

## **SB 36 AND AWG HIGHLIGHTS: TUESDAY, 22 MAY 2012**

In the morning, the ADP plenary convened. A number of contact groups and informal consultations were held under the SBI, SBSTA, AWG-KP and AWG-LCA throughout the day.

### **ADP**

During the ADP plenary on Tuesday morning, Ambassador Diseko reported on consultations on the election of ADP officers. She informed parties that a new approach based on equity and fairness was being considered for the ADP Bureau from now up to 2015. She invited groups to continue consulting and expressed hope that an agreement could be reached by Tuesday evening, observing that the situation was affecting the spirit of trust. Ambassador Diseko also expressed doubt on an additional negotiating session being held before Doha.

Interim ADP Chair de Wet invited parties to share their views on how they see work proceeding under the ADP during the rest of the week.

VENEZUELA, speaking on behalf of Argentina, Algeria, Bahrain, Bolivia, China, Comoros, Cuba, Democratic Republic of Congo, Djibouti, Ecuador, El Salvador, Egypt, India, Iran, Iraq, Jordan, Kuwait, Libya, Malaysia, Mali, Mauritania, Morocco, Nicaragua, Oman, Paraguay, Palestine, the Philippines, Qatar, Saudi Arabia, Somalia, Syria, Sudan, Thailand, Tunisia, United Arab Emirates and Yemen, called for open-ended, transparent and inclusive consultations. He expressed willingness to discuss a post-2020 mitigation framework, while recognizing the need to enhance mitigation actions in 2012-2020. He also pointed out that a separate agenda item on enhancing mitigation ambition under the ADP would “render meaningless” the ongoing discussions under the AWG-KP and AWG-LCA. He expressed support for an inclusive agenda that captures, in a non-selective manner, all the elements of Decision 1/CP.17 (Establishment of an *Ad Hoc* Working Group on the Durban Platform on Enhanced Action).

Proposing the adoption of the ADP agenda based on what was agreed to in Durban, Nauru, for AOSIS, called for a detailed schedule of work with timetables and milestones for making progress on all items in a balanced manner. He emphasized the need for a work programme on enhancing mitigation ambition.

CHILE, COSTA RICA and PERU supported beginning work immediately on all elements of the Durban Platform. COLOMBIA proposed establishing two contact groups on agenda item 3 (planning of work in accordance with Decision 1/CP.17) and item 4 (work plan on enhancing mitigation ambition). The GAMBIA proposed establishing a contact group to address issues relating to a legally-binding agreement.

AUSTRALIA highlighted two distinct work streams under the ADP on: the development of a protocol or legally-binding agreement; and enhancing mitigation ambition. He suggested using 2012 as a “conceptual year” aimed at sharing ideas on the work of the ADP. Regarding the Bonn session, he supported adopting the agenda, finalizing the election of officers and establishing a contact group on the agenda items.

Cautioning against polarizing the process, SAUDI ARABIA supported open-ended informal consultations to identify areas of convergence and divergence.

Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP, warned that attempting to change the balanced Durban package will put Doha at risk. He urged agreement on the ADP Chairs and agenda.

The EU outlined elements of the “fine and balanced” Durban compromise, consisting of: a second commitment period under the Kyoto Protocol; a pre-2020 mitigation work plan; agreement by 2015 applicable to all; concluding the AWG-LCA; and operationalizing the institutions created in Cancun and Durban. He expressed concern that procedural arguments risk unraveling the Durban package. He underscored that ministers noted the ambition gap in Durban “with great concern” and that it is not for the negotiators to change the agreement. The EU also expressed concern over attempts to change the ADP’s mandate to negotiate a new, legally-binding instrument applicable to all by introducing the Bali Action Plan into the new mandate. He urged agreement on the ADP agenda and Chair, and said work should be launched under two contact groups.

The US identified “critically important” features in the Durban Platform, highlighting an instrument with legal force for all parties and a path leading further into the future than before. He underscored two work streams with a clear mandate from the COP: developing a post-2020 regime and working on pre-2020 mitigation. Emphasizing the need to implement rather than renegotiate Decision 1/CP.17, he called for planning the ADP’s work at this meeting, including input and interactions over the coming months.

The RUSSIAN FEDERATION highlighted a new, comprehensive agreement as the main objective of the ADP’s work and warned against using the agenda as a tool to review the “fragile and multifaceted” balance of interests agreed in Durban. Stressing urgency, JAPAN warned against wasting time on agenda discussions and called for starting substantive work under contact groups. NEW ZEALAND expressed concern over “difficult atmosphere” and attempts to renegotiate ministerial agreements. She stressed that the agenda must be compatible with the Durban outcome, and proposed establishing two contact groups. She also indicated that election of officers for the ADP should comply with the normal UNFCCC practice.

INDONESIA stressed the importance of trust and good-faith negotiations, calling for the adoption of the agenda. Supported by CHINA and MALAYSIA, the PHILIPPINES reiterated his country’s proposal to delete agenda item 4 and reformulate item 3 to “planning of work in accordance with all the elements of Decision 1/CP.17.” He expressed concern over lack of progress under the AWG-KP and AWG-LCA, and attempts to limit the question of ambition to the ADP. EGYPT welcomed the agenda proposal by the Philippines as “balanced and inclusive,” and underscored equity and common but differentiated responsibilities.

NORWAY urged agreement on the agenda and Chairs, and called for discussions on the ADP work programme and milestones. He underscored that work must start under both work streams, including on mitigation ambition.

INDIA underscored the importance of working on, *inter alia*, mitigation, adaptation, finance, technology development and transfer, and to ensure that the principles of equity and common but differentiated responsibilities are “fully suffused” in each item. He also recalled that ambition relates to all elements of work.

CANADA supported working through two groups, which would make progress possible in the discussions to raise the level of ambition and arrive at a “single, global and comprehensive agreement” for all parties.

CHINA restated support for the “balanced package” reached at Durban, and emphasized the need to continue work under the AWG-LCA according to the Bali Action Plan. He urged continued work on mitigation ambition under the AWG-KP and AWG-LCA. PAKISTAN said: the agenda should be comprehensive enough to allow all parties to remain engaged and retain trust; and that work must focus on, *inter alia*, on the post-2020 architecture.

The MARSHALL ISLANDS highlighted the decision by ministers in Durban to launch the mitigation work plan.

The UNITED ARAB EMIRATES underscored, *inter alia*: adaptation and further operationalizing the Green Climate Fund (GCF).

BRAZIL emphasized the importance of advancing all aspects of the Durban outcome and highlighted the main focus of the Durban Platform to create a new legal instrument under the UNFCCC as “an important opportunity that must not be lost.” SOUTH AFRICA underscored the importance of trust and mutual reassurance, upon which the Durban Package was based, which included an agreement to look at the level of ambition.

#### **CONTACT GROUPS AND INFORMAL CONSULTATIONS APPEALS AGAINST CDM EXECUTIVE BOARD**

**DECISIONS (SBI):** A contact group on appeals against decisions of the CDM Executive Board convened in the morning.

Parties continued considering bracketed parts of the Co-Chairs’ draft text on procedures, mechanisms and institutional arrangements for appeals. They considered paragraphs relating to internal management of the appeals body, collegiality and commencement of an appeal, and discussed, *inter alia*, chairing arrangements, the format and frequency of meetings of the appeals body, and the timeframe for filing a petition for appeal. Diverging views remain, *inter alia*, on the issue of scope.

Parties agreed to continue considering the Co-Chairs’ draft text at SBI 37 with a view to forwarding a draft decision to CMP 8. Draft conclusions will be forwarded to the SBI for adoption.

**NUMBERS/TEXT (AWG-KP):** In the morning AWG-KP contact group, AWG-KP Chair Diouf introduced Harald Winkler (South Africa) as the new Co-Chair of the spin-off group on numbers and text because Sandea de Wet (South Africa) is acting as the Interim ADP Chair.

In the ensuing informal spin-off group, parties considered surplus AAUs and carry-over, focusing on two proposals. Several countries expressed the need to better understand the implication of the proposals, with some developed countries requesting knowledge on their “quantifiable impacts.” Other countries underscored their adaptation priorities, and expressed support for a proposal to transfer units to the Adaptation Fund in the form of AAUs. One party noted that proposals make “heavy intervention into the market space,” therefore requiring time to reflect on the implications. Parties will continue to consult on the proposals, and will review the third proposal in the next meeting.

**MITIGATION BY DEVELOPING COUNTRY PARTIES (AWG-LCA):** The AWG-LCA spin-off group held its first meeting in the morning, which was open to observers.

Facilitator Gary Theseira (Malaysia) introduced an information paper on nationally appropriate mitigation actions (NAMAs) by developing country parties, which contains: matters relating to paragraphs 48-51 of Decision 1/CP.16 (Outcome of the work of the AWG-LCA); non-Annex I biennial update reporting guidelines; modalities and guidelines for international consultation and analysis (ICA); NAMA registry; and other issues.

Parties' views diverged on the group's mandate. The PHILIPPINES, BOLIVIA, INDIA and SAUDI ARABIA reiterated the mandate in the Bali Action Plan, which highlights NAMAs by developing country parties in the context of sustainable development, supported and enabled by technology, financing and capacity-building, in a measurable, reportable and verifiable manner.

The US indicated that Decision 2/CP.17 (Outcome of the work of the AWG-LCA) gives the group a mandate for focused discussions on mitigation. NEW ZEALAND, NORWAY, CANADA, SINGAPORE, the MARSHALL ISLANDS and AUSTRALIA supported the development of a technical paper on progress made since COP 16 in Cancun, considering actions taken and actions that need to be taken. SOUTH AFRICA called for a redraft of the information paper to provide a clear understanding on the way forward.

A revised information paper will be produced based on the discussions.

#### **DEVELOPED COUNTRY MITIGATION (AWG-LCA):**

In the morning, the spin-off group held its first meeting, facilitated by Andrej Kranjc (Slovenia). The meeting was open to observers.

Delegates considered how to organize the group's work. The Marshall Islands, for AOSIS, said progress on developed country mitigation has not been comparable to progress on developing country mitigation actions. He highlighted, *inter alia*, that many Annex I parties had failed to present QELROs for the second commitment period under the Kyoto Protocol. He suggested focusing on increasing developed countries' emission reduction targets and enhancing the transparency and comparability of pledges. AOSIS also suggested discussing QELROs to close the mitigation ambition gap in the Bangkok session. Many developing countries supported working on enhancing mitigation ambition.

The EU, NORWAY, the US, JAPAN and other developed countries indicated that the appropriate place for discussing mitigation ambition is under the ADP. INDIA highlighted that discussions should also be based on the Bali Action Plan, which mandates ensuring comparable efforts among developed countries. CHINA indicated that progress on comparability is required, otherwise the Bali Action Plan mandate will not be accomplished and the AWG-LCA will not be able to terminate its work in Doha. ECUADOR underscored that the AWG-LCA should not conclude its work before the Bali Action Plan mandate on developed country mitigation has been fulfilled. Many developed parties highlighted agreement in Durban that the AWG-LCA would terminate its work in Doha.

Many parties suggested that the group focus on further clarifying assumptions underlying developed country pledges. MEXICO expressed concern on the degree of subjectivity of conditions in developed country pledges and called for analyzing ways to remove them. Many developing countries supported further work on common accounting rules, with SOUTH AFRICA calling for considering comparability and compliance. INDIA suggested the group elaborate a robust set of rules on accountability and enhancement of mitigation ambition.

Many developed countries supported an updated technical paper and further workshops on understanding underlying assumptions. NORWAY suggested that the workshop focus on issues, such as rule-based approaches, greenhouse gases and sectors; and LULUCF.

Facilitator Kranjc said he would report to the AWG-LCA Chair to seek guidance on the way forward.

**AWG-LCA CONTACT GROUP:** In the afternoon, the AWG-LCA contact group convened. Parties heard progress reports.

On shared vision, Facilitator Ji highlighted three options, including: a specific number on the global peaking of emissions; a numeric range for global peaking, or a process or mechanism to identify goals for global emissions and a peaking timeframe.

On developed country mitigation, Facilitator Kranjc noted, *inter alia*: encouraging progress on MRV issues; uncertainties regarding LULUCF carbon credits; and that work should continue in Doha.

On developing country mitigation, Facilitator Theseira reported, *inter alia*, on "unfinished business" related to reporting.

On REDD+, Facilitator Osafo reported, *inter alia*, that parties restated the importance of new and predictable funding, and a specialized REDD+ funding window in the GCF.

On sectoral approaches, AWG-LCA Chair Tayeb noted that the informal group facilitated by Wamukoya emphasized linkages between the UNFCCC, ICAO and IMO in addressing emissions from the international aviation and maritime sectors.

On various approaches, Facilitator Kleysteuber reported on the two workshops and highlighted that parties had identified possible elements for a work programme.

On Review, Facilitator Wollansky reported on the need to further identify its scope and noted initial discussions on the need for an expert body.

On response measures, AWG-LCA Chair Tayeb identified unilateral trade measures as the main element.

On the Convention's catalytic role, AWG-LCA Chair Tayeb said that no specific issues have been identified and invited parties to consider the relationship between the UNFCCC, Convention on Biological Diversity and the UN Convention to Combat Desertification.

On adaptation, AWG-LCA Chair Tayeb noted, *inter alia*, linkages between adaptation and means of implementation.

On technology, AWG-LCA Chair Tayeb highlighted, *inter alia*: linkages with the financial mechanism; and relationship between the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN).

On finance, AWG-LCA Chair Tayeb stressed, *inter alia*: the funding gap between 2012 and 2020; the link between the funding and mitigation gaps; transparency; MRV of financial support; and funding for national adaptation plans in LDCs and other developing countries.

On capacity building, AWG-LCA Chair Tayeb stressed finance as one of the means of implementation.

AWG-LCA Chair Tayeb also reported on other matters related to EITs and Annex I parties whose special circumstances are recognized by the COP.

Algeria, for the AFRICAN GROUP, requested clarification on whether the contact group would produce a decision. He supported having spin-off groups on adaptation, response measures, finance, technology transfer and capacity building.

AUSTRALIA called for a clear understanding of the objectives of the contact group discussions and suggested focusing on making the agreed mechanisms and bodies fully operational.

The EU, supported by SWITZERLAND, suggested mapping issues being addressed under other bodies to avoid duplication.

INDIA highlighted that progress should be measured against the Bali Action Plan.

The Philippines, for the G-77/CHINA, called for a focused group to address finance. COLOMBIA, supported by BRAZIL, suggested a spin-off group to address scaling up of climate finance and avoiding a financial gap between 2012 and 2020. THAILAND, Malawi, for LDCs, and ARGENTINA, opposed by AUSTRALIA, supported establishing a spin-off group on finance. JAPAN called for the avoidance of duplication of work on finance.

CHINA supported spin-off groups on finance and response measures. SINGAPORE reiterated that the UNFCCC is not the appropriate forum for addressing trade issues. The US opposed the establishment of new spin-off groups on any issues, including finance.

AWG-LCA Chair Tayeb, supported by ALGERIA, the PHILIPPINES, INDONESIA, SAUDI ARABIA, VENEZUELA and EGYPT, proposed continuing discussions in an informal group and invited parties to address issues in a more focused manner during the next meeting. The EU reiterated that there was no need for additional spin-off groups and, with the US, AUSTRALIA, CANADA and JAPAN, sought clarification on whether the AWG-LCA Chair proposed establishing an informal meeting of the contact group. AWG-LCA Chair Tayeb clarified that discussions could benefit from a more informal setting. The US proposed that parties continue to meet as a contact group but in a smaller room and requested that observers be allowed to attend.

AWG-LCA Chair Tayeb observed that he was not proposing to establish “a subset of the contact group,” adding that he would make a judgment on whether the proposed group would be open or closed, formal or informal.

#### **DURBAN FORUM ON CAPACITY BUILDING**

**(SBI):** The first meeting of the Durban Forum took place in the afternoon.

UNFCCC Executive Secretary Christiana Figueres highlighted the Forum as the institutional arrangement created by COP 17 to facilitate the enhancement of monitoring and review of the effectiveness of capacity building.

SBI Chair Chruszczow emphasized the cross-cutting nature of capacity building in the climate change process.

The Secretariat elaborated on objectives and referred delegates to a compilation and synthesis report on capacity-building work undertaken by the Convention bodies.

The LDC Expert Group highlighted its training and support programmes for LDCs in the preparation and implementation of national adaptation programmes of action (NAPAs).

Uganda, for LDCs, presented on NAPA experiences, reflecting on good practices and gaps, noting the value of capacity building in enhancing knowledge and skills in the NAPA process.

The INSTITUTE OF DEVELOPMENT STUDIES presented on mobilizing knowledge and strengthening capacity under the Nairobi Work Programme, highlighting his organization’s work, including the development of online and offline knowledge products for community radio on adaptation.

The UN FOOD AND AGRICULTURE ORGANIZATION (FAO) presented on capacity building in adaptation practices, highlighting the FAO’s support for technical assistance in strengthening need-based climate information services and the development of tools and methodologies to assess climate impacts.

YOUNGOs presented on leadership, participation and support in capacity building for adaptation, highlighting their work in mobilizing young advocates in the climate movement. He emphasized the role of youth in capacity building through non-formal education in raising awareness and promoting sustainability.

The Forum continued into the early evening.

#### **IN THE CORRIDORS**

On Tuesday, delegates’ views on progress diverged. As some groups under the Subsidiary Bodies concluded their work, the ADP continued to struggle to get substantive work started.

After “yet another round” of procedural plenary discussions in the morning, the ADP moved into a smaller informal setting for the evening. Initial discussions during the informal meeting focused on areas where assurances on the agenda discussion are needed, including the ADP’s role in enhancing ambition. Parties also reflected on ways to find a balance between the three working groups. Five proposals to move out of the procedural deadlock were also reportedly being considered into the evening, no doubt adding to the complexity of the task at hand.

Reflecting on the negotiating dynamics, many delegates commented on the relationship between the three *Ad Hoc* Working Groups. Some noted that a “nautical theme” seemed to be emerging as some developing countries expressed concern over developed countries attempting to “jump ship” from the AWG-KP and AWG-LCA to the ADP when it comes to mitigation ambition. One delegate lamented: “Developed countries seem eager to lay the AWG-LCA to rest and place the emphasis on the ADP; where is the equity in that.”

Like any effort to navigate deep seas, a sense of direction and timing is key. With the morning report that an intersessional in Bangkok before Doha is now appearing “unlikely,” many delegates expressed an added sense of urgency for clarity on the way forward: “These are indeed stormy waters for the ADP; it is difficult at this stage to see the horizon in the distance,” opined one negotiator.