

SB 34 AND AWG HIGHLIGHTS: FRIDAY, 10 JUNE 2011

In the morning, the SBSTA opening plenary convened. The SBI opening plenary took place in the afternoon. In the morning and afternoon, the AWG-LCA workshop on mitigation by developing countries took place. Contact groups and informal consultations were also held under the AWG-LCA, SBI and SBSTA throughout the day.

SBSTA OPENING PLENARY

METHODOLOGICAL GUIDANCE FOR ACTIVITIES

RELATED TO REDD+: PAPUA NEW GUINEA, with the US, GHANA, AUSTRALIA, INDONESIA, the EU, GUYANA and SWITZERLAND, said Appendix 2 of the Cancun Agreements (FCCC/CP/2010/7/Add.1) should form the basis for discussions. INDONESIA called for transparency and inclusiveness. BOLIVIA underscored the need for an integrated vision of forests and including indigenous peoples in the discussions. BOTSWANA emphasized the need to ensure REDD+ covers transboundary ecosystems. TUVALU said drivers of deforestation identified in Appendix 2 should include governance and consumption for countries using imported forest products.

Peter Graham (Canada) and Victoria Corpus (the Philippines) will co-chair a contact group.

DEVELOPMENT AND TRANSFER OF

TECHNOLOGIES: SBSTA Chair Konaté noted agreement in Decision 1/CP.16 (outcome of the AWG-LCA's work) to establish a Technology Mechanism and terminate the Expert Group on Technology Transfer.

Carlos Fuller (Belize) and Zitouni Ould-Dada (UK) will consult informally.

RESEARCH AND SYSTEMATIC OBSERVATION: On this issue (FCCC/SBSTA/2010/MISC.12, FCCC/SBSTA/2011/MISC.1, MISC.4, INF.1 and INF.6), Sergio Castellari (Italy) and David Lesolle (Botswana) will consult informally.

METHODOLOGICAL ISSUES (CONVENTION):

Revision of the Annex I reporting guidelines on annual inventories: On this issue (FCCC/SBSTA/2011/INF.s 4-5), Riitta Pipatti (Finland) and Nagmeldin Elhassan (Sudan) will consult informally.

Greenhouse gas data interface: Erasmia Kitou (EU) will consult informally.

Emissions from international aviation and maritime

transport: On this issue (FCCC/SBSTA/2011/MISC.5), the International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO) described their relevant activities.

CUBA, for a number of developing countries, with BOLIVIA, IRAN and Kenya, for the AFRICAN GROUP, emphasized that actions to address bunker fuels should be guided by the principle of common but differentiated responsibilities and that any market mechanisms in these sectors contradicting this principle would increase costs and affect trade. He expressed concern with the IMO's proposal to develop revenue streams for addressing climate change.

JAPAN, the US, AUSTRALIA, the RUSSIAN FEDERATION, SOUTH AFRICA, the COOK ISLANDS and PANAMA supported the work of the IMO and ICAO to reduce emissions. The EU supported discussing the issue under the AWG-LCA.

SBSTA Chair Konaté will prepare conclusions.

METHODOLOGICAL ISSUES (KYOTO PROTOCOL):

Common metrics to calculate the CO₂ equivalence of greenhouse gases: Mikhail Gytarsky (Russian Federation) will consult informally.

HCFC-22/HFC-23: On this issue (FCCC/TP/2011/2), Samuel Adejuwon (Nigeria) will consult informally.

Materiality standard under the CDM: On this issue (FCCC/SBSTA/MISC.2 and Add.2; FCCC/TP/2011/4), Peer Stiansen (Norway) will consult informally.

Carbon capture and storage under the CDM: The Secretariat reported on activities undertaken based on the request by COP/MOP 6 and parties took note of the report.

SCIENTIFIC, TECHNICAL AND SOCIO-ECONOMIC ASPECTS OF MITIGATION OF CLIMATE CHANGE: IPCC Secretary Renate Christ presented on the IPCC Special Report on Renewable Energy Sources and Climate Change Mitigation.

Frank McGovern (Ireland) and Andres Flores (Mexico) will consult informally.

COOPERATION WITH OTHER INTERNATIONAL

ORGANIZATIONS: On this issue (FCCC/SBSTA/2011/INF.3), the Secretariat reported on cooperation within the UN system, including with the other Rio Conventions and through the Nairobi work programme on impacts, vulnerability and adaptation (NWP).

The CONVENTION ON BIOLOGICAL DIVERSITY (CBD) reported on relevant activities, including the new Strategic Plan for Biodiversity 2011-2020, the Aichi Biodiversity Targets and the proposal by the CBD COP for a joint meeting of the Rio Conventions. The CONVENTION TO COMBAT DESERTIFICATION (UNCCD) highlighted linkages between the UNCCD and the UNFCCC on adaptation, mitigation, REDD, finance and capacity building.

SBSTA Chair Konaté will prepare conclusions.

FORUM ON THE IMPACTS OF THE IMPLEMENTATION OF RESPONSE MEASURES: On this issue (FCCC/SB/2011/MISC.2), SBSTA Chair Konaté noted that a joint SBI/SBSTA forum will convene next week.

MATTERS RELATING TO PROTOCOL ARTICLE 2.3 (adverse impacts of policies and measures): On this issue (FCCC/SB/2011/MISC.2), Eduardo Calvo Buendía (Peru) and Anastasia Theodorou (Hungary) will co-chair a joint SBI/SBSTA contact group on this item and Protocol Article 3.14 (adverse effects of response measures).

ORGANIZATIONAL MATTERS: Facilitator Ould-Dada reported on informal consultations on the proposed new agenda items. He noted that all parties agree on the importance of water resources, although debate centred on whether to consider them under the NWP or as a separate agenda item. On agriculture, he noted diverging views on whether the SBSTA should commence work before further input from the AWG-LCA. On blue carbon, he noted that a number of parties were of the view that this issue was not mature enough and that related issues, such as mangroves, could be addressed under REDD+. On rights of nature and impacts on ecosystems, he said a number of parties felt the issue was not mature enough for consideration by the SBSTA. Informal consultations will continue.

SBI OPENING PLENARY

CAPACITY BUILDING (CONVENTION): SBI Chair Owen-Jones said work on this issue (FCCC/CP/2010/5, FCCC/SBI/2010/20 and MISC.6, FCCC/SBI/2009/4-5, MISC.s 1-2 and MISC.12/Rev.1) should continue based on the Annex to Decision 10/CP.16 (capacity-building under the Convention for developing countries).

Paula Caballero Gómez (Colombia) and Yuka Greiler (Switzerland) will co-chair a contact group.

CAPACITY BUILDING (PROTOCOL): SBI Chair Owen-Jones said work on this issue (FCCC/KP/CMP/2010/10, FCCC/SBI/2010/20, FCCC/SBI/2010/MISC.6, FCCC/SBI/2009/4-5, MISC.s 1-2 and MISC.12/Rev.1) should continue based on the Annex to Decision 11/CMP.6 (capacity-building under the Kyoto Protocol for developing countries).

Paula Caballero Gómez (Colombia) and Yuka Greiler (Switzerland) will co-chair a contact group.

APPEALS AGAINST DECISIONS OF THE CDM EXECUTIVE BOARD: On this issue (FCCC/SBI/2011/MISC.2 and FCCC/TP/2011/3), BOLIVIA expressed support for introducing an appeals procedure in the CDM project approval process. She urged defining the class of stakeholders who would have the right of appeal as widely as possible, and said this should include project-affected peoples and communities, and relevant civil society groups.

Tredene Dobson (New Zealand) and Yaw Bediako Osafo (Ghana) will co-chair a contact group.

PROTOCOL AMENDMENT WITH RESPECT TO COMPLIANCE: The SBI Chair will consult informally.

CONVENTION ARTICLES 4.8 AND 4.9: Decision 1/CP.10 (Buenos Aires programme of work): SBI Chair Owen-Jones noted the mandate to continue consideration of a draft decision based on the text in Annex IV of document FCCC/SBI/2010/10. SBI Vice-Chair Samuel Ortiz Basualdo (Argentina) will chair a contact group.

Matters relating to the LDCs: LDCs Expert Group (LEG) Vice-Chair Pepetua Latasi (Tuvalu) presented a report on the development of the LEG work programme for 2011-2012 (FCCC/SBI/2011/4). Rence Sore (Solomon Islands) will chair a contact group.

NATIONAL ADAPTATION PLANS: Andrew Ure (Australia) and Balisi Justice Gopolang (Botswana) will co-chair a contact group on the process to enable LDCs to formulate and implement NAPs, and modalities and guidelines for LDCs and other developing countries.

APPROACHES TO ADDRESS LOSS AND DAMAGE: On this issue (FCCC/SBI/2011/3 and MISC.1), Tonga, for AOSIS, called for a decision at COP 17 on activities under the work programme on loss and damage and agreement on the goal of establishing an international mechanism on loss and damage at COP 18. Mark Berman (Canada) and a co-chair yet to be identified will co-chair a contact group.

MATTERS RELATING TO PROTOCOL ARTICLE 3.14 (adverse effects of response measures): Eduardo Calvo Buendía (Peru) and Anastasia Theodorou (Hungary) will co-chair a joint SBI/SBSTA contact group on this item and Protocol Article 2.3 (adverse impacts of policies and measures).

FORUM ON THE IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES: A joint SBI/SBSTA forum on the impact of the implementation of response measures will take place next week.

ANNEX I NATIONAL COMMUNICATIONS: Helen Plume (New Zealand) and Diann Black Layne (Antigua and Barbuda) will co-chair a contact group on the agenda sub-items related to fifth national communications.

NON-ANNEX I NATIONAL COMMUNICATIONS: Consultative Group of Experts on Non-Annex I National Communications (CGE): CGE Chair Sangchan Limjirakan (Thailand) presented on progress in implementing the CGE's work programme and organization of work for 2011-2012. Brazil, for the G-77/CHINA, called for Annex II countries to provide necessary resources for the CGE work programme.

Further implementation of Convention Article 12.5 (communication of information related to implementation): Brazil, for the G-77/CHINA, said any future reporting framework must reflect differing national circumstances, taking into account the principle of common but differentiated responsibilities, and that enhanced reporting requirements would necessitate increased funding.

Financial and technical support: The Global Environment Facility (GEF) highlighted the possibilities for financing non-Annex I national communications. The G-77/CHINA observed that the fixed amount of up to US\$500,000 for national communications does not take into account the differing realities of countries. He also emphasized the need to ensure the timely disbursements of funds to meet the full costs of national communications and expressed concern that the national communications support programme would soon be terminated.

Helen Plume (New Zealand) and Diann Black Layne (Antigua and Barbuda) will co-chair a contact group on these agenda sub-items.

AWG-LCA WORKSHOP

The AWG-LCA workshop on developing country nationally appropriate mitigation actions (NAMAs) was facilitated by Christian Pilgaard (Denmark).

Chile outlined his country's mitigation pledge of achieving a 20% deviation from business-as-usual (BAU) by 2020, using 2007 as the baseline. He also noted the goal of achieving developed country status by 2020, explaining that the aim is to become a low-carbon economy. Chile said his country will use energy efficiency, renewable energy and land use, land-use change and forestry (LULUCF) to achieve the pledge. He outlined initiatives, including: a national programme for energy efficiency; a 2008 renewable energy law; a national action plan on climate change; mitigation action plans and scenarios; and a partnership for market readiness. Chile described the method

used for defining NAMAs, using a one-page “NAMA template” that was sent to the ministries of energy, agriculture and transport.

Ethiopia presented on his country’s Climate Resilient Green Economy Initiative. He outlined Ethiopia’s goals of becoming a middle-income country by 2020 and of ensuring this growth is carbon neutral. He identified some of the potential co-benefits of Ethiopia’s NAMAs, such as job creation, improved balance of payments and improved health. Ethiopia outlined the steps taken, including estimation of current and BAU emissions, identification of abatement potential and analysis of the potential for green growth. He identified next steps, including consultations with stakeholders and potential donors, and institutionalization.

AOSIS highlighted that: non-Annex I emissions are increasing and need to be reduced to the ranges in the IPCC Fourth Assessment Report (AR4) and below; non-Annex I countries are taking mitigation actions; and these actions require support from Annex I countries. She indicated that some small island developing States (SIDS) have adopted goals including carbon neutrality and reducing emissions below a base year or BAU. AOSIS also highlighted concrete projects, such as the Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project, which involves 11 countries and is expected to reduce emissions by 33% below BAU by 2015.

Responding to questions, Chile noted, *inter alia*, efforts to develop a pilot MRV system and expressed support for transparency and international consultation and analysis (ICA). He indicated that although the magnitude of support needed for NAMAs has yet to be calculated, the initial assumption underlying Chile’s pledge in Copenhagen was that 10% would be funded domestically. Chile also said his country is in the process of identifying sectors to be regulated and is considering a cap-and-trade system, NAMA crediting or other offsetting mechanism. He also highlighted the need to link inventories with NAMAs. On the NAMA template, Chile noted it provides a framework that could be linked to the NAMA registry and to the information displayed to the public.

Ethiopia explained that its needs for financial support would become clear in the autumn. Highlighting microfinance, he said the support needed would probably consist of a combination of loans, funds and equity.

Identifying the need to distinguish between NAMAs and offsets, AOSIS emphasized that new market mechanisms only make sense in the context of legally-binding international commitments.

Vietnam presented on efforts to develop a national climate change strategy and a national green growth strategy. He identified significant potential for NAMAs in Vietnam, noting that 28 potential NAMAs have been identified, including 15 in the energy sector, eight in the LULUCF sector and five in the agriculture sector. He noted difficulties in developing NAMAs, lack of common criteria, and lack of sufficient international support and guidance, including for MRV.

Kenya presented on the ongoing national process to identify and develop NAMAs. She further described the national climate change response strategy developed in 2010 and ongoing work on an action plan to implement it, including: a low-carbon development pathway; a national adaptation plan; NAMAs; research development; technology transfer; and finance. She underscored the need to ensure participation by all government departments and stakeholders through consultations.

The EU emphasized that developing countries could contribute to mitigation efforts. He also indicated that diversity of their NAMAs necessitates a diversity of support. He called for: cost-efficient actions in developing countries and for developing countries to articulate their needs and aims; better

understanding of the “ambition gap”; and identification of synergies between achieving the 2°C target and sustainable development goals. He said the “pledges workshops” are crucial and asked the Secretariat to gather information provided in 2011 sessions in a technical paper. During the discussion, Costa Rica, Saint Lucia and Norway also supported a technical paper by the Secretariat.

In response to questions, Vietnam noted they had followed UNFCCC guidelines when calculating their BAU emissions. He said challenges in policy development include lack of climate change awareness, inter-agency cooperation and technical knowledge. While acknowledging the diversity of developing countries, the EU reiterated the possibility of a single framework covering all developing countries, saying it will be possible to differentiate within that framework.

China said feedback between developed and developing countries is key to ensuring that development of NAMAs and identification of support are done synergistically.

Bolivia emphasized the importance of the forestry sector and noted that forest fires are the main source of forest emissions. He underscored the new emergency plan in Bolivia to monitor and combat forest fires and the need for a long-term fire prevention plan. He questioned why Bolivia should spend scarce resources to measure its forest reference levels to participate in a future carbon market, when it could spend these resources on addressing this emergency situation.

Norway called for standardizing the information contained in the pledges by Annex I and non-Annex I countries. For Annex I countries, she listed an economy-wide emission reduction target for 2020 from a 1990 base year, and for non-Annex I countries, basic information structured around a base year, BAU or CO₂ per unit of Gross Domestic Product.

The US said an improved reporting system would entail: submission of biennial reports; subsequent analysis reports; international consultations and analysis and the sharing of views under the SBI; and a summary report by the Secretariat. Citing flexibility on the reporting requirements for SIDS and LDCs, he noted that certain developing country contributions and feedback on implementation would be crucial.

During discussions, Kenya and Mexico noted that a number of countries lack the experience to undertake biennial reports. Australia supported unpacking developing country pledges, possibly in a technical paper, and said biennial reports should focus on major emitters first.

Norway said they aim to support collection of data to clarify developing country pledges. She underscored that the need for targeted long-term, sustainable, national reporting systems is increasing, and that support will be needed for such systems. The US responded that there is a difference between what countries can deliver, but reiterated that “major players” can undertake biennial reporting with existing capacity. Regarding countries that do not fall in the poorest or richest categories, the US said they have “modest capability” and should take on “modest responsibility,” and that it would be a “modest expense” to enable them to consistently and frequently provide reporting.

The Climate Action Network said the lack of an effort-sharing agreement is a major stumbling block to agreeing on a long-term global goal for emission reductions. He called for: establishment of clear and common guidelines for NAMAs and BAU calculations; identification of type and level of support required; development of low-carbon development strategies; and establishment of a work programme to develop a NAMA registry and a robust MRV system.

During discussions, a number of countries welcomed the workshop. Colombia noted the need for inter-institutional cooperation and said support given for NAMAs can increase ambition. Singapore said other non-Annex I parties should be

encouraged to present their pledges at further workshops. Chile supported the idea of a technical paper. Brazil highlighted that the diversity of situations should be captured, and with the US, supported addressing these issues further during negotiations.

CONTACT GROUPS AND INFORMAL CONSULTATIONS

AWG-LCA CONTACT GROUP: During the morning contact group, facilitators presented on progress in their informal groups.

On adaptation, facilitator Kumarsingh reported that parties had addressed, *inter alia*, how to operationalize the provisions on adaptation in the Cancun Agreements, including the composition and modalities of the Adaptation Committee and its linkages to other institutions.

On technology, facilitator Uosukainen said parties had focused on the governance structure and the terms of reference for the Climate Technology Centre and Network. He identified the need for greater common ground on the governance structure.

On shared vision, AWG-LCA Vice-Chair Mukahanana-Sangarwe reported that different views remained on the global long-term goal for emission reductions and the peaking of global emissions. She said parties had requested more technical information, including a possible workshop, and identified the need for another meeting to address equity and other issues, before agreeing on the way forward. ALGERIA added that discussions had also addressed, *inter alia*, the guiding principles for the global goal and peaking, with many parties supporting historical responsibility.

On capacity building, facilitator Uosukainen reported that discussions had addressed, *inter alia*, difficulties in accessing and providing adequate information for monitoring and review of capacity building. He noted different views on institutional arrangements, with some parties supporting strengthening the mandate of existing bodies, while others called for a new mechanism. He said parties requested the Secretariat to prepare a technical paper reporting on capacity building, and that a note summarizing the main issues addressed will be released for discussion in the next meeting.

On other matters (economies in transition), facilitator Shimada reported that parties had discussed a draft COP 17 decision presented by Annex I countries with economies in transition, addressing, *inter alia*, low-emission economic growth. He encouraged parties to consult informally.

On other matters (countries whose special circumstances have been recognized by the COP), facilitator Shimada said parties had exchanged views on Turkey's concerns about the current categorization of parties under the Convention. He encouraged parties to consult informally.

PRIVILEGES AND IMMUNITIES (SBI): In the morning contact group, parties considered draft text on treaty arrangements. AUSTRALIA, CANADA, the EU, NEW ZEALAND and SINGAPORE preferred specifying arrangements for individuals serving on constituted bodies and other entities established under the UNFCCC and not only under the Kyoto Protocol. JAPAN said discussions were premature as the issue would be contingent on the outcome of the AWGs.

INTERGOVERNMENTAL MEETINGS (SBI): In the morning contact group, parties considered a possible intersessional meeting before COP 17. Bangladesh, for the G-77/CHINA, supported a short meeting of only the AWGs. AUSTRALIA, supported by SWITZERLAND, the US and the EU, proposed considering "creative ways" of ensuring that work progresses productively. She proposed meetings of expert groups, which could focus on issues that require more substantive work. The US called for considering the costs and benefits of an additional session.

METHODOLOGICAL GUIDANCE FOR ACTIVITIES

RELATED TO REDD+: During the afternoon contact group, parties discussed work to be undertaken in preparation for Durban. Bolivia called for focus on forest protection and forest management, saying forests should be considered from a holistic perspective and not just as carbon sinks. However, Ghana, for the AFRICAN GROUP, the EU, PAPUA NEW GUINEA, the US, JAPAN and others highlighted the need to prioritize work on issues in Appendix 2 of Decision 1/CP.16.

The EU, PAPUA NEW GUINEA and others supported a technical workshop before Durban, while BRAZIL, supported by SURINAME and others, suggested a technical expert group, given the technical expertise required for certain issues to be addressed. Many parties noted that observer organizations that are already implementing REDD+ activities could provide useful information and share experiences. Some parties suggested focusing on clarifying definitions, others suggested focusing on safeguards and others prioritized reference levels and MRV systems. Parties eventually decided to first address safeguards in their next meeting before moving on to reference levels and other key issues.

IN THE CORRIDORS

On Friday, the Bonn Climate Change Conference moved into the fastlane, with the SBI and SBSTA plenaries, an all-day AWG-LCA mitigation workshop and numerous contact groups and informal consultations under the three bodies convening on a hectic autobahn. For the first time since the Conference began on Monday, delegates were rushing from one meeting to another. "I'm not complaining," said one stretched, but happy, delegate, "better to be busy than idle!" While no AWG-KP groups convened on Friday, some in the know predicted that things would also get busier under the Protocol track on Saturday.

In the afternoon, parties held informal consultations on the legal form of the AWG-LCA's outcome, as mandated in the Cancun Agreements. Delegates who attended the meeting had mixed reviews of how the discussion went. For some, discussions simply rehashed past exchanges. Others, however, felt that the meeting was a positive step "towards the right direction" as parties began identifying concrete elements of a legally-binding agreement under the AWG-LCA. One delegate explained that although many agreed on the need for a legally-binding outcome, interpretations varied widely among parties. Some were saying this should be in the form of a new protocol under the Convention, others preferred a new comprehensive framework that could reflect the "current configuration of the international community," while others called for a COP decision. For some, there was no point in even having the discussion, because, as one such delegate put it, "how can we define the form before knowing the substance and purpose?"

A number of delegates spent the day considering NAMAs in the AWG-LCA mitigation workshop. Many seemed impressed by action being taken by various developing countries – doing more than some developed countries. As one observer put it, "until people actually come out and tell you what they're doing - and many developing countries appear to be doing quite a lot - you just tend to assume nothing is happening, but this is obviously not true."