text (FCCC/KP/AWG/2009/8) and other textual proposals by parties. Using the new non-paper as a basis, parties focused their discussions on wetlands, natural disturbances, non-permanence, bar accounting and harvested wood products (HWP).

On wetlands, a number of countries stressed the need for symmetric language for sources and sinks. Two countries noted that peatlands are a subset of wetlands, suggesting that peatland accounting can be done, but that methodologies may not be sufficient to account for wetlands more broadly. One country also suggested referring to carbon stock change instead of greenhouse gas (GHG) emissions and removals, noting methodological concerns in accounting for non-CO2 GHGs. The text on these issues remains bracketed, reflecting these differences of opinions.

Parties also discussed connections between natural disturbances and non-permanence. On these two issues, one developed country stressed the need to avoid loopholes, and pointed to discounting as a way to deal with non-permanence and windfalls. However, one developing country expressed skepticism about the ability of discounting to deal with non-permanence. A group of developed countries stressed the need to avoid "parallel universe" accounting.

On bar accounting, the EU explained his proposal, noting that a bar-band approach can help smooth accounting for inter-annual variability. Some developing countries raised concerns that bar-setting would be time consuming and that a cap would still be needed above the bar. Some parties suggested that data submissions would be useful to evaluate how different countries would set their bars.

On HWP, parties worked largely outside of the meeting rooms to streamline the text, consolidating five options down to three. Parties were also able to consolidate two land-based accounting options.

The Co-Chairs prepared a revised non-paper based on the progress made and comments received. In the final informal session, most parties agreed the non-paper was useful, but some developing country parties said there was too much in the non-paper and expressed worries that it would slow progress toward setting targets. The Co-Chairs forwarded the non-paper to AWG-

KP Vice-Chair Dovland, who consolidated it with the results of his consultations on the other issues, and forwarded a combined non-paper to AWG-KP Chair Ashe.

On all issues except LULUCF and simplification of procedures for amending Protocol annexes, AWG-KP Vice-Chair Dovland led the parties through the relevant sections of the Chair's text on other issues (FCCC/KP/AWG/2009/8), ensuring that parties' proposals were adequately reflected. Proposals for simplification of procedures for amending annexes of the Protocol were forwarded to the contact group on legal matters, where participants consulted informally to streamline proposals by the EU and Japan into a single text and forwarded that text back to the "other issues" contact group.

POTENTIAL CONSEQUENCES: This issue was first considered by the AWG-KP plenary on 1 June. It was then referred to contact group discussions and informal consultations co-chaired by Mama Konate (Mali) and Paul Watkinson (France). The AWG-KP closing plenary adopted conclusions on 12 June.

Discussions took place largely in informal consultations. The key issues discussed included: relevant Protocol articles guiding work on potential consequences; vulnerability and the ability to adapt; how to improve understanding of potential consequences; the design of policies and measures to minimize negative consequences of mitigation actions; and implementation.

On coherence with other negotiating tracks, Australia argued that the group's work should be coherent with work in other UNFCCC processes and that some issues, such as technology transfer, were best left to other processes within and outside the Convention such as the joint SBSTA/SBI contact group on Protocol Article 2.3 (adverse effects of policies and measures) and Protocol Article 3.14 (adverse effects and impacts of response measures). The G-77/China stressed the need to refer to actual rather than potential consequences, highlighting that developing countries are already feeling these effects. The issue of economic diversification was stressed by Saudi Arabia, who supported its inclusion in the text as a way of mitigating potential consequences. The form of the output to be presented at COP 15 also was not decided. These issues remained unresolved, and the text was bracketed and annexed to the AWG-KP conclusions.

AWG-KP Conclusions: In its conclusions (FCCC/KP/AWG/2009/L.12), the AWG-KP forwarded bracketed draft text to the informal meeting in August 2009 for further discussion.

OTHER MATTERS: AWG-KP Chair Ashe consulted informally on further organization of work, and the AWG-KP closing plenary adopted conclusions on 12 June.

AWG-KP Conclusions: In its conclusions (FCCC/KP/AWG/2009/L.11), the AWG-KP, *inter alia*: agrees to undertake substantive discussions on proposals for Protocol amendments and other issues identified in paragraph 49(c) of its work programme, at its informal meeting in August 2009; requests the AWG-KP Chair to make similar arrangements for informal meetings of groups addressing Annex I parties' aggregate and individual or joint targets; and requests the Secretariat, in preparing for the August 2009 informal meeting, to make arrangements for a combination of open and closed meetings.

CLOSING PLENARY: The AWG-KP closing plenary took place in the afternoon of 12 June. Parties adopted the meeting's report (FCCC/KP/AWG/2009/L.9).

Several developing countries expressed disappointment with the outcome and targets pledged by Annex I parties. Sudan, for the G-77/China, pointed to a lack of commitment by Annex I parties to achieve a positive outcome. Grenada, for AOSIS, expressed disappointment that Protocol parties could not collectively trigger the six-month rule. She called for at least a 45% reduction by 2020 and 95% by 2050 in order to ensure the survival of small island states. Lesotho, for LDCs, highlighted that failure to combat climate change will increase poverty and threaten the livelihoods and existence of vulnerable countries.

Algeria, for the African Group, noted that the proposals made by Annex I parties fall far short of the Group's proposal for a 40% aggregate emission reductions target for Annex I parties, and said Annex I parties seem to be moving away from the leadership role assigned to them by the Convention. He opposed proposals to link the two AWGs. Bolivia urged targets that reflect the "climate debt" of developed countries. China stressed that success in Copenhagen requires that countries respect the mandate from the Bali Roadmap, and not reopen issues that have already been agreed.

Brazil lamented that "despite all efforts," the position of some Annex I countries prevented the AWG-KP from tabling text that will trigger the six-month rule for amending Annex B. He stressed that "if left unchecked," the outcome would "kill the possibility of setting a second commitment period." He announced that 37 developing countries have submitted a joint proposal on Protocol amendment, including a proposed aggregate emission reduction target for Annex I countries of at least 40% below 1990 levels by 2020, and individual quantified reduction commitments. India, South Africa and others announced that they had joined the amendment proposal, while also expressing support for such developing countries calling for a 45% aggregate emission reduction. Pointing to a significant gap between *per capita* emissions in developed and developing countries, the Gambia said he was "appalled" by strategies being put forward to replace the Kyoto Protocol.

Colombia indicated that her country had submitted to the Secretariat a proposal for Protocol amendments. Mexico highlighted interesting and useful discussions providing genuine understanding of the different proposals, but stressed that the AWG-KP is far from reaching its objective. Costa Rica called on developed countries to demonstrate how to have a "vibrant economy with energy efficient production and consumption."

The EU announced that it had submitted to the Secretariat a proposal for Protocol amendments, identifying the proposal as "one component," which does not prejudice the overall Copenhagen outcome. He underscored the difficulty of discussing comparable targets in the absence of some Annex I countries from the AWG-KP negotiations. With Japan, he called for strengthening links between the AWGs, identifying this as the only way to bring key issues under a single political package that everyone can agree upon in Copenhagen. Croatia and Turkey expressed dissatisfaction with some parties proposing targets for them.

AWG-KP Chair Ashe said the meeting had achieved “a deeper understanding of the various positions” and said the several Protocol amendment proposals submitted to the Secretariat provide a sufficient legal basis for parties to adopt Protocol amendments at COP/MOP 5. He closed the session at 4:50 pm.

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

SBSTA Chair Helen Plume (New Zealand) opened the session on Monday, 1 June, and parties adopted the agenda and organization of work (FCCC/SBSTA/2009/1).

NAIROBI WORK PROGRAMME: This issue (FCCC/SBSTA/2009/INF.3, FCCC/SBSTA/2009/MISCs 4 and 6) was first considered by the SBSTA plenary on 1 June. It was then referred to informal consultations co-facilitated by Kishan Kumarsingh (Trinidad and Tobago) and Donald Lemmen (Canada). The SBSTA closing plenary adopted conclusions on Wednesday, 10 June. Discussions reached a swift conclusion with parties noting that work under the Nairobi Work Programme (NWP) was well into its second phase and highlighting positive inputs by partner organizations.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.2), the SBSTA: notes contributions of parties and partner organizations in the implementation of the NWP; and recognizes the need to enhance the catalytic role of the NWP and increase outreach to relevant stakeholders at all levels.

TECHNOLOGY TRANSFER: This issue was first considered by the SBSTA plenary (FCCC/SBSTA/2009/INF.1) on 1 June. Bruce Wilson (Australia), Vice-Chair of the Expert Group on Technology Transfer (EGTT), reported on the EGTT’s work (FCCC/SB/2009/1-3 and summaries). The issue was then referred to a joint SBI/SBSTA contact group and informal consultations, co-chaired by Carlos Fuller (Belize) and Holger Liptow (Germany). Discussions were straightforward, with disagreements mainly on language. SBSTA plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.8), SBSTA:

- invites the AWG-LCA to consider, as appropriate, information contained in the EGTT reports on financing options and a long-term strategy, as well as the EGTT report on performance indicators, once it is finalized;
- welcomes the updated Technology Needs Assessment handbook and encourages non-Annex I parties to use the handbook when assessing their technology needs;
- notes the offer by the Government of Botswana to host the African regional workshop on preparing technology transfer projects for financing, to be held in August 2009; and
- requests the Secretariat to use the UNFCCC publication *Preparing and Presenting Proposals: A Guidebook on “Preparing Technology Transfer Projects for Financing”* in conducting this workshop.

SBSTA also requests the Secretariat to: widely disseminate the two EGTT reports on financing options and a long-term strategy, as well as the report on performance indicators once it is finalized; and prepare a report on the information required for using the performance indicators to support the review of the implementation of Convention Articles 4.1(c) and 4.5

(technology transfer), and to regularly monitor and evaluate the effectiveness of the implementation of the technology transfer framework, in accordance with decision 4/CP.13 (technology development and transfer), and make it available for consideration by SBSTA 32.

REDUCING EMISSIONS FROM DEFORESTATION IN DEVELOPING COUNTRIES: This issue (FCCC/SBSTA/2009/2; FCCC/SBSTA/2009/MISCs.1 and 2 and Add.1-2; and FCCC/TP/2009/1) was first considered by the SBSTA plenary on 1 June. It was then referred to a contact group and informal consultations, co-chaired by Lilian Portillo (Paraguay) and Audun Rosland (Norway). SBSTA closing plenary adopted conclusions on 10 June.

In the opening plenary, Switzerland, for the Environmental Integrity Group, called for a COP agenda item on REDD to ensure parallel discussions under the different bodies. Subsequent discussions were based on draft conclusions and a draft COP decision prepared by the Co-Chairs. Issues discussed included: whether to refer to “reference levels,” “reference emission levels,” or both; the role of indigenous peoples in developing and applying REDD-plus methodologies; whether to request developing countries to use the most recently adopted IPCC guidance and guidelines; independent review of forest monitoring systems; and elements to account for when establishing reference levels or reference emission levels.

On reference levels and reference emission levels, some parties sought to refer simply to “reference levels” as a general term that encompasses reference emission levels and other relevant reference levels. Indicating that reference emission levels are associated only with deforestation and forest degradation, some parties insisted on referring to both in order not to prejudge the outcome in Copenhagen.

On the role of indigenous peoples, a number of countries stressed the importance of indigenous peoples and their knowledge in monitoring, reporting and reference-setting activities. One developing country expressed concern about the ability of indigenous peoples’ knowledge to produce sufficiently robust monitoring methodologies. Although the appended draft decision is bracketed, parties tentatively agreed to recognize the need for full and effective engagement of indigenous peoples and local communities in monitoring and reporting of REDD-plus activities.

They were unable to agree to request parties to use the most recent IPCC guidance and guidelines, with some parties seeking their use “as appropriate.” The phrase remains in brackets in the draft decision and will be discussed at SBSTA 31. On independent review of forest monitoring systems, parties debated whether the results, or the system itself, should be open to independent review. Some developed countries sought language indicating that the monitoring systems and their results be open to independent review. One developing country requested that the text be bracketed.

On establishing reference levels and reference emission levels, broad agreement existed that, *inter alia*, national circumstances, respective national capabilities and capacities, and historical data be taken into account. In the final informal meeting, one forested developing countries suggested that adjustments for expected future emission trends be taken into account and another

suggested that legislation under development also be taken into account. There was insufficient time to discuss these proposals and they were bracketed for further discussion at SBSTA 31.

At the suggestion of a number of developing countries, the title of the appended draft decision now includes mention of conservation, sustainable management of forests and enhancement of forest carbon stocks.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.9), SBSTA recognizes that in order to generate accurate and precise data and information for establishing reference emission levels and reference levels, and for establishing and operating monitoring systems, there are research priorities and capacity-building needs. SBSTA also notes that it may need to consider further guidance on methodological issues in accordance with any relevant decisions adopted at COP 15.

The conclusions contain a bracketed draft COP decision as an annex. The bracketed decision, *inter alia*: encourages all parties in a position to do so to support and strengthen developing countries' capacities to collect, access, analyze and interpret data in order to develop estimates; and recognizes the need for full and effective engagement of indigenous peoples and local communities in monitoring and reporting REDD-plus activities.

RESEARCH AND SYSTEMATIC OBSERVATION: This issue (FCCC/SBSTA/2009/MISCs 5 and 8; FCCC/SBSTA/2009/MISC.7 and Add.1; and FCCC/SBSTA/2008/MISC.11) was first considered by the SBSTA plenary on 1 June. It was subsequently taken up in a dialogue on research activities relevant to the Convention, which took place on Wednesday, 3 June. For more details on the dialogue, see: <http://www.iisd.ca/vol12/enb12413e.html>.

The issue was also the subject of extensive discussions in informal consultations coordinated by Sergio Castellari (Italy) and Clifford Mahlung (Jamaica). The SBSTA closing plenary adopted conclusions on 10 June.

On research, discussions in the informal consultations focused on the utility of the dialogue, with participants widely agreeing on its usefulness and supporting its continuation. Some developing countries stressed the importance of building research capacity in developing countries, in particular with respect to research supporting adaptation efforts. Many developed countries noted that significant efforts already exist. Parties eventually agreed to encourage enhancing existing efforts.

On systematic observation, participants considered the Global Climate Observing System (GCOS) implementation plan. Parties disagreed about whether to note all of the priority items identified in the GCOS report, or to focus on particular items. In addition, some countries sought reference to the provision of resources for addressing the priorities and gaps identified in the plan, while others suggested that this was outside the mandate of the group. Parties eventually agreed to list all the priority items, and to urge steps to address, in particular: the implementation of the GCOS regional action plans, and ensuring sustained long-term operation of essential *in situ* networks, including through the provision of the necessary resources.

Participants expressed satisfaction with the proposal contained in the updated progress report for a joint terrestrial framework mechanism between relevant UN agencies and the International Organization for Standardization, and encouraged the Global

Terrestrial Observing System secretariat and sponsoring agencies to implement the framework. They also noted the importance of coordinating space-based components of GCOS, including coordinated response to the needs identified in the GCOS Implementation Plan through the Committee on Earth Observation Satellites.

The consultations also took up potential links to the AWG-LCA, with some noting that although research and systematic observation are not pillars of the BAP, they underpin the implementation of the Convention.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.6), SBSTA, *inter alia*:

- affirms the valuable role of the research dialogue in providing new scientific information that emerges from climate change research between IPCC Assessment Reports, and agrees that meetings under the dialogue should continue;
- encourages research programmes and organizations to enhance their efforts towards greater integration of climate-related research across disciplines;
- encourages parties and research programmes and organizations to enhance their existing efforts to build capacity for research in developing countries, in particular those aimed at supporting adaptation efforts; and
- invites the AWG-LCA to note that research and systematic observation need to be strengthened, particularly in developing countries.

The draft COP decision (FCCC/SBSTA/2009/L.6 and Add.1), *inter alia*, urges parties to work towards addressing the priorities and gaps identified in the GCOS progress report (FCCC/SBSTA/2009/MISC.7), in particular the implementation of the GCOS regional action plans, and ensuring sustained long-term operation of essential *in situ* networks, including through provision of the necessary resources.

METHODOLOGICAL ISSUES (CONVENTION):

Review of Annex I parties' greenhouse gas inventories: This issue (FCCC/SBSTA/2009/INF.2) was first considered by the SBSTA plenary on Tuesday, 2 June. It was referred to informal consultations, chaired by Anke Herold (Germany). The SBSTA closing plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.7), SBSTA emphasizes the urgent need to strengthen the capacity of the Secretariat regarding reporting and review. It also requests that the Secretariat: develop an updated training programme; enhance training activities; add an additional post responsible for quality assurance of review activities; develop enhanced analytical materials on methodologies and guidelines; and facilitate communication between reviewers and experts on complex issues. SBSTA also urges parties to provide supplementary funding where possible.

The draft COP decision (FCCC/SBSTA/2009/L.7/Add.1) outlines the details of the updated training programme.

Greenhouse gas data interface: The SBSTA plenary first took up this issue on 1 June. It was then referred to informal consultations, chaired by Erasmia Kitou (European Community). The SBSTA closing plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.4), SBSTA notes that lack of resources is hindering the implementation of interface functions and urged parties to

provide resources where they are capable of doing so. SBSTA agrees to evaluate progress and determine next steps at SBSTA 33.

Emissions from international aviation and maritime transport: The SBSTA plenary first took up this issue on 1 June when the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO) reported on their relevant activities during the opening plenary. It was then referred to the SBSTA Chair who prepared draft conclusions. The SBSTA closing plenary adopted conclusions on 10 June.

SBSTA Conclusions: In the conclusions (FCCC/SBSTA/2009/L.3), the SBSTA invites the ICAO and the IMO to brief the SBSTA at future sessions.

IPCC guidelines for national greenhouse gas inventories: This issue (FCCC/SBSTA/2009/MISC.3) was first considered by the SBSTA plenary on 2 June. It was referred to informal consultations, co-chaired by Riitta Pipatti (Finland) and Hongwei Yang (China). The SBSTA closing plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.11), SBSTA: acknowledges that the 2006 IPCC guidelines for national greenhouse gas inventories contain the most recent scientific methodologies available, enabling parties to further improve their own national inventories; notes the work of the IPCC supporting these guidelines through the development of software and user interfaces; and supports further workshops on use of the IPCC guidelines. SBSTA also will launch a work programme to consider revision of the UNFCCC reporting guidelines to address methodological issues related to the use of the IPCC guidelines for reporting purposes. SBSTA invites parties to submit by 15 February 2010 their views on means of implementing the work programme, issues related to the UNFCCC Annex I reporting guidelines, methodological issues related to use of the 2006 IPCC guidelines, and areas for possible work for the IPCC. SBSTA also requests organization of two workshops on the work programme in 2010 subject to resource availability.

METHODOLOGICAL ISSUES (PROTOCOL): HCFC-22/HFC-23: This issue was first considered by the SBSTA plenary on 2 June. It concerns the implications of issuing Certified Emission Reductions (CERs) under the CDM for the destruction of hydrofluorcarbon-23 (HFC-23) at new hydrochlorofluorocarbon-22 (HCFC-22) facilities. HFC-23 is a by-product of the production of HCFC-22, an ozone-depleting substance regulated under the Montreal Protocol, and issuing CERs for its destruction could act as a perverse incentive for the increased production of HCFC-22.

China highlighted recent developments under the Montreal Protocol on Substances that Deplete the Ozone Layer relating to the phase-out of HCFC-22, which would result in fewer HFC-23 facilities in the future. Informal consultations were conducted by Samuel Adejuwon (Nigeria). During the SBSTA closing plenary on 10 June, SBSTA Chair Plume reported that parties had not been able to prepare conclusions. Consideration of this issue will continue at SBSTA 31.

Carbon capture and storage: This issue was first considered in SBSTA plenary on 2 June. Canada, Australia, Kuwait and Nigeria, opposed by Argentina, Venezuela and Brazil, supported

the inclusion of CCS under the CDM. Venezuela called for interaction between SBSTA and the CDM Executive Board in considering this issue. Business and Industry emphasized it would not be possible to halve GHG emissions by 2050 without CCS and that opposition denies developing countries access to technology available in developed countries. During closing SBSTA plenary, Chair Plume informed parties that she had conducted informal consultations and proposed deferring consideration of this issue to SBSTA 32. The closing SBSTA plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.12), SBSTA: takes note of decision 2/CMP.4, which requests the CDM Executive Board to assess the implications of the possible inclusion of CCS in geological formations as CDM project activities and to report back to COP/MOP 5; and invites parties to submit to the Secretariat by 28 September 2009, further views on issues relevant to the consideration of CCS as CDM project activities. The SBSTA agrees to continue its consideration of this matter at SBSTA 32.

Common metrics: This issue was first considered by the SBSTA plenary on 1 June, and referred to informal consultations chaired by Mikhail Gytarsky (Russian Federation). No SBSTA conclusions were adopted.

In the opening plenary, the IPCC presented key conclusions of the IPCC Expert Meeting on the Science of Alternative Metrics, held in Oslo, Norway, in March 2009. New Zealand highlighted that global warming potentials (GWPs) with a 100-year time horizon do not reflect the cost of impacts beyond 100 years, including irreversible impacts. He stressed restricting emissions of long-lived gases. Switzerland and China noted the shortcomings of potential alternatives and called for further scientific work.

In informal consultations, a number of parties proposed drafting a decision referring to the appropriateness of the use of GWPs as a common metric for calculating carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks. Noting that appropriate metrics depend on policy goals, a party suggested that parties take this into account and develop goals to communicate to the IPCC to aid the development of appropriate metrics. Other parties opposed, pointing to the complexity of the issue and the difficulty of identifying specific goals. The parties were unable to reach substantive conclusions but agreed to continue considering the issue at SBSTA 31.

PROTOCOL ARTICLE 2.3 (ADVERSE EFFECTS OF POLICIES AND MEASURES): This issue was first considered by the SBSTA plenary on 2 June. It was then referred to a joint SBI/SBSTA contact group and informal consultations, co-chaired by Eduardo Calvo Buendia (Peru) and Kristin Tilley (Australia). The SBSTA closing plenary adopted conclusions on 10 June.

Parties met in formal and informal discussions, many of which were underpinned by the issue of whether to address Article 2.3 (adverse effects of policies and measures) and Article 3.14 (adverse impacts) jointly or separately within the contact group. Parties agreed to proceed on the issues giving separate but equal time to the two issues, however some developed country parties directed their interventions to both issues at once. Discussions also covered substantive issues including: understanding the issues; information sharing on impacts of response measures; and

implementation. On information sharing, New Zealand favored using the national communications process to share information on adverse effects of response measures, while the G-77/China stressed the need for a new process facilitating more frequent information exchange. The G-77/China also called for a phased approach to implementation. These issues remained unresolved and the text remained heavily bracketed.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.10), SBSTA agrees to continue discussions in a joint contact group at SBSTA 31 based on the annexed draft text.

COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS: This issue was first considered by the SBSTA plenary on 1 June. UNFCCC Executive Secretary Yvo de Boer provided SBSTA an overview of cooperative activities between the Secretariat and other bodies. Parties agreed that the SBSTA Chair would prepare draft conclusions. The SBSTA closing plenary adopted conclusions on 10 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2009/L.5), SBSTA requests that the Secretariat prepare a briefing paper on cooperative activities prior to future meetings

CLOSING PLENARY: The SBSTA closing plenary took place on Wednesday afternoon, 10 June. Parties adopted the meeting's report (FCCC/SBSTA/2009/L.1) and SBSTA Chair Plume closed the session at 5:42 pm.

SUBSIDIARY BODY FOR IMPLEMENTATION

The 30th session of the SBI was opened by SBI Chair Liana Bratasida (Indonesia) on 1 June. She suggested that parties adopt the agenda (FCCC/SBI/2009/1), leaving the sub-item on information contained in non-Annex I national communications in abeyance.

The Philippines, for the G-77/China, proposed adding two sub-items on financial issues, one on assessing implementation of the Special Climate Change Fund (SCCF), and the other on the review of the Protocol's Adaptation Fund. Switzerland, Australia, and the Czech Republic, for the EU, supported including a sub-item on the SCCF, but objected to the proposed sub-item on the Adaptation Fund. Parties agreed to the organization of work with the understanding that the SBI Chair would consult informally on the agenda. After informal consultations, the agenda was adopted on Wednesday, 3 June, with the addition of two sub-items on the SCCF and the Protocol Adaptation Fund.

ANNEX I NATIONAL COMMUNICATIONS: Fourth national communications: SBI took note of the report on the status of Annex I fourth national communications (FCCC/SBI/2009/INF.6).

NON-ANNEX I NATIONAL COMMUNICATIONS: The item on non-Annex I national communications included three sub-items: the Consultative Group of Experts (CGE); information contained in non-Annex I national communications, which is held in abeyance; and the provision of financial and technical support.

During the SBI opening plenary, the US, New Zealand and Canada expressed disappointment that the sub-item on information contained in non-Annex I national communications would not be discussed. After informal consultations on the agenda by the SBI Chair, New Zealand, for the Umbrella Group, expressed disappointment that their proposed agenda sub-item on activities related to non-Annex I greenhouse gas inventories

was not accepted and said they would propose its addition at the next SBI session. Sudan, for the G-77/China, highlighted that a proposal for a new agenda item does not prejudice its acceptance.

CGE: This issue (FCCC/SBI/2007/10/Add.1; FCCC/SBI/2007/MISC.7 and Adds. 1 and 2) was first addressed by the SBI plenary on Tuesday, 2 June. It was then considered in a contact group and informal consultations co-chaired by Marie Jaudet (France) and Julia Martinez Fernández (Mexico). On 10 June, the SBI plenary adopted conclusions.

The CGE's mandate expired at COP 13, and work on its renewal commenced at that meeting, but parties have been unable to reach an agreement since then. During the SBI plenary, Brazil, for the G-77/China, expressed "profound disappointment" that the CGE had not operated for a year and a half, stressing that this undermines non-Annex I parties' capacity to prepare national communications. Along with many others, he supported the renewal of the CGE's mandate, said the CGE should be driven by developing country needs, and that any review process for non-Annex I national communications is not acceptable. Uruguay said halting the CGE's work was a "lost opportunity" and Grenada stressed that over 60 developing countries are preparing their second national communications and that the CGE's absence compromises developing countries' ability to participate in the Convention process.

During the contact group and informal consultations, discussions focused on the CGE's new mandate, whether to have a reconstituted CGE for two or three years, and when to have another review of the CGE. These issues were resolved on Wednesday, 10 June, after lengthy consultations, with parties agreeing to reconstitute the CGE for a period of three years and that the need for continuation of the CGE will be reviewed by COP 17. During the closing SBI plenary, the G-77/China said that while time lost without the CGE cannot be recuperated, he was happy that agreement had finally been reached. The EU, US, Canada and others also expressed satisfaction at the CGE's reconstitution.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.3/Rev.1), the SBI recommends a draft decision for adoption by COP 15, which, *inter alia*, decides: to reconstitute the CGE for a period of three years from 2010-2012; that the CGE's membership shall remain the same; and that the terms and the mandate of the CGE and the need for its continuation shall be reviewed at COP 17. It encourages regional groups to make all efforts to ensure balanced representation of expertise. An annex containing the CGE's terms of reference is attached to the draft COP decision.

Financial and technical support: This issue was first addressed by the SBI plenary on 2 June (FCCC/SBI/2009/INF.5). It was then considered in a contact group and informal consultations co-chaired by Marie Jaudet (France) and Julia Martinez Fernández (Mexico). On 10 June, the SBI plenary adopted conclusions.

During discussions, the G-77/China emphasized that the extent to which non-Annex I parties implement their commitments depends on developed country support. China highlighted the requirement for new and additional financial resources to meet the full cost by developing countries of

preparing their national communications. Delegates also discussed, *inter alia*, information on financial support provided by the Global Environment Facility (GEF) for preparing national communications (FCCC/SBI/2009/INF.5), with some lamenting the late release of the document.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.12), the SBI takes note of the information on financial support provided by the GEF Secretariat for preparing non-Annex I national communications; and invites the GEF to continue providing such information, ensuring that it is detailed, accurate, timely and complete. The SBI also, *inter alia*:

- encourages non-Annex I parties that have already received funding to submit their second or third national communications;
- reiterates the request to the GEF to assist non-Annex I parties in formulating and developing project proposals and to report on such submitted or approved projects to COP 15;
- takes note of the GEF proposal to reallocate funds from its fourth replenishment, and urges the GEF to ensure, as a top priority, that sufficient financial resources are provided to meet the agreed full costs incurred by developing countries; and
- notes concerns expressed that funding provided for national communications through the expedited procedures may not be adequate for some non-Annex I parties.

FINANCIAL ISSUES: This agenda item was first addressed by the SBI plenary on 3 June. After informal consultations by the SBI Chair on the agenda, parties agreed to include three sub-items, namely: the fourth review of the financial mechanism; assessment of the SCCF; and the Protocol Adaptation Fund. A contact group was established, co-chaired by Zaheer Fakir (South Africa) and Jukka Uosukainen (Finland) on the fourth review of the financial mechanism and the SCCF, while SBI Chair Bratasida drafted conclusions on the Adaptation Fund. On 10 June, the SBI closing plenary adopted conclusions on these items. The relevant discussions and conclusions are summarized below.

Fourth review of the financial mechanism: During discussions, participants raised issues related to lack of financial resources in the GEF and the need for a thorough review, including of the governance structure. Some delegates underscored that the current financial mechanism and the agreement on finance under the AWG-LCA should be mutually supportive. Delegates also heard highlights from the mid-term report of the Fourth Overall Performance Study of the GEF, and discussed issues related to adequacy of GEF resources.

Some parties indicated that the fourth review of the financial mechanism should look at past results, identify areas needing improvement, and be forward looking, taking into account the AWG-LCA's work. Other parties incorporated guidance elements into their proposals.

No agreement was reached and the draft COP decision, annexed to the SBI conclusions, remains bracketed. Taking into account some of the concerns raised during the SCCF discussions on scope of the assessment, delegates also agreed to include a paragraph in the draft conclusions on making submissions on the operation of funds under the GEF, as well as the SCCF and LDC Fund, to inform the review.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.15/Rev.1), SBI decides to continue considering the issue at SBI 31 on the basis of the draft text annexed to the conclusions. SBI also invites submissions from parties, by 29 September 2009, on the operation of funds under the GEF's climate change focal area, and on other funds under the Convention, including the SCCF and the LDC Fund.

Assessment of the SCCF: During the contact group and informal discussions, debate revolved around the scope of the SCCF assessment. The EU supported a broad assessment that includes all the funding windows. The G-77/China opposed, arguing that this would go beyond the scope mandated in decision 1/CP.12 (further guidance for the operation of the SCCF), saying it only mandates assessment of response measures and economic diversification. There was also discussion about whether to include the SCCF assessment in the fourth review of the financial mechanism, with some preferring it be done at SB 32 to ensure more information would be available.

Informal consultations continued throughout the day and into the evening before the SBI closing plenary. In the end, delegates agreed that the assessment of the SCCF will proceed as mandated. To take into account concerns of those requesting a broader review, parties agreed to insert a paragraph in the conclusions on the review of the financial mechanism (FCCC/SBI/2009/L.15/Rev.1) stating that parties would be invited to submit their views on the operation of funds under the climate change focal area of the GEF and other funds under the Convention, including the SCCF and the LDC Fund.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.14), the SBI invites submissions from parties by 28 September 2009 on the assessment of the implementation of paragraph 2(a-e) (response measures and economic diversification) of decision 1/CP.12. The SBI further agrees that the assessment should be carried out with a view to considering further guidance on how the SCCF shall support concrete implementation of projects in accordance with paragraphs 22-29 of decision 5/CP.7.

Protocol Adaptation Fund: SBI Chair Bratasida consulted informally on this issue. Much of the debate revolved around the timing of the review of the Adaptation Fund. Consultations continued until the evening of 10 June, when delegates agreed that SBI 32 would initiate a review and agree on the terms of reference and report to COP/MOP 6 so the review can be undertaken at COP/MOP 6.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.16), the SBI invites submissions from parties by 22 March 2010 on the possible terms of reference for the review of the Adaptation Fund at COP/MOP 6. It further requests the Secretariat, *inter alia*, to prepare draft terms of reference for consideration by SBI 32.

The draft COP/MOP decision (FCCC/SBI/2009/L.16/Add.1), requests SBI 32 to initiate the review of the Adaptation Fund and agree on the terms of reference for the review and report back to COP/MOP 6 so that the review can be undertaken at the COP/MOP 6.

CONVENTION ARTICLES 4.8 AND 4.9: Progress on the implementation of decision 1/CP.10 (Buenos Aires Programme of Work): This issue was first considered by

the SBI plenary on 2 June. It was then referred to informal consultations facilitated by Leon Charles (Grenada). The SBI closing plenary adopted conclusions on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.13), SBI, *inter alia*, agrees to continue discussions on this issue on the basis of the draft text prepared at SBI 29, previous submissions and documents, the Chair's summary of the roundtable held at SBI 29, and further submissions. SBI also invites parties and organizations to submit their views on further actions, especially on adverse effects of climate change and the impact of response measures, to be considered at SBI 31 or 32. SBI also requests its Chair to prepare a draft COP decision with the aim of adopting it at COP 16.

Matters related to LDCs: The SBI plenary first considered this issue on 2 June. The LDC Expert Group (LEG) reported on its work (FCCC/SBI/2009/6). The issue was subsequently taken up in informal consultations facilitated by Margaret Sangarwe (Zimbabwe).

Discussions were straightforward, with many parties expressing concern regarding conditionalities attached to project financing, and the difficulty of accessing this financing to implement national adaptation programmes of action (NAPAs). The SBI adopted conclusions on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.4), the SBI encourages the LEG to:

- complete and distribute the "Step-by-Step Guide for Implementation of NAPAs";
- organize training on the design of NAPA implementation strategies and preparation of projects based on the Step-by-Step guide; and
- continue the dialogue with the GEF and its agencies on the NAPA process, particularly on the process for accessing funds.

SBI also: welcomes the submission of 41 NAPAs; encourages relevant actors to provide information on progress made, problems faced and proposals for addressing these problems; and invites parties, in a position to do so, to continue to provide resources.

TECHNOLOGY TRANSFER: This issue (FCCC/SBI/2009/3; FCCC/SBI/2009/INFs.1 and 4; FCCC/SBI/2009/MISC.4) was first considered by the SBI on 2 June. EGTT Vice-Chair Bruce Wilson (Australia) reported on the EGTT's work (FCCC/SBI/2009/1-3 and summaries). The GEF presented its interim report on progress made in implementing the Poznań Strategic Programme on Technology Transfer (FCCC/SBI/2009/3). Ghana, for the G-77/China, supported by Australia, proposed postponing work on the review of the effectiveness of the implementation of Convention Articles 4.1(c) and 4.5 (Technology Transfer) to SBI 32.

The issue was then referred to a joint SBI/SBSTA contact group and informal consultations, co-chaired by Carlos Fuller (Belize) and Holger Liptow (Germany). Discussions were largely uncontroversial, with disagreements mainly on language, and resulted in separate SBSTA and SBI conclusions. The SBI closing plenary adopted conclusions on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.8), the SBI, *inter alia*:

- encourages the EGTT to continue engaging with other relevant stakeholders in its work;

- invites the AWG-LCA to consider, as appropriate, information contained in the EGTT's reports on financing options and a long-term strategy, as well as the EGTT report on performance indicators, once it is finalized;
- requests the GEF to expedite the implementation of the Poznań Strategic Programme on Technology Transfer;
- invites submissions from parties and relevant organizations by 15 February 2010 on the areas of focus set out in Section IV of the terms of reference for the review and assessment of the effectiveness of the implementation of Convention Articles 4.1(c) and 4.5 (FCCC/SBI/2008/L.28);
- agrees to consider matters relating to the review and assessment at SBI 32; and
- requests the Secretariat to initiate activities identified in paragraph 19 of the draft interim report on the progress of the review and assessment of the implementation of Convention Articles 4.1(c) and 4.5 (FCCC/SBI/2009/INF.4), and initiate preparatory work required to support the timely completion of the review.

CAPACITY BUILDING (CONVENTION): This agenda item (FCCC/SBI/2009/4 and 5; FCCC/SBI/2009/MISCs.1 and 2) was first considered by the SBI plenary on 1 June, and subsequently in contact group discussions and informal consultations co-chaired by Philip Gwage (Uganda) and Helmut Hojesky (Austria).

The focus was on finalizing the second comprehensive review of the capacity-building framework due to be completed at COP 15. Parties had differing views on the development and use of performance indicators to monitor and evaluate capacity building. They were also unable to agree on a proposal by the G-77/China to refer to new capacity-building needs relating to the possible outcome of the AWG-LCA negotiations. Several developed countries stated such language prejudices the outcome of the AWG-LCA. Parties were also unable to agree on, *inter alia*: how to reference priority issues identified in the capacity-building framework, including on whether all or only some of the issues were being addressed by developed countries; and the scale of remaining capacity-building gaps to be addressed. The proposals were not discussed and parties were unable to agree on whether to take them forward.

Parties were unable to agree on either SBI conclusions or on the draft COP decision and the text remained heavily-bracketed. SBI took note of this in its closing plenary on 10 June and many developing countries expressed disappointment at the outcome. Discussions on the matter will continue at SBI 32.

CAPACITY BUILDING (PROTOCOL): This agenda item (FCCC/SBI/2009/4 and 5; FCCC/SBI/2009/MISCs.1 and 2) was first considered by the SBI plenary on 1 June. It was then referred to a contact group and informal consultations, co-chaired by Philip Gwage (Uganda) and Helmut Hojesky (Austria). The issues for consideration by the group were similar to those for capacity building under the Convention, primarily: the second comprehensive review of the capacity-building framework; and the preparation of a draft decision for adoption by COP/MOP 5. During consultations, parties were unable to agree on either SBI conclusions or the draft COP/MOP decision, and the SBI plenary took note of this in its closing plenary on 10 June. Discussions will continue at SBI 32.

REPORTING AND REVIEW OF INFORMATION FROM ANNEX I PARTIES UNDER THE PROTOCOL:

This issue (FCCC/SBI/2009/INF.2) was first taken up by the SBI plenary on 3 June. It was then addressed in informal consultations, chaired by Anke Herold (Germany).

Discussions focused on training for members of expert review teams, including the participation of developing country experts and the need for capacity building. The SBI closing plenary adopted the conclusions on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.5), SBI reemphasizes the need to strengthen the Secretariat's capacity to manage the reporting and review process, including training for members of the expert review teams participating in annual reviews under Protocol Article 8.

The draft COP decision (FCCC/SBI/2009/L.5/Add.1), *inter alia*, requests the Secretariat to develop and implement an updated training programme for expert review team members, as well as to make available information on the training programme. The draft COP decision includes an annex outlining details of the training programme.

PROTOCOL ARTICLE 3.14 (ADVERSE EFFECTS OF CLIMATE CHANGE AND IMPACTS OF RESPONSE MEASURES): This issue was first considered by the SBI plenary on 2 June (FCCC/SBI/2009/11). This issue was then referred to a joint SBI/SBSTA contact group and informal consultations co-chaired by Eduardo Calvo Buendia (Peru) and Kristin Tilley (Australia). The SBI closing plenary adopted conclusions on 10 June.

Parties met in formal and informal discussions, many of which were underpinned by the issue of whether to address Article 2.3 (adverse effects of policies and measures) and Article 3.14 jointly or separately within the contact group. Parties agreed to proceed by giving separate but equal time to the two issues, however some developed country parties directed their interventions to both issues at once. Discussions also covered substantive issues including: understanding the issues; information sharing on impacts of response measures; and implementation. On information sharing, New Zealand favored using the national communications process to share information on adverse effects of response measures, while the G-77/China stressed the need for a new process facilitating increased frequency of information exchange. The G-77/China also called for a phased approach to implementation. These issues remained unresolved in heavily bracketed text.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.16 and Add.1), the SBI agrees to continue discussions in a joint contact group at SBI 31, based on the annexed draft text.

COMPLIANCE: This issue relates to a proposal by Saudi Arabia at COP/MOP 1 to amend the Protocol with respect to compliance (FCCC/KP/CMP/2005/2). It was briefly taken up by the SBI opening plenary on 1 June. In the closing plenary on 10 June, parties agreed that consideration of this issue will continue at SBI 32.

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: This issue (FCCC/SBI/2009/7) includes sub-items on COP 15, COP/MOP 5, future sessional periods, organization of the intergovernmental process and observer organizations. It was first considered by SBI plenary on 2 June and referred to

a contact group, co-chaired by Georg Børsting (Norway) and Richard Muyungi (Tanzania). The SBI closing plenary adopted conclusions (FCCC/SBI/2009/L.10) on 10 June.

Discussion focused on issues such as when the AWGs should complete their work and report to COP 15 and COP/MOP 5; scheduling of the next meeting of the Subsidiary Bodies (SBs); duration of the high-level segment in Copenhagen; and the timing of meetings.

Several scenarios for completing the AWGs' work were considered. During informal consultations, parties reduced the options to two: completing the AWGs' work before COP 15 and COP/MOP 5 and reporting the results to the opening plenaries; or continuing the AWGs' work in Copenhagen, providing a progress report at the beginning and presenting final reports in time for the high-level segments. Parties did not reach agreement and the matter was referred to the COP Bureau.

Regarding the scheduling of the SBs, parties also considered several options: holding meetings before COP 15, in conjunction with the AWGs in Bangkok or Barcelona; holding SB 31 in Copenhagen but deferring some items to SB 32; holding SB 31 in Copenhagen during the sessional period but limiting the meeting to three to four days; or deferring the entire SB 31 to 2010. Parties did not reach agreement and it was referred to the COP Bureau.

Views also differed on the duration of the high-level segment. Several countries favored extending the high-level segment from three to four days. After informal consultations, parties agreed on a three-day high-level segment. Concerns were also raised by many parties on the possibility of informal closed sessions, with many highlighting the need for transparency and inclusiveness.

On the organization of the intergovernmental process, Australia and Saudi Arabia, opposed by the EU, emphasized strengthening language indicating that meetings should end by 6:00 pm. The Russian Federation, supported by Saudi Arabia, proposed stronger language stating that meetings shall end by 6:00 pm, and by 8:00 pm in exceptional circumstances. After brief informal consultations during the SBI closing plenary, Sudan, for the G-77/China, reported agreement on stating that all meetings end by 6:00 pm, but may, in exceptional circumstances and on a case-by-case basis, continue for two to three hours.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.10), the SBI, *inter alia*, recommends that arrangements be made for the delivery of concise national statements by ministers and heads of delegation in the joint meetings of the COP and COP/MOP during the high-level segment to be held from 16-18 December 2009. The SBI recalls its recommendation that future sessions be scheduled from mid-week to mid-week where possible. The SBI agrees that all meetings end by 6:00 pm, particularly to give parties and regional groups sufficient time to prepare for daily meetings, but may, in exceptional circumstances and on a case-by-case basis, continue for two to three hours.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Budget performance for the biennium 2008-2009: This item (FCCC/SBI/2009/INF.3 and INF.7) was introduced in SBI plenary on 1 June. SBI Chair Bratasida said she would draft conclusions in consultation with interested parties. The SBI closing plenary adopted conclusions on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.6), the SBI takes note of information as of 15 May 2009, and expresses appreciation to the parties that have, *inter alia*, paid their indicative contributions to the core budget. SBI urges parties that have not made contributions to do so as soon as possible.

Programme budget for the biennium 2010-2011: This issue (FCCC/SBI/2009/2 and Add.1-3; and FCCC/SBI/2009/MISC.3 and Add.1) was introduced during the SBI plenary on 1 June. It was then referred to a contact group, chaired by Quamrul Islam Chowdhury (Bangladesh). The SBI closing plenary adopted conclusions on 10 June.

Discussions focused on: areas in need of strengthening; whether the budget should be denominated in dollars or Euros; and how activities arising from a COP 15 agreement would be financed.

A revised budget proposal reflecting a reduction of €1.08 million was subsequently considered. There were also discussions on whether or not to determine the amount for the contingency fund in view of possible additional activities depending on the Copenhagen outcome, and the modalities for the SBI to approve a contingency budget at a later stage. Parties agreed to denominate the budget in Euros and also resolved the other issues relating to the contingency fund.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.9), the SBI recommends that COP 15 approve a core programme budget of €44,200,099 for the biennium 2010-2011 and authorizes the UNFCCC Executive Secretary to notify parties of their 2010 contributions in Euros. The SBI recognizes the possible need for additional resources to cover costs of activities resulting from decisions that may be taken at COP 15 and urges parties to make voluntary contributions. The SBI also recommends that the COP authorize the Executive Secretary to implement decisions that may be taken at COP 15 for which provisions have not been made under the approved budget, using voluntary contributions and resources available under the core budget. SBI invites the Executive Secretary to propose to SBI 32 an additional budget to cover potential activities related to COP 15 decisions.

In the draft COP decision (FCCC/SBI/2009/L.9/Add.1), the COP, *inter alia*: decides that the programme budget shall be calculated in Euros; and approves the programme budget for the biennium 2010-2011, amounting to €44,200,099.

Implementation of the headquarters agreement: This item was introduced in SBI plenary on 1 June and SBI Chair Bratasida drafted conclusions, which were adopted in plenary on 10 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.2), the SBI takes note of the statement made by the Host Government confirming that the new conference facilities in Bonn, Germany, will be ready in 2010, and that the first stage of construction of the new premises for the Secretariat is scheduled to be completed by the end of 2011 and the second stage in 2014.

Privileges and immunities: This issue (FCCC/SBI/2009/MISC.5 and Add.1) was first considered by SBI plenary on 1 June. It was referred to a contact group chaired by Tamara Curll (Australia). The SBI adopted conclusions on 10 June.

Discussions focused on forwarding draft treaty arrangements to COP/MOP 5, with parties noting that text relating to treaty arrangements for adoption in Copenhagen would need to be communicated to parties by 17 June 2009. Delegates also considered which constituted bodies should be conferred privileges and immunities, as well as the nature of immunities and waiver provisions.

The EU and Australia said treaty arrangements should be part of the post-2012 package. Tuvalu favored the adoption of a “stand-alone agreement,” explaining that the outcome in Copenhagen is still unclear and may be unratifiable. China cautioned against prejudging the Copenhagen outcome and favored an amendment to the Kyoto Protocol. The EU proposed that the group concentrate on substance and consider issues relating to form at a later stage.

China, supported by Ghana, proposed mentioning the Protocol in the draft treaty text. Australia opposed, noting this could prejudice the outcome in Copenhagen. China stressed that the contact group’s only mandate was to discuss bodies constituted under the Protocol.

During the SBI closing plenary, Chair Curll reported that parties had not been able to reach agreement on elements for treaty arrangements concerning privileges and immunities. The Maldives proposed, and parties agreed, to state that SBI notes the draft treaty arrangements, which are annexed to the SBI conclusions.

SBI Conclusions: In its conclusions (FCCC/SBI/2009/L.7/Rev.1), the SBI takes note of the submissions from parties on privileges and immunities for individuals serving on constituted bodies under the Kyoto Protocol.

OTHER MATTERS: During the SBI plenary on 3 June, Argentina objected to the UK’s inclusion of *Islas Malvinas* in its national communication, citing sovereignty disputes. The UK responded that emissions from the Falkland Islands were included since the issue of sovereignty was not in doubt.

CLOSING PLENARY: The SBI closing plenary took place on Wednesday afternoon and evening on 10 June. Parties adopted the meeting’s report (FCCC/SBI/2009/L.1).

Many parties expressed disappointment with the lack of progress on the second comprehensive review of the capacity-building framework. Sudan, for the G-77/China, welcomed agreement on the CGE, and expressed hope that more work would be done at SBI 31 on decision 1/CP.10 (Buenos Aires Programme of Work). Grenada, for AOSIS, welcomed the renewal of the CGE’s mandate. Lesotho, for LDCs, underscored the need for the full implementation of the LDC work programme, including NAPAs.

SBI Chair Bratasida closed the session at 10:54 pm.

A BRIEF ANALYSIS OF THE MEETINGS

Eighteen months after parties to the UN Framework Convention on Climate Change and the Kyoto Protocol adopted the Bali Road Map, consisting of two negotiating tracks to enhance international cooperation to address climate change, comprehensive negotiating texts are now on the table but it remains to be seen how these documents will evolve over the next six months and what may eventually be adopted in Copenhagen in December. However, whatever the outcomes in Copenhagen, the main ideas will most likely be contained in documents that were developed in Bonn during the first two weeks of June 2009.

The Bonn meeting, known as “Bonn II,” marked a shift in the negotiation process. Previously, delegates exchanged ideas and stated their positions in both the *Ad Hoc* Working Group on Long-term Cooperative Action under the UNFCCC (AWG-LCA) and the *Ad Hoc* Working Group on Further Commitments by Annex I Parties under the Kyoto Protocol (AWG-KP). In Bonn, delegates worked to elaborate specific proposals, and in some cases, clarify areas of convergence and divergence. This analysis will take a closer look at the texts emerging from Bonn II in order to examine how they have taken the shape they have, why, and what this could mean for the process looking toward Bonn III and beyond.

THE BONN II TEXTS

More than anything else, Bonn II was defined by the “six-month rule.” From a practical point of view, this reminded everyone that negotiations are supposed to be concluded in Copenhagen in six months. From a legal point of view, this rule refers to provisions in both the Convention and Protocol requiring parties to communicate text for possible new protocols (Convention Article 17) or amendments to the Protocol (Protocol Articles 20.2 and 21.3) at least six months before the session or meeting where they are proposed for adoption. For this reason, whether and what texts were forwarded from this meeting to Copenhagen, and how (collectively or individually), can be expected to impact the possible range of legal outcomes from Copenhagen. In short, where the negotiations go from here depends on the forces that were put into motion in Bonn.

Although both the AWG-KP and AWG-LCA came into the meeting with text to discuss, and both groups sought to ensure that all parties’ proposals were adequately expressed therein, the texts evolved quite differently over the course of the meeting. While the AWG-LCA text sailed rather uncontroversially through the meeting, with parties simply adding and clarifying proposals and stating views, the AWG-KP texts were discussed in more depth, with attempts to consolidate proposals for LULUCF and Annex I targets, and persistent tension about the breadth of the group’s mandate.

AWG-LCA: PREPARING THE SCULPTOR’S BLOCK:

One cannot help but liken consideration of the AWG-LCA negotiating text to the daunting task facing a sculptor confronted with a shapeless block of stone, which has to be fashioned into something attractive, relevant and enduring. Bonn II was about choosing the right stone and preparing to sculpt, before the first

cut is made. After two weeks of negotiations no real attempt was made to chisel off large portions of unwanted stone on the now-massive block that is the AWG-LCA negotiating text.

AWG-LCA Chair Michael Zammit Cutajar’s text, which was only released shortly before the Bonn II meetings opened, served as a starting point. Consequently, many delegations did not have sufficient time to reflect on it and coordinate common positions. Moreover, the document was not available in all working languages until a few days after the meeting began. At times, the process appeared to be haphazard and impromptu. Deliberations began with an initial “lite” reading of the negotiating text to ostensibly enable parties to make general comments on the whole document, aimed at clarifying proposals, putting markers where additions could be inserted and identifying gaps.

During the second reading, parties were actively encouraged to submit additional proposals, which were reflected in revised sections of the negotiating text. Several developing country delegations complained that the text was not balanced, with others pointing out that their proposals had not been adequately reflected. Veteran negotiators however were quick to point out that the process was “constructive” and “necessary,” with the Chair’s text intending to only serve as the starting point of the negotiations. The modus operandi that facilitated the submission of proposals during the meeting went a long way in addressing these concerns and enabled “Michael’s text” to be transformed into a party-driven negotiating document – fostering a sense of ownership and enabling the negotiations to move forward. As a result, this exercise inflated the modest 53-page document to 200 pages.

The challenge ahead in the run-up to Copenhagen is to fashion the bulky, shapeless, revised negotiating text into something more refined, by synthesizing ideas, merging proposals and narrowing down options. “Moving from over 200 pages to an acceptable agreement will require both a lot of technical drafting and, more importantly, political vision,” commented one expert.

Consideration of the AWG-LCA negotiating text was without prejudice to the legal form of the Copenhagen outcome. Since the beginning of the post-2012 negotiations, legal questions have been sensitive and difficult. This is why negotiators decided not to define the legal form of the AWG-LCA’s outcome in the Bali Action Plan. The Bonn II meeting showed that divergent views still remain on the legal form of the outcome, which was discussed for the first time during two informal consultations. As many had expected, countries were largely divided into two camps, one consisting mainly of developed countries who favored a legally binding outcome, and a second group, comprising mostly developing countries, who preferred that the AWG-LCA’s mandate culminate in a COP decision not deemed to create legally-binding obligations for parties. Some argued that the legal form of the Copenhagen outcome is not as important as political agreement on the key issues. “If we reach an agreement in Copenhagen, we can give it a legal seal at the next COP,” argued one veteran negotiator.

However, during the meeting, several countries took procedural steps, hoping to ensure that a new legally binding agreement could be adopted in Copenhagen. The Secretariat received five requests from Australia, Japan, Tuvalu, the US and Costa Rica to communicate proposals to parties under

Convention Article 17, which relates to the adoption of new protocols. Procedurally, however, these proposals will not be considered by the AWG-LCA. They will only be discussed for the first time at COP 15 under a separate agenda item on proposed new protocols. This makes the legal situation somewhat complicated. The Costa Rican proposal, for instance, is a comprehensive one; it largely contains the AWG-LCA Chair's text as it stood at the beginning of Bonn II. Some felt, however, that these proposals meant that if there is strong political will to adopt a new legally binding instrument under the Convention in Copenhagen, then this could be done. While the issue of the legal form is now out on the table, even the most seasoned veterans agree that it is difficult to predict what legal form any agreement will ultimately take in Copenhagen and beyond.

AWG-KP: SCULPTING COMPLEX PUZZLE PIECES:

The task in the AWG-KP was more akin to the early days of actual sculpting where the sculptor is trying to give shape to the stone. Except that instead of sculpting a single statue, the AWG-KP appears to be trying to sculpt two interlocking pieces simultaneously: targets and the rules regulating how the targets can be achieved. Although most developing countries have long insisted that agreement on the post-2012 rules do not need Protocol-amending changes, and efforts should focus on amending the targets set out in Protocol Annex B, most developed countries insist on the need to avoid the Kyoto experience where targets were defined before the rules. Although this same basic tension has run through the group's work since the very beginning, the six-month rule gave it a more explicit character and a greater sense of immediacy: most developed countries strongly objected to the inclusion of South Africa and the Philippines' proposed individual quantified emission limitation and reduction objectives in the non-paper on emission reductions, and China and other developing countries objected to the sheer volume of issues included in the "other issues" non-paper, which covers topics such as the flexibility mechanisms and land use, land-use change and forestry.

In the end, these divisions were too much to overcome in the time allotted, and the group could not agree to give its Chair the mandate to prepare a text for circulation in accordance with the six-month rule. Such a mandate was given to the Chair in 1997 in the context of the negotiations for the Kyoto Protocol and some felt that a similar outcome from Bonn II would have sent a strong signal that parties agree on the need to amend the Protocol in Copenhagen. As such, parties wishing to see Protocol amendments in Copenhagen were forced to individually submit proposed amendments. Many developing countries in particular took this as an ominous signal from certain developed countries that a second commitment period under the Protocol may be in jeopardy. On the other hand, as AWG-KP Chair John Ashe noted in his closing remarks, the amendment proposals received by the Secretariat mean that amendments to the Protocol can formally be adopted in Copenhagen.

Many suspect, however, that significant political hurdles must be overcome to reach agreement under the AWG-KP in Copenhagen. Although some speculated that removing the "poison pills" from the AWG-KP texts – such as proposed targets for individual countries and proposals for a sectoral

trading mechanism for developing countries – could have led to a different outcome, others suspect that not forwarding a text out of the AWG-KP was a strategic move by some developed country parties to ensure the procedural parity of proposals communicated under the Protocol and the Convention. Indeed, Japan and the Russian Federation have been explicit in saying that they are only willing to join a comprehensive legally binding outcome in Copenhagen, and that a simple Protocol amendment will not suffice. While some argue that this is purely a negotiating strategy, the more skeptical interpret this as an attempt by some developed countries to get rid of legally binding quantified emission limitation and reduction objectives and take on softer targets under a new protocol.

TO BONN III AND BEYOND

As parties and observers look ahead to Bonn III in August and down the road to Copenhagen, they are no doubt digesting what happened over the past two weeks and evaluating what it means for the process as it goes forward. As they do, a number of issues are likely to emerge.

As the negotiations under the AWG-KP and AWG-LCA progress, it is worth remembering that the road to Copenhagen does not just pass through Bonn, Bangkok and Barcelona over the next six months. Instead, it is becoming increasingly apparent that political vision and guidance are needed, leading many to hope that stops along the road in places like Mexico and Italy for the Major Economies Forum and in New York for the UN High-Level Event on Climate Change in September could provide an injection of political leadership and impetus to the process. This may be one of the only ways to escape from the jungle of various procedural, legal, conceptual and drafting dilemmas. As one delegate remarked, "you can't draft your way to consensus."

Finally, notwithstanding the important role of other processes, the UNFCCC meetings on the road to Copenhagen will continue to play an important role in shaping any possible Copenhagen outcome. Exactly what role is yet to be determined. Many see the lead-up meetings as a time to further define concepts (such as NAMAs and possible registries), specify rules (such as LULUCF accounting) and clarify the institutional framework so that if there is political will to reach an agreement in Copenhagen, the negotiating document is textually and conceptually ready to move forward. However, developing countries have continually pointed to the failure of Annex I parties to define aggregate and individual targets in the AWG-KP as a sign of a lack of leadership, and insist that the meetings leading up to Copenhagen are a chance for them to make good on their duty to lead. Clearly, several issues need to be resolved before an agreement can be reached in Copenhagen. Whether parties spend the next six months carving out targets or sculpting an institutional framework, or a little bit of both, the texts crafted at Bonn II are likely to provide the raw materials from which the key components of a Copenhagen deal will emerge.

UPCOMING MEETINGS

ADB'S ENERGY AND CLIMATE CHANGE 2009: In conjunction with the 4th Asia Clean Energy Forum 2009, the Asian Development Bank (ADB) is holding a Climate and Clean Energy Week from 15-19 June 2009 and a High-Level Dialogue on Climate Change in Asia and the Pacific from 16-17 June 2009. The high-level dialogue, co-organized with The Energy and Resources Institute (TERI), will invite global and regional leaders to discuss aspects of climate change. For more information, contact: Toshimasa Dojima, Senior Finance Specialist, ADB; tel: +632-632-6569; fax: +632-636-2198; e-mail: tdojima@adb.org; internet: <http://www.adb.org/News/calendar.asp>

GLOBAL FORUM ON SUSTAINABLE ENERGY: TOWARDS AN INTEGRATED ENERGY AGENDA BEYOND 2020: SECURING SUSTAINABLE POLICIES AND INVESTMENTS: This conference, organized by the UN Industrial Development Organization (UNIDO), International Institute for Applied Systems Analysis, the Austrian Development Cooperation and the Austrian Energy Agency, will celebrate the ten-year anniversary of the Global Forum on Sustainable Energy. The meeting is scheduled to take place in Vienna, Austria, from 22-24 June 2009. For more information, contact: Martin Lugmayr, Austrian Development Agency; tel: +43-1-90-399-2557; fax: +43-1-90-399-290; e-mail: martin.lugmayr@ada.gv.at; internet: <http://www.gfse.at/> or <http://www.viennaenergyconference.org/>

OECD FORUM 2009: The OECD Forum, a "multi-stakeholder summit" that brings together business and labor leaders, civil society representatives, government ministers and leaders of international organizations, will be held in conjunction with the annual OECD ministerial summit. The Forum will address several issues related to the current financial crisis, as well as how to incorporate green-growth and climate change in response to the crisis. The Forum will be held in Paris, France, from 23-24 June 2009. For more information, contact: Sue Kendall, Forum Director; tel: +33-1-45-24-81-57; fax: +33-1-44-30-63-46; e-mail: oe.cd.forum@oe.cd.org; internet: <http://www.oe.cd.org/>

FIFTH URBAN RESEARCH SYMPOSIUM: CITIES AND CLIMATE CHANGE: RESPONDING TO THE URGENT AGENDA: The symposium, supported by the World Bank, OECD, UN Habitat, UN Population Fund and other donors, will address the impacts of city and urban growth on climate change; measuring and anticipating the consequences of climate change on urban quality of life, city assets, and local and national economies; and assessing alternatives to increase the resilience of cities and related costs and incentives required for successful implementation. The symposium is scheduled from 28-30 June 2009 in Marseille, France. For more information, contact: the Secretariat; e-mail: urbansymposium@worldbank.org; internet: <http://www.urs2009.net/index.html>

GREENLAND DIALOGUE: This dialogue, which will take place from 30 June to 3 July 2009 in Illulissat, Greenland, is a closed-door meeting between key ministers to foster creative discussions about climate change solutions. For more information, contact: Gro Iversen, Danish Ministry of Climate

and Energy; tel: +45-33-92-29-37; fax: +45-33-92-28-01; e-mail: giv@kemin.dk; internet: http://www.kemin.dk/en-US/COP15/Greenland_dialogue/Sider/Forside.aspx

WORKSHOP ON MANAGEMENT AND DESTRUCTION OF OZONE-DEPLETING SUBSTANCES BANKS AND IMPLICATIONS TO CLIMATE CHANGE:

This workshop will take place on 13 July 2009 in Geneva, Switzerland. For more information, contact the Ozone Secretariat; tel: +254-20-762-3851; fax: +254-20-762-4691; e-mail: ozoneinfo@unep.org; Internet: <http://ozone.unep.org/Events/meetings2009.shtml>

WORKSHOP FOR A DIALOGUE ON HIGH-GLOBAL WARMING POTENTIAL ALTERNATIVES TO OZONE-DEPLETING SUBSTANCES: This workshop will convene on 14 July 2009, in Geneva, Switzerland. For more information, contact Ozone Secretariat; tel: +254-20-762-3851; fax: +254-20-762-4691; e-mail: ozoneinfo@unep.org; internet: http://ozone.unep.org/Meeting_Documents/upcoming_meetings.shtml

TWENTY-NINTH OPEN-ENDED WORKING GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL:

This meeting is scheduled to take place from 15-18 July 2009, in Geneva, Switzerland. For more information, contact: Ozone Secretariat; tel: +254-20-762-3851; fax: +254-20-762-4691; e-mail: ozoneinfo@unep.org; internet: <http://ozone.unep.org/>

IPCC AR5 SCOPING MEETING: The first scoping meeting for the IPCC's Fifth Assessment Report (AR5) will take place from 13-17 July 2009 in Venice, Italy. For more information, contact: IPCC Secretariat; tel: +41-22-730-8208; fax: +41-22-730-8025/13; e-mail: IPCC-Sec@wmo.int; internet: <http://www.ipcc.ch/>

INFORMAL MEETINGS OF THE AWG-LCA AND AWG-KP: Informal meetings of the AWG-LCA and AWG-KP are scheduled to take place from 10-14 August 2009 in Bonn, Germany. Observers will be allowed. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int/>

WORLD CLIMATE CONFERENCE 3: The Third World Climate Conference will take place from 31 August to 4 September 2009 in Geneva, Switzerland. The First and Second World Climate Conferences, held in 1979 and 1990 respectively, resulted in major movement on climate change issues. The third conference will take as its theme "Better climate information for a better future," and will focus on how humankind can benefit from the advances in climate prediction and knowledge. It will also serve as input to COP 15. For more information, contact: Buruhani Nyenzi, WCC-3 Secretariat, WMO; tel: +41-22-730-8273; fax: +41-22-730-8042; e-mail: wcc-3@wmo.int; internet: http://www.wmo.int/pages/world_climate_conference

HIGH-LEVEL EVENT ON CLIMATE CHANGE: UN Secretary-General Ban Ki-moon will host an all-day high-level event on climate change for Heads of State and Government at United Nations Headquarters on Tuesday, 22 September 2009, one day before the opening of the general debate of the sixty-fourth session of the General Assembly. For more information, see <http://www.un.org/climatechange/>

AWG-LCA 7 AND AWG-KP 9: The seventh meeting of the AWG-LCA and the ninth session of the AWG-KP are scheduled to take place from 28 September to 9 October 2009 in Bangkok, Thailand. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int/>

GLOBAL RENEWABLE ENERGY FORUM 2009: SCALING UP RENEWABLE ENERGY: This meeting, co-organized by the Ministry of Energy of Mexico and UNIDO, will take place from 7-9 October 2009 in León, Mexico. The Forum will seek to promote dialogue in order to strengthen interregional cooperation and encourage innovative multi-stakeholder partnerships aimed at scaling up investments in renewable energy. For more information, contact: Pradeep Monga, Director, Energy and Climate Change Branch, UNIDO; tel: +43-1-26026-3018; e-mail: GREFMexico2009@unido.org; internet: <http://www.unido.org/index.php?id=7341>

7TH WORLD FORUM OF SUSTAINABLE DEVELOPMENT: OUAGADOUGOU 2009: This conference will take place from 19-22 October 2009, in Ouagadougou, Burkina Faso. The theme is "Climate Change, Mobility and Sustainable Prospects of Development." For more information, contact: Louis Blanc Traore, Ministry of Environment; tel: +226-5031-3166; fax: +226-5030-6491; e-mail: lbtraore@yahoo.fr; internet: http://www.fmdd.fr/english_version.html

IPCC-31: The thirty-first session of the IPCC will be held from 26-29 October in Bali, Indonesia. For more information, contact: IPCC Secretariat; tel: +41-22-730-8208; fax: +41-22-730-8025/13; e-mail: IPCC-Sec@wmo.int; internet: <http://www.ipcc.ch/>

RESUMED AWG-LCA 7 AND AWG-KP 9: A resumed seventh session of the AWG-LCA and the resumed ninth session of the AWG-KP are scheduled to take place from 2-6 November 2009 in Barcelona, Spain. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int/>

7TH WORLD FORUM OF SUSTAINABLE DEVELOPMENT: PARIS 2009: This conference will take place from 19-20 November 2009 in Paris, France. The theme is "The new world order: after Kyoto and before Copenhagen." For more information, contact: Passages-ADAPes; tel: +33 01 43 25 23 57; fax: +33 01 43 25 63 65 / 62 59; e-mail: Passages4@wanadoo.fr; internet: http://www.fmdd.fr/english_version.html

UNFCCC COP 15 AND KYOTO PROTOCOL COP/MOP 5: The fifteenth Conference of the Parties to the UNFCCC and fifth Meeting of the Parties to the Kyoto Protocol are scheduled to take place from 7-18 December 2009 in Copenhagen, Denmark. These meetings will coincide with the 31st meetings of the UNFCCC's subsidiary bodies. Under the "roadmap" agreed at the UN Climate Change Conference in Bali in December 2007, COP 15 and COP/MOP 5 are expected to finalize an agreement on a framework for combating climate change post-2012 (when the Kyoto Protocol's first commitment period ends). For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int/>

GLOSSARY

| | |
|-----------|---|
| AOSIS | Alliance of Small Island States |
| AWG-KP | <i>Ad Hoc</i> Working Group on Further Commitments for Annex I Parties Under the Kyoto Protocol |
| AWG-LCA | <i>Ad Hoc</i> Working Group on Long-term Cooperative Action under the Convention |
| BAP | Bali Action Plan |
| CCS | Carbon capture and storage |
| CER | Certified Emission Reductions |
| CDM | Clean Development Mechanism |
| CGE | Consultative Group of Experts on Non-Annex I National Communications |
| COP | Conference of the Parties |
| COP/MOP | Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol |
| EGTT | Expert Group on Technology Transfer |
| GCOS | Global Climate Observing System |
| GEF | Global Environment Facility |
| GHG | Greenhouse gas |
| GWP | Global warming potential |
| HWP | Harvested wood products |
| ICAO | International Civil Aviation Organization |
| IMO | International Maritime Organization |
| IPCC | Intergovernmental Panel on Climate Change |
| LDC | Least developed country |
| LULUCF | Land use, land-use change and forestry |
| MRV | Monitoring, review and verification |
| NAMA | Nationally Appropriate Mitigation Action |
| NAPA | National Adaptation Programme of Action |
| NWP | Nairobi Work Programme on impacts, vulnerability and adaptation to climate change |
| ppm | Parts per million of carbon equivalent |
| REDD | Reducing emissions from deforestation in developing countries |
| REDD-plus | Reducing emissions from deforestation in developing countries, including conservation |
| SBs | UNFCCC Subsidiary Bodies |
| SBI | UNFCCC Subsidiary Body on Implementation |
| SBSTA | UNFCCC Subsidiary Body on Scientific and Technological Advice |
| SCCF | Special Climate Change Fund |
| SIDS | Small Island Developing States |
| UNFCCC | United Nations Framework Convention on Climate Change |