

## COPENHAGEN HIGHLIGHTS: THURSDAY, 17 DECEMBER 2009

On Thursday morning, the COP and COP/MOP plenaries convened. In the afternoon and late evening, contact group meetings and drafting groups took place under the COP and COP/MOP.

### COP PLENARY

Around noon on Thursday, COP President Rasmussen convened the resumed meeting of the COP. He noted that many parties had sought clarification during the COP plenary on Wednesday evening about the documentary basis for moving forward and also about the method of work to complete the negotiations under the COP and COP/MOP. He said that the documentary basis for the work will be the texts presented by the AWG-LCA Chair to the COP plenary on Wednesday (FCCC/AWG/LCA/2009/2009/L.7/Rev.1 and Add.1, Add.2/Rev.1, Adds. 3-7, Add.8/Rev.1 and Add.9).

COP President Rasmussen proposed forwarding the texts for consideration by a contact group chaired by COP President's Special Representative Connie Hedegaard. He said the contact group would have a mandate to complete work on unresolved issues within a short deadline and that open-ended drafting groups would be convened, chaired by "people we know well and trust."

Sudan, for the G-77/CHINA, requested clarity on the deadline. COP President Rasmussen said the contact groups should decide the time to be scheduled and that he would not define a clear deadline. He then closed the meeting of the COP.

### COP/MOP PLENARY

COP/MOP President Rasmussen opened the COP/MOP plenary. He said that the documentary basis for the work will be the texts presented by the AWG-KP Chair to the plenary on Wednesday (FCCC/KP/AWG/2009/L.15). He proposed, and parties agreed, to establish a contact group chaired by COP/MOP President's Special Representative Connie Hedegaard. He said the contact group would have a mandate to complete work on unresolved issues with a short deadline and that open-ended

drafting groups would be convened, chaired by "people we know well and trust." He said the group under the COP/MOP would meet first.

Sudan, for the G-77/CHINA, requested confirmation that the chairs of the open-ended drafting groups would be the chairs and facilitators who had already been working on these issues under the AWG. He also requested confirmation that the process would result in two separate documents and that no document that had not been agreed by the parties would be forwarded to the Heads of State and Government. COP/MOP President Rasmussen confirmed that negotiations will continue under two tracks and that the output will be two documents. He also clarified that work would proceed first with the COP/MOP contact group.

### HIGH-LEVEL SEGMENT

The high-level segment continued throughout the day and late into the evening to hear statements from the Heads of State, Heads of Government and other heads of delegation. A webcast of all statements made during the high-level segment will be made available online at: [http://www9.cop15.meta-fusion.com/kongresse/cop15/templ/ovw.php?id\\_kongressmain=1&theme=unfccc#](http://www9.cop15.meta-fusion.com/kongresse/cop15/templ/ovw.php?id_kongressmain=1&theme=unfccc#)

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

**COP/MOP CONTACT GROUP:** During the first meeting of the contact group in the early afternoon, COP President's Special Representative Hedegaard explained that the contact group's mandate is to prepare the outcomes of Copenhagen emerging from the Protocol negotiating track, and that the work of the group would be based on the text forwarded by the AWG-KP to the COP/MOP.

- She then proposed establishing five drafting groups on:
- Annex I emission reductions, co-facilitated by Gertraud Wollansky (Austria) and Leon Charles (Grenada);
  - LULUCF, co-facilitated by Marcelo Rocha (Brazil) and Bryan Smith (New Zealand);
  - flexibility mechanisms, facilitated by Harald Dovland (Norway);
  - basket of methodological issues, also facilitated by Harald Dovland; and
  - potential consequences, co-facilitated by Mama Konaté (Mali) and Andrew Ure (Australia).

COP President's Special Representative Hedegaard noted that the facilitators are the same ones that chaired the respective negotiations under the AWG-KP. She encouraged parties to identify issues that can be resolved at the expert level and those that need to be addressed at the political level. She explained that the contact group would re-convene later to hear reports from the drafting groups and then resolve any outstanding issues.

KENYA questioned the rationale for establishing new drafting groups facilitated by the same people, considering their inability to complete the work so far. He questioned the approach whereby "Ministers are now becoming drafting committees." COP President's Special Representative Hedegaard explained that the presence of the Ministers could act as an impetus for the groups to complete their work. In response to comments by the RUSSIAN FEDERATION, the EU and SWITZERLAND, COP President's Special Representative Hedegaard reiterated that the drafting groups would report back to the contact group, and that the contact group would then, with the help of the Ministers, address outstanding political issues.

In the evening, the COP/MOP contact group convened to take stock of progress. Drafting group facilitators reported on progress made during the afternoon and evening. Co-Facilitator Charles said that the group on Annex I emission reductions had discussed the draft COP/MOP decision and noted that there were still differences on several technical issues, including base years and the length and number of commitment periods. He identified issues requiring political attention: addressing surplus AAs; the question of how to populate Annex B with QELROs, or in the absence of agreement on a Protocol amendment in Copenhagen, how to reflect pledges moving forward; and a core decision defining further work if it were to continue due to lack of agreement at this time.

Facilitator Dovland reported on work on methodological issues. He noted constructive discussions but said different views remained on the inclusion of new greenhouse gases and global warming potentials. On discussions of the flexibility mechanisms, he noted disagreement on: CCS under the CDM; standardized baselines; share of proceeds; supplementarity; and regional distribution of CDM projects.

On LULUCF, Co-Facilitator Rocha highlighted that many parties preferred not to adopt a land-based approach at this time. He identified the need for further work on a possible cap for forest management. He said that further improvements to the text could be made but that choosing between options and addressing cross-cutting issues would facilitate consensus text.

Co-Facilitator Ure noted impressive progress and flexibility, highlighting that consensus language had been reached on all issues except on the creation of a permanent forum to address potential consequences.

COP President's Special Representative Hedegaard asked for parties' views on how to proceed. The EU recommended establishment of a "friends of the chair" group. South Africa, for the G-77/CHINA, noted that significant progress on LULUCF may facilitate progress on Annex I emission reductions and that issues on the flexibility mechanisms and methodologies, in turn, could be unlocked by movement in Annex I emission reductions.

He noted that "time is ripe" for informal consultations, but requested that such a group report back to the contact group in order to maintain construction of a party-driven consensus.

COSTA RICA, PAPUA NEW GUINEA, Grenada, for AOSIS, the Gambia, for the AFRICAN GROUP, COLOMBIA, GUATEMALA, Lesotho, for the LDCs, and AUSTRALIA supported the proposal to establish a "friends of the chair" group. COP President's Special Representative Hedegaard said she will consult with parties on how to proceed with establishment of a "friends of the chair" group, and closed the contact group meeting.

**COP CONTACT GROUP:** During the contact group meeting in the afternoon, COP President's Special Representative Hedegaard proposed, and parties agreed, to establish open-ended drafting groups on:

- a shared vision (FCCC/AWGLCA/2009/L.7/Rev.1), facilitated by Michael Zammit Cutajar (Malta);
- finance (FCCC/AWGLCA/2009/L.7/Add.2/Rev.1), co-facilitated by Farrukh Khan (Pakistan) and Jukka Uosukainen (Finland);
- mitigation (FCCC/AWGLCA/2009/L.7/Rev.1; paragraphs 12-29, but excluding paragraph 23 on a NAMA mechanism), facilitated by Cristian Maquieira (Chile);
- NAMA mechanism (FCCC/AWGLCA/2009/L.7/Add.5), facilitated by Margaret Mukahanana-Sangarwe (Zimbabwe);
- REDD-plus (FCCC/AWGLCA/2009/L.7/Add.6), co-facilitated by Peter Graham (Canada) and Tony La Viña (the Philippines);
- various approaches to enhance cost-effectiveness of mitigation actions (FCCC/AWGLCA/2009/L.7/Add.8/Rev.1), facilitated by Christina Figueres Olsen (Costa Rica);
- adaptation (FCCC/AWGLCA/2009/L.7/Add.1), co-facilitated by Thomas Kolly (Switzerland) and William Kojo Agyemang-Bonsu (Ghana);
- technology (FCCC/AWGLCA/2009/L.7/Add.3), co-facilitated by Kishan Kumarsingh (Trinidad and Tobago) and Kunihiko Shimada (Japan); and
- capacity building (FCCC/AWGLCA/2009/L.7/Add.4), co-facilitated by Fatou Gaye (the Gambia) and Georg Børsting (Norway).

COP President's Special Representative Hedegaard suggested the contact group reconvene later in the evening to receive an update on progress in drafting groups.

NORWAY and ARGENTINA inquired about addressing emissions from bunker fuels and COP President's Special Representative Hedegaard explained that text would be available in the afternoon. SAUDI ARABIA also drew attention to the issue of bunker fuels, saying this had not been captured as a supplementary decision to the core decision. He also asked how response measures would be addressed. COP President's Special Representative Hedegaard confirmed that a facilitator was being sought for the group on response measures.

The G-77/CHINA noted that issues under discussion in the various drafting groups had been captured in the AWG-LCA's text on the core decision (FCCC/AWGLCA/2009/L.7/Rev.1) in a way that did not fully reflect the understanding reached in the

negotiating groups. She sought assurances that in the interest of transparency, no other processes would define or alter the outcome of the drafting groups.

On sectoral approaches, EGYPT noted long discussions on guiding principles and asked for the reinsertion of principles in the text. URUGUAY called for the establishment of a drafting group on sectoral approaches in the agriculture sector.

SOUTH AFRICA stressed that capacity building is for developing countries and highlighted that it would be difficult to discuss capacity building for developed countries in text concerning developing countries. Tanzania, for the G-77/CHINA, called for separate discussions on capacity building for developing countries and countries with economies in transition. The RUSSIAN FEDERATION suggested that a compromise proposal should be sought to resolve the issue.

Late in the evening, the COP contact group reconvened and the drafting group Facilitators reported back on progress.

On adaptation, Co-Facilitator Kolly said that the drafting group had reached a better understanding of a Copenhagen adaptation framework or programme, as well as agreement on objectives and principles and some categories of action. Identifying issues to be addressed at a higher level, Kolly highlighted: response measures; the polluter pays principle; and the concept of historical responsibility.

On technology, Co-Facilitator Kumarsingh reported that parties have agreed on the establishment of a technology mechanism with a technology executive committee and a climate executive center. He said discussions had focused on the functions of these entities and agreement had been reached with some "minor issues" outstanding. Kumarsingh identified issues in need of ministerial intervention as: the reporting line between the committee and center; link between the committee and agreement on finance; and the issue of intellectual property rights.

On a shared vision for long-term cooperative action, Facilitator Zammit Cutajar observed that views had been expressed on human rights, stakeholder participation and a just transition to a new form of production and consumption, which could be addressed through further discussion. He noted discussions on the concept of long-term goals, on finance, technology and adaptation, in addition to the long-term global goal on emission reductions. Facilitator Zammit Cutajar also identified the need to resolve the issue of review, especially in terms of what is to be reviewed.

On a possible NAMA registry or mechanism, Facilitator Mukahanana-Sangarwe said no agreement had been reached on the establishment of a NAMA registry or mechanism, the functions of such a registry or mechanisms, and on whether the registry should be independent of, or part of the financial mechanism. Facilitator Mukahanana-Sangarwe said divergent views remained on whether support for NAMAs should come only from developed countries or from both developed and developing countries and identified treatment of autonomous NAMAs as issues in need of political resolution.

Reporting on financial institutional arrangements, Co-Facilitator Uosukainen said that the drafting group had addressed the issue of a climate fund or facility, and noted movement on the selection of a trustee to the fund or facility

on an interim basis. He said that divergent views remained on the composition and nomination of a finance board and its corresponding functions, explaining that these issues could benefit from political resolution. Facilitator Uosukainen also noted that the group lacked time to address the remaining paragraphs on the establishment and functions of the proposed finance board.

On capacity building, Facilitator Børsting identified "difficult outstanding issues" requiring political guidance. He highlighted: institutional arrangements and financial resources for capacity building; reporting and review of actions in terms of indicators; and the provision of capacity building as a legally-binding obligation.

On REDD-plus, Facilitator Graham highlighted outstanding issues relating to financing, relationship to NAMAs and MRV of action and support.

On various approaches to enhancing cost-effectiveness of mitigation actions, including markets, Facilitator Figueres Olsen highlighted two outstanding issues: whether to adopt an option encouraging parties to pursue HFC regulation under the Montreal Protocol on Substances that Deplete the Ozone Layer; and the role of markets and how this role should be structured.

In his report on mitigation, Facilitator Maquieira noted the complexity of the issue, highlighting fixed positions on many paragraphs. He also informed parties of his intention to combine proposals.

VENEZUELA, with Angola, for the AFRICAN GROUP, drew attention to the option of not taking any decision on market approaches, while the US stressed the centrality of market approaches. PAKISTAN inquired on the issue of vulnerability in the adaptation text, to which Co-Facilitator Kolly noted that this topic has not been discussed yet and might go to a higher level of discussion.

Parties then discussed how to move forward. Sweden, for the EU, supported by JAPAN, COLOMBIA, CANADA, the MARSHALL ISLANDS, ICELAND, AUSTRALIA, GUYANA and many others, supported establishing a "friends of the chair" group.

SUDAN and BOLIVIA stressed the need for transparency and sought clarification on the establishment of a smaller group. SUDAN suggested continuation of discussions in drafting groups. The US, opposed by BRAZIL, noted the possibility of convening a "friends of the chair" group while continuing with drafting.

SOUTH AFRICA, supported by Grenada, for AOSIS, suggested forwarding issues related to mitigation by developed countries, market approach and finance to the political level. INDIA, supported by EGYPT, said that the Protocol process should take precedence and that the reports from the "friends of the chair" group should go through the COP/MOP or COP before being forwarded to Heads of State.

Bangladesh, for the LDCs, said drafting groups could report back in the morning and issues could then be forwarded to the political level. MEXICO supported working in a "friends of the chair" format, provided the group discusses only political issues. NEW ZEALAND stressed the need to continue working through a smaller group with higher-level representation.

Following brief consultations, COP President's Special Representative Hedegaard recommended that the majority of drafting groups continue with their work, especially those that had reported it would be meaningful to do so. She also proposed convening the "friends of the chair" to address political issues on mitigation by developed countries, market approaches and finance.

The G-77/CHINA said that a "friends of the chair" group would have to be open-ended, and allow negotiating groups to select their representatives. Venezuela reiterated that a non-inclusive approach was unacceptable because of divergent views within groups on certain issues. Emphasizing the late hour, COP President's Special Representative Hedegaard closed the meeting and sent the drafting groups on all issues back to work, saying that stock of progress would be taken later in the night.

**JOINT IMPLEMENTATION (COP/MOP):** During the contact group on joint implementation (JI), Co-Chair Lesolle introduced a revised draft COP/MOP decision, noting that the only outstanding issue is that relating to extending the share of proceeds to JI.

SIERRA LEONE noted the new text does not adequately reflect previous discussions, especially regarding the option to take no decision on the issue, and also regarding reference to double counting. He also proposed specifying that the share of proceeds will be paid into the Adaptation Fund. The RUSSIAN FEDERATION, supported by UKRAINE, proposed a new option, which states that the share of proceeds would be paid into the Adaptation Fund "on a voluntary basis." NEW ZEALAND said the option of taking no decision on the issue is misleading and proposed amending the option to state that no decision would be taken on the issue within this contact group, noting that this issue was being discussed elsewhere and a decision could be taken there. UKRAINE said they would be willing to drop the third option on payment on a voluntary basis, if the first option regarding no decision to be taken is kept in its original form without the new insertions regarding decisions being possibly taken elsewhere. The Co-Chairs will consult informally and produce new text for Friday.

### IN THE CORRIDORS

On Thursday morning, delegates made their way through a snow-covered landscape to the Bella Center, many of them increasingly concerned about the "precious little time" remaining to reach agreement in Copenhagen on a "vast amount of difficult issues," but nevertheless still clinging to the hope of "sealing the deal" on Friday at a historic moment in the fight against climate change.

As they arrived, many noted that the large exhibit area leading to the meeting rooms felt "eerily empty" – not filled with energetic youth as usual. This was because strict limits had been placed on the number of observers allowed in the Bella Center. Echoes of their voices were, however, still being heard: many NGO stands in the exhibit area displayed the messages "civil society has been removed from the negotiations" and "how can you decide about us without us."

The halls of the Bella Center still felt crowded, however: the artistic protests and large number of youthful faces were replaced by members of the press lugging television cameras and lighting

equipment through the halls as well as large security details for VIPs. A number of the world's leaders with their entourages were also spotted rushing through the corridors as Luiz Ignacio Lula da Silva, Felipe Calderón, Evo Morales, Gordon Brown, Hugo Chavez, Kevin Rudd, Nicolas Sarkozy, Angela Merkel, Mahmoud Ahmadinejad, Evans Atta-Mills, Hillary Clinton and many, many others gathered in the Bella Center. "Now we really are at the center of the world's attention – I do hope we will be able to live up to the great hopes and expectations," commented one negotiator.

A positive step in that direction was taken as negotiations at the expert level resumed after the COP and COP/MOP plenaries were given assurances from COP President Rasmussen that work would be transparent and based on texts forwarded by the AWG-LCA and AWG-KP. Several informal drafting groups thus convened throughout the day, and late into the night. The high-level segment and national statements taking place all day and late into night in the main plenary hall were being shown on CCTV throughout the center. Most had large groups of people crowded around watching their leaders make impassioned calls to "seal the deal" in Copenhagen and take advantage of the unprecedented gathering of decision-making power. It was widely recognized that this marked the largest gathering of the world's leaders outside New York and therefore constituted a historic moment.

Indeed, some softening of positions and progress could "finally" be detected from the statements by high-level representatives on Thursday. At her press conference in the morning, US Secretary of State Hillary Clinton announced that the US is prepared to work with other countries to mobilize US\$100 billion a year by 2020. A financing announcement had also been made earlier by Japan to raise climate aid to about US\$15 billion by 2012. In his plenary statement, French President Sarkozy also stressed the need for financing for developing countries and remarked that if keeping the Kyoto Protocol is what it takes, then the Kyoto Protocol could be retained. Reports on softening in China's position concerning MRV were also circulating. Many were hoping these announcements would have a positive impact on the negotiations.

Negotiators were prepared for a long and sleepless night, as the COP and COP/MOP contact groups decided to continue working well beyond midnight. Rumors were also circulating that the world leaders were making their own efforts to work towards a deal. "One way or another Friday is going to be a historic day in this process, and the whole world is pushing for us in this building to make it a resounding success."

**ENB SUMMARY AND ANALYSIS:** The *Earth Negotiations Bulletin* summary and analysis of the Copenhagen Climate Change Conference will be available on Monday, 21 December 2009 online at: <http://www.iisd.ca/climate/cop15/>