LIMA HIGHLIGHTS: SATURDAY, 6 DECEMBER 2014

On Saturday, 6 December, the SBSTA closing plenary took place in the afternoon, and the CMP plenary convened in the evening. Throughout the day, the ADP contact group on item 3 addressed elements, including transparency and times frames and process related to commitments/contributions, and the draft decision on advancing the Durban Platform for Enhanced Action. An informal stocktaking meeting assessed progress under the ADP. The first working group session of the multilateral assessment under the international assessment and review (IAR) process took place throughout the day.

CMP PLENARY

REPORT ON THE HIGH-LEVEL MINISTERIAL ROUND TABLE ON INCREASED AMBITION OF KYOTO PROTOCOL COMMITMENTS: CMP 10 President Manuel Pulgar-Vidal reported that no agreement had been reached during informal consultations on whether to form a contact group on this issue.

A contact group was supported by Bolivia, for the G-77/CHINA, and opposed by AUSTRALIA, SWITZERLAND, the EU and NORWAY. Informal consultations will continue.

SBSTA CLOSING PLENARY

SBSTA Chair Emmanuel Dumisani Dlamini opened the session.

Election of Officers Other Than the Chair: SBSTA Chair Dlamini informed that consultations on the nominations of the SBSTA Vice-Chair and Rapporteur had not been completed, and the SBSTA agreed to invite the COP to elect the Vice-Chair and Rapporteur of the SBSTA.

NAIROBI WORK PROGRAMME: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.23).


METHODOLOGICAL GUIDANCE FOR REDD+: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SB 42.

WARSZAW INTERNATIONAL MECHANISM FOR LOSS AND DAMAGE ASSOCIATED WITH CLIMATE CHANGE IMPACTS: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SB/2014/L.8).

MATTERS RELATING TO SCIENCE AND REVIEW: AR5 of the IPCC: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SBSTA/2014/L.27 and Add.1).

Research and Systematic Observation: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.19).

2013-2015 Review: The SBSTA adopted conclusions (FCCC/SB/2014/L.9). SED Co-Facilitator Andreas Fischlin (Switzerland) reported on the fourth and fifth meetings of the SED, and highlighted that its meetings demonstrate that limiting global warming to below 2°C requires a long-term science-based approach.


Matters Relating to Article 2.3 of the Kyoto Protocol (Impact of Response Measures): This issue was considered under the sub-item on the Forum and work programme.


Common Metrics to Calculate the CO2 Equivalence of GHGs: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SB 42.

Emissions from Bunker Fuels: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.21)


Clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.25).
LULUCF Under Article 3.3 and 3.4 of the Kyoto Protocol and Under the CDM: The SBSTA adopted conclusions and forwarded a draft decision (FCCC/SBSTA/2014/L.24 and Add.1).

Implications of the Inclusion of Reforestation of Lands with Forest in Exhaustion as Afforestation and Reforestation
CDM Project Activities: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

MARKET AND NON-MARKET MECHANISMS UNDER THE CONVENTION: Framework for Various Approaches: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

Non-Market-Based Approaches: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

New Market-Based Mechanism: SBSTA Chair Dlamini informed that no agreement had been reached on this issue, and that it would be added to the provisional agenda of SBSTA 42.

WORK PROGRAMME ON CLARIFICATION OF QUANTIFIED ECONOMY-WIDE REDUCTION TARGETS BY DEVELOPED COUNTRY PARTIES: The SBSTA adopted conclusions (FCCC/SBSTA/2014/L.22).

CLOSURE OF THE SESSION: UNFCCC Deputy Executive Secretary Richard Kinley informed parties of the administrative and budgetary implications of the conclusions adopted by the SBSTA.

Rapporteur Jurga Rabazauskaite-Survile (Lithuania) presented, and the SBSTA adopted, the report of the session (FCCC/SBSTA/2014/L.20).

Closing Statements: BINGOs appreciated progress made, highlighting that the TM provides a long-term platform for private sector engagement and calling for markets to be at the heart of the new agreement.

CJN!, for ENGOs, called for recognizing that there is no space for markets in the current emission reduction system. Climate Action Network, for ENGOs, said economic, social and environmental assessment of technologies is missing from the TM, warning against the inclusion of technologies that might have catastrophic impacts.

FARMERS said the risks posed by climate change have a direct impact on food security.

YOUNGOs noted that markets have not delivered what they promised and, with CJN!, called for a moratorium on markets.

Research and Independent NGOs pointed to scientific uncertainty over climate change, noting the remaining uncertainty over how the international policy community will respond.

WOMEN AND GENDER proposed a workshop on gender and technology under the TM.

Bolivia, for the G-77/CHINA, called for stronger linkages between the TM and the financial mechanism. On REDD+, with Panama, for the CIRN, Nepal, for the LDCs, Belize, for SICA, and BANGLADESH, he expressed frustration over the lack of progress on the methodological guidance for REDD+, stressing that there is no need for further guidance on safeguards. On response measures, he noted the need to respond to the specific needs of developing countries and called for COP 20 to resolve this issue.

The EU, with Monaco, for the EIG, indicated readiness to move forward on REDD+, markets and clarification of methodologies applicable to the Doha Amendment to the Kyoto Protocol, regretting lack of agreement on these issues.

Australia, for the UMBRELLA GROUP, expressed disappointment that some issues could not be resolved at this session. He welcomed progress on the NWP and urged agreement on the composition of the Executive Committee of the Warsaw International Mechanism for Loss and Damage at COP 20.

Nauru, for AOSIS, called on the CTCN to urgently address technologies to tackle the emission gap and commended the TEC for recognizing the importance of technology for adaptation.

She called for agreement on a permanent representative for the SIDS on the Executive Committee of the Warsaw International Mechanism for Loss and Damage in Lima.

The LDCs called for balanced consideration of information sources in the SED. SICA said the decision on NWP does not sufficiently ensure effective work of the programme.

UKRAINE and the RUSSIAN FEDERATION registered disappointment with the lack of adequate time to discuss sub-items 11 (a) and (b) on Protocol Articles 5, 7 and 8, and clarification of Section G (Article 3.7ter) of the Doha Amendment to the Kyoto Protocol.

UNFCCC Executive Secretary Christiana Figueres thanked SBSTA Chair Dlamini for his service as Chair, congratulating the SBSTA on its outcomes.

SBSTA 41 was gaveled to a close at 5:03 pm.

CONTACT GROUPS

ADP: Draft Decision on Advancing the Durban Platform for Enhanced Action: On Saturday, parties concluded the first reading of the draft decision on advancing the ADP. In the morning and afternoon, parties addressed paragraphs on guiding enhanced action on, and future work of, workstream 2 (pre-2020 ambition) and basis for dynamic high-level engagement.

The EU, supported by the US and SWITZERLAND, stressed that the focus of workstream 2 should remain on mitigation. Many developing countries emphasized the need to also address adaptation and MOI. CHINA, with JORDAN, suggested focus on how to increase international support to enhance action.

AUSTRALIA called for recognizing support to developing countries from various sources.

Many parties described the technical expert meetings (TEMs) as useful and supported their continuation. Nauru, for AOSIS, emphasized improving and extending TEMs until the mitigation ambition gap is closed, and indicated their outputs should include: updated technical papers; a dynamic online “menu” of policy options; focus on co-benefits of actions, barriers to implementation and strategies to overcome them; and a synthesis for policy makers.

With JORDAN, EL SALVADOR and CHINA, he said TEMs should focus on mitigation and adaption opportunities.

NORWAY, with SWITZERLAND, supported TEMs’ focus on mitigation, including fossil fuel subsidy reform, and, with COLOMBIA, called for recognizing the work of the Global Commission on the Economy and Climate.

JAPAN, supported by NEW ZEALAND, suggested strengthening linkages with existing institutions, including the technology transfer information clearinghouse TT:CLEAR and the CTCN. NORWAY emphasized the role of the TEC and CTCN in organizing TEMs. EL SALVADOR suggested closer links with the Adaptation Committee and Adaption Fund.

INDIA, SAUDI ARABIA and ARGENTINA called for technical papers. Mali, for the AFRICAN GROUP, suggested work leading to a technical synthesis and a summary for policy makers to inform ministerials.

AOSIS called for the TEMs’ review no sooner than 2017, with a view to their improvement. CANADA supported review “at some point.” SWITZERLAND favored a review in 2016 or 2017.
BOLIVIA, INDIA and others proposed increasing the scope of TEM topics, with BOLIVIA suggesting a focus on technology knowledge systems and practices of indigenous peoples and local communities. Colombia, for AILAC, called for engagement of indigenous peoples and academic institutions.

Many parties welcomed high-level engagement on the ADP. AOSIS, with CHINA, Bangladesh, for the LDCs, and AILAC, called for annual high-level engagement. BRAZIL said ministerials should be held sparingly, when concrete policies can be proposed to them, and, with AOSIS and the EU, agreed to work on improving TEMs’ output. The US called for annual ministerials on pre-2020 ambition in conjunction with the COP. BRAZIL, BOLIVIA, PAKISTAN and INDIA opposed contributions from sub-national authorities to high-level events.

On engagement of a broad range of actors for effective implementation of enhanced action, SWITZERLAND said engagement with non-state actors should take place at the national level. TANZANIA, supported by MEXICO, suggested that subnational entities and local authorities act through their national governments.

Opposed by the EU and the US, MEXICO, with BANGLADESH, supported conducting, and offered to host, regional and sub-regional TEMs, with BRAZIL willing to explore this idea. Citing financial implications, SWITZERLAND said such TEMs should be held back-to-back with other meetings.

The LDCs called for support to enable technical experts from developing countries to participate in TEMs.

BRAZIL, supported by AUSTRALIA, the US and SWITZERLAND, suggested noting health co-benefits of mitigation policies. The US proposed adding also economic co-benefits. EGYPT proposed co-benefits “in the context of sustainable development and poverty eradication.”

On the annex (complementary information on INDCs), PANAMA requested that the role of forests be recognized and called for reference to considerations on bioenergy. ARGENTINA, with EGYPT, expressed concern over the inclusion of land sector emissions, noting that agriculture is not the main contributor to climate change.

Tuvalu, for the LDCs, proposed differentiated reporting for countries with economy-wide emission reduction targets and developing countries, emphasizing means of support.

On preambular paragraphs, the LDCs, opposed by the EU, requested deletion of reference to the global average temperature increase of 2°C.

Many developing countries, opposed by the US, supported references to the principles and provisions of the Convention. The US did not see annex-based differentiation as a path to the new agreement and, with JAPAN, opposed “bifurcated language.”

CHINA, with PAKISTAN and ARGENTINA, requested references to the BAP and, with Algeria, for the ARAB GROUP, and others, to previous COP decisions. CHILE called for reference to intergenerational equity.

The US, with JAPAN, favored recognizing that contributions are nationally determined and reflect national circumstances. The MARSHALL ISLANDS, with the EU and CHILE, preferred “pledges” to “contributions.”

JORDAN, INDIA, CHINA and VENEZUELA opposed reference to the catalyzing role of sub-national authorities in enhancing the impact of implementation of policies on reducing emissions and vulnerability, and building resilience.

SAUDI ARABIA proposed acknowledging, in line with the IPCC SYR, that effective adaptation and mitigation responses will depend on policies and measures across multiple scales.

Transparency of Action and Support: BRAZIL said transparency cannot substitute accountability, and is linked not only to mitigation, but also adaptation and MOI. He called for a transparency framework that reflects differentiation and is built on existing MRV arrangements under the Convention.

TURKEY opposed, calling for a common framework with common MRV provisions applicable to all parties, with flexibility for developing countries on the level and depth of the application of the common MRV provisions. ECUADOR requested a reference to CBDR.

On commitments, TURKEY said the scope of contributions should remain at parties’ discretion.

Time Frames and Process Related to Commitments/Contributions: CHINA stressed the importance of the timing of the agreement, including precise dates for the starting and ending of its implementation, and a timeframe related to commitments.

On commitments/contributions, TURKEY preferred “contributions.” SOUTH AFRICA favored commitments with a legal character. Chile, for AILAC, said that “contributions” should be communicated every five years, with an indication of contributions for the subsequent five-year period, as well as the five-year period following that.

Indicating flexibility on period length, SWITZERLAND, with NORWAY, emphasized that all parties should communicate their commitments at the same time. TURKEY preferred a 10-year period with a mid-term review.

On ex ante consideration, AILAC called for a robust process. SWITZERLAND urged ex ante consideration of aggregate commitments. TURKEY said the process should not be prescriptive. NORWAY said commitments should become legally binding obligations once they are put forward through an annex or schedule.

On formalization/finalization, AILAC said contributions should be inscribed in a document and cautioned against backsliding. TURKEY and Tuvalu, for the LDCs, said contributions could be revised on a voluntary basis. The LDCs called for two annexes for: quantified emission reduction commitments; and emission limitation commitments and strategies. AUSTRALIA said parties should be allowed to adjust their commitment/contribution on an exceptional basis.

On strategic review of implementation, AILAC supported a five-year cycle and, with SWITZERLAND, TURKEY and the REPUBLIC OF KOREA, and opposed by CHINA, said it should be applicable to all parties. NORWAY said review should harness unrealized opportunities.

Informal Stocktaking Meeting: COP 20/CMP 10 President Manuel Pulgar-Vidal described the first week as one of “proposals, explanations and clarifications,” and called for the second week to be one of “dialogue, flexibility and construction” in order to deliver, by Thursday evening, “the outcome the world is expecting from us.”

ADP Co-Chair Kumarsing proposed, and parties agreed, that the Co-Chairs make available, by Monday morning, improved versions of the non-paper on elements and of the draft decision on advancing the ADP, based on input received from parties during the first week.

Parties queried whether the revised versions of the documents would entail a compilation of inputs or not, with Co-Chair Kumarsing assuring parties that they would. Several delegates
called for prioritizing discussion on substance “to speed up progress towards agreement and enhance clarity” on the scope of, and information required for, INDCs.

Suggestions by parties on the way forward included holding separate discussions on CBDR and equity, and “taking ownership” by moving on from the “Co-Chairs’ non-paper” to a more formal text.

**FIRST WORKING GROUP SESSION OF THE MULTILATERAL ASSESSMENT UNDER THE IAR PROCESS**

Opening the first part of the multilateral assessment working group session, SBI Chair Amena Yauvoli (Fiji) noted two new MRV processes established in Cancun – the IAR for developed countries, and international consultation and analysis (ICA) for developing countries. He indicated that 17 Annex I parties will be multilaterally assessed during this session. Parties delivered presentations on their progress towards the achievement of their quantified economy-wide emission reduction targets, followed by question and answer sessions.

The EU presented on its success decoupling emissions from economic growth. Calling for raising mitigation ambition for 2020, CHINA asked why the EU has made its 30% emission reduction contribution conditional on comparable commitments by other developed countries and on “adequate” contributions by advanced developing countries. Responding to SOUTH AFRICA, the EU indicated an additional 2% emission reduction achievement, if LULUCF were to be considered in its 2020 pledge under the Convention.

In its presentation, AUSTRIA noted an individual target outside the EU emissions trading system (ETS) for a 16% emission reduction between 2005-2020. On a question by CHINA on measures being undertaken by Austria in the transport sector, Austria noted its legislation on vehicle fuel consumption and ongoing discussions on policies at the EU level.

Emphasizing the large contribution of the energy sector to her country’s emissions, CROATIA explained it has set a renewable energy target of 20% of gross final energy consumption in 2020, and an energy efficiency target of 9% by 2020, compared to average consumption in 2001-2005. Responding to a question by BRAZIL on a projected increase in Croatia’s emissions, she explained that the EU “effort sharing” enables an increase of 11% of non-ETS emissions by 2020, from 2005, but Croatia is taking measures to remain below this target.

Recalling it had only become an Annex I party in 2013, CYPRUS, *inter alia*: said it has a 5% non-ETS reduction target by 2020, compared to 2005; presented on sectoral mitigation policies and measures; and noted that Cyprus is “on its way” to meet its 2020 target.

DENMARK highlighted her government’s 100% renewable energy target for electricity generation and heat supply by 2035, and a complete fossil fuel phase-out by 2050. She emphasized investments in renewable energy and energy efficiency, and said that, by 2020, half of national electricity consumption is expected to come from wind power.

FINLAND noted his country has Europe’s highest percentage forest cover, at over 70% of the land area, and that LULUCF remains an emissions sink despite growth in bioenergy production. Upon BRAZIL’s request, he provided further information on the National Forest Programme 2015, based on, *inter alia*, sustainable forest management and a holistic approach capturing the diverse benefits of forests to society. Responding to CHINA on the remaining effort to achieve Finland’s renewable energy target of 38% by 2020, he explained that, in 2012, the share of renewables was 35%.

Highlighting a peak in national emissions in 1978 and a long-term downward trend since then, FRANCE explained this was due to decarbonization of the electricity sector, primarily through deployment of nuclear energy. He said transport and buildings are key areas targeted by policies and measures. Answering BRAZIL’s question on the role of certified emission reduction units supporting France in achievement of its target under the Kyoto Protocol’s first commitment period, he noted they amounted to 2% of France’s assigned amount unit budget.

Responding to a question by AUSTRALIA on drivers of the increase in Italy’s photovoltaic power generation capacity to 18 gigawatts, ITALY mentioned the use of quota and feed-in tariff systems, saying the latter is being adjusted to ensure excessive incentives are not given to mature technologies. Reacting to a question by the US on the challenges and opportunities of having the world’s highest per capita car ownership, he listed key sectoral policy approaches: infrastructure and vehicle fleet modernization; acceleration of modal shifts; and promotion of low-carbon fuels.

LATVIA highlighted her country’s overachievement of its emission reduction target of 8% under the Kyoto Protocol’s first commitment period. Responding to BRAZIL’s request to elaborate on Latvia’s Climate Change Financial Instrument, she said the national programme has resulted in the implementation of more than 2,200 projects in the areas of energy efficiency, technology conversion, development of GHG-reducing technologies and awareness raising.

SBI Chair Yauvoli suspended the session, noting it will resume on Monday, 8 December.

**IN THE CORRIDORS**

As Typhoon Hagupit hit the shores of the Philippines in what seemed to be turning into an annual reminder of urgency of climate action, COP 20 participants’ attention was fixed on the rising temperatures at the venue. Anticipating “heated discussions,” COP President Pulgar-Vidal declared a casual dress code for the second week of the conference, which was met with applause by delegates exhausted after a week of “sweating and fanning.”

Half-way through the COP, delegates felt the “heat” of efficient time management as the SBSTA was gavelled to a close at a record early hour. “SBSTA 41 goes down in the annals of history as one that concluded in sunlight rather than moonlight,” said Executive Secretary Christiana Figueres.

The first session of the first multilateral assessment of Annex I parties in the UNFCCC’s history was also marked by a timely conclusion. Despite some initial nervousness seen on the faces of delegates whose countries’ mitigation efforts were assessed, many felt the Saturday session was helpful for building trust among parties.

With scorching daytime temperatures easing as a cool evening breeze picked up, many delegates found time for reflection. In the ADP evening stocktaking meeting, many felt nostalgic when reminded that next week would be the two ADP Co-Chairs’ “swan song.” Many felt deep gratitude for their guidance, at times “even at a punishing pace,” anticipating, with some degree of apprehension, who the new ADP Co-Chairs might be.