



BONN CLIMATE CHANGE CONFERENCE: FRIDAY, 7 JUNE 2013

In the morning, an ADP workshop on pre-2020 ambition focusing on energy took place, as well as a SBI plenary session, which continued discussions on the agenda. In the afternoon, a joint SBI/SBSTA in-forum expert meeting on response measures was held and a workshop on the need to improve the coordination of support for the implementation of REDD+. ADP informal consultations also convened in the afternoon, and a number of SBSTA contact groups and informal groups also met throughout the day.

ADP

ADP WORKSHOP ON PRE-2020 AMBITION:

ENERGY: During the workshop facilitated by Houssen Alfo Nafo (Mali), parties focused on energy transformation to enhance pre-2020 ambition, including: scaling up renewable energy; enhancing energy efficiency; and carbon capture and storage (CCS).

Briefings by international organizations and initiatives:

Luis Gomez-Echeverri, Sustainable Energy for All (SE4ALL), stressed the need to scale up investment in order to ensure energy access by all and double the share of renewable energy as well as the global rate of improvement in energy efficiency by 2030. He underscored mobilizing support from stakeholders as crucial for exploiting benefits in relation to achieving objectives on health, increased productivity, employment and gender equity.

Philippe Benoit, International Energy Agency (IEA), emphasized the need to increase support for investment in energy efficiency, especially on the supply side, to expand the energy sector in developing countries. He explained that to engage more stakeholders, energy efficiency must be recognized and measured as an energy source.

Trygve Riis, Carbon Sequestration Leadership Forum (CSLF), noted that CCS is a cost-competitive and safe technology that can help parties meet their emission reduction targets.

Interventions: JAPAN requested the Secretariat to compile best practices on domestic policies and actions undertaken to overcome barriers to renewable energy and energy efficiency. MALAYSIA highlighted its comprehensive national policy that seeks to integrate sustainability at all levels. The EU suggested focusing on measures to tackle barriers and provide benefits. IRAQ said sectors other than energy have a greater potential for emission reduction. CHINA said developed countries should use their economic recovery from recession as an opportunity to transition to low-carbon pathways.

Parties also addressed: sustainable and affordable energy for the poor, including for productive uses; feed-in tariffs to promote sustainable energy; democratization of energy generation; the role of national circumstances and finance in CCS; the role of markets in determining the fuel and energy mix; linkages between TEC and CTCN, and other global networks; and co-benefits of renewable energy. Some parties urged avoiding ideological positions on what counts as renewable energy.

ADP INFORMAL CONSULTATIONS: During the afternoon ADP informal meeting, parties expressed their views on how to move forward in a pragmatic way. Many regarded specific submissions by parties as a helpful way forward. Some parties expressed the need to change the *modus operandi* to provide time and space for concrete decision-making. One party noted that workshops and roundtables provide a safe environment where parties can “dissect” certain topics. Another mentioned the possibility of a combination of modalities to avoid risking that parties will be sent back to their respective positions.

SBI

SBI Chair Chruszczow invited delegates to address the agenda item proposed by the Russian Federation, Ukraine and Belarus regarding procedural and legal issues relating to decision-making by the COP and CMP.

Fiji, for the G-77/CHINA, suggested addressing this under the agenda item on intergovernmental arrangements. As a way forward, the EU suggested including the item under intergovernmental arrangements together with a reassurance in the annotated agenda that the proposed item would be addressed. Alternatively, he suggested starting work under the agenda without formally adopting it, and revisiting the agenda issue later in the following week.

The RUSSIAN FEDERATION pointed out that his proposal is in line with the Rules of Procedure. The G-77/CHINA said that, after days of informal discussions, there is “absolutely no consensus” on adopting the agenda and requested that the chair clarify which legal options are available. Chair Chruszczow explained that the only way the SBI could decide on the agenda is through consensus, as the chair can only take decisions on points of order, but not on matters of substance.

CHINA proposed that the chair make a ruling to start work under SBI and in parallel conduct formal or informal consultations to explore the proposals.

The G-77/CHINA made a point of order and requested the chair to make a ruling according to China’s proposal. Chair Chruszczow ruled to allow delegations on the speakers list to proceed with their interventions. The G-77/CHINA appealed



this. The matter was put to a vote, with the Russian Federation voting in favor of continuing with the list of speakers and the majority of parties abstaining.

The RUSSIAN FEDERATION stressed the need for clarity on the way procedures are followed to ensure transparency and strengthen decision-making. He said discussions under the proposed agenda item could address issues of “systemic importance,” such as the notion of consensus, the role of elected public officers, and voting.

Tuvalu, for AOSIS, observed that whether the SBI has the competency to deal with procedural issues under the COP is a legal issue that is ambiguous. He recalled that options were informally presented and suggested that the chair suspend the plenary and convene a one-hour open-ended friends of the chair group to consider how to address the proposed agenda item. This proposal was accepted by parties. Chair Chruszczow confirmed that the purpose of the friends of the chair group would be to discuss whether and how to address the concerns of the Russian Federation, Belarus and Ukraine under agenda item on intergovernmental arrangements.

SBSTA

WORKSHOP ON THE NEED TO IMPROVE THE COORDINATION OF SUPPORT FOR THE IMPLEMENTATION OF REDD+:

This workshop was co-chaired by Madeleine Diouf (Senegal) and Keith Anderson (Switzerland).

Country presentations: Papua New Guinea, for the COALITION FOR RAINFOREST NATIONS, proposed establishing a REDD+ Committee under the COP. She suggested its functions include: providing guidance on multilateral initiatives; managing requests for support; and organizing evaluation of submitted reports. Questions were raised on the differences between providing adequate support and facilitating mobilization, and lessons learned from bodies outside the UNFCCC. In response, she reiterated that the committee is not envisioned as a financial mechanism but as a support coordinating body.

The US highlighted examples of donor efforts to coordinate support. On a possible new institution, she said that many proposed functions are already fulfilled and cited the subsidiary bodies as the place for providing guidance on support for REDD+. Parties discussed: the value of coordination under the UNFCCC; designing support to address implementation barriers; and challenges to accessing support. In response, she said, *inter alia*: “money is starting to move” and urged completion of outstanding SBSTA work.

Brazil called for the GCF to play a central role in the architecture of a results-based system for REDD+ and underlined that payments dispersed from the Fund would need to be based on equitability, not a fixed monetary value of carbon. Parties’ questions addressed *inter alia*: whether the GCF should be a central part of the architecture and readiness-phase funding could be needs-based.

The Philippines, for ASEAN, expressed openness to exploring potential governance structures and supported an interim registry or database for REDD+ support and actions that could be managed by the Secretariat on an interim basis.

In the ensuing discussion, many developing countries pointed to some of the functions needed for coordinating forest mitigation activities in developing countries, including: streamlining the network of support; simplifying procedures; enabling equitable distribution of funding, as well as consistency of standards and equity of access. A number of developed countries preferred existing institutions to be enhanced and streamlined with the purpose of ensuring coordination of REDD+ actions.

SBSTA/SBI

RESPONSE MEASURES: IN-FORUM EXPERT MEETING ON ECONOMIC MODELING AND SOCIO-ECONOMIC TRENDS:

Argentina, for the G-77/CHINA, emphasized accommodating variables that capture the uniqueness of national characteristics and examining welfare, GDP, employment, investment and trade indicators. She proposed disseminating modeling tools, collaborating on modeling developments, sharing assessments in the forum and fostering programmes to create modeling tools at the domestic level.

Discussing health care-related savings resulting from emission reductions, Bettina Menne, WHO, highlighted, *inter alia*, impacts of: housing-related energy efficiency on reducing lung diseases; “more active” transport for tackling obesity; and lower consumption of animal products on reductions in cardio-vascular diseases.

Joachim Monkelbaan, Global Platform on Climate Change, Trade and Sustainable Energy (ICTSD), said removing fossil fuel subsidies can reduce emissions but does not directly create a renewable energy industry.

Christian Lutz, Institute for Economic Structures Research (GWS), said that economic impacts of response measures are small compared to, *inter alia*, uncertainty associated with: socio-economic trends; historical changes in international energy prices; and the global financial crisis.

Annela Anger-Kraavi, University of East Anglia, said that a carefully designed and coordinated policy portfolio can benefit the global economy and highlighted the need for: international cooperation; a portfolio of measures; and a structural shift in economies.

Discussion: Developing countries questioned the relevance of the presentations made, noting the lack of focus on the mandate. The US disagreed and noted many studies showed positive impacts from response measures. Some parties called on experts to use assumptions that were consistent with the principles of the Convention. Participants noted some challenges to modeling.

IN THE CORRIDORS

Day V of the Bonn meeting was marked by V, for voting. A vote on appealing the SBI chair’s decision to allow further interventions on the agenda item proposed by the Russian Federation, Ukraine and Belarus prompted some to call this vote “unprecedented.” However, some climate veterans recalled that this was not the first time a vote had taken place during UNFCCC negotiations, with one negotiator remembering a COP 2 vote on the location of the Secretariat. In the hallway, debates on the pros and cons of voting in the climate process ensued. One delegate opined that some fear that the issue of voting could set a “dangerous precedent of creating procedural winners and losers, when what we need is a strong collective effort.”

In the evening friends of the chair group, tasked with discussing the issue, delegates reportedly had difficulty finding an amicable solution. On the table there were some options, including: considering the proposal as a formal sub-item under the agenda item on intergovernmental arrangements; including a footnote; or adding elaborated text in the annotated agenda. At this stage, it seems clear for many that the discussion is much more than just about the agenda. While many continued to speculate on the proponents’ objectives, others debated the end result. As one delegate maintained: “whatever decision is taken, it should not set a precedent for parties to question the validity, and thus the need to comply with COP decisions.”