HIGHLIGHTS FROM THE FOURTH UNFCCC CONFERENCE OF THE PARTIES  
12 NOVEMBER 1998

Delegates heard statements from ministers and other heads of delegation in a high level segment. High level informal consultations were held throughout the day.

PLENARY

The Ministers presented overviews of domestic actions on climate change and called for enhanced progress at the COP to ensure ratification of the Kyoto Protocol. They expressed their sympathy for the victims of Hurricane Mitch. FRANCE announced the cancellation of Honduras’ and Nicaragua’s debt.

The US, THAILAND, PERU and TUVALU announced their signature of the Kyoto Protocol. TRINIDAD and TOBAGO, on behalf of CARICOM and HAITI, said BAHAMAS will sign the Protocol this week. MICRONESIA, ITALY, CHILE, LITHUANIA, CYPRUS and the SOLOMON ISLANDS stated that they were in the process of ratifying the Protocol. JAPAN and SLOVENIA called for the early signing and ratification of the Protocol. KAZAKHSTAN expressed willingness to undertake obligations and enter into Annex B of the Kyoto Protocol through Annex I of the FCCC.

A number of countries, including the EU, GAMBIA, JAPAN, SWEDEN, SYRIA, CROATIA, NEW ZEALAND, RUSSIAN FEDERATION, EGYPT, NEPAL, SPAIN, GHANA and the G-77/CHINA, stressed that: active leadership to prevent global warming must come from developed country Parties; domestic action must provide the main means for meeting commitments to combat climate change; and that flexibility mechanisms were supplemental and their use must be subject to strict rules of accountability and compliance. PERU said the inaction of developed countries sends dangerous signals to non-Annex I countries. NORWAY said developed countries must accept even more ambitious targets in the future. Recognizing the vulnerability of small island states, NEW ZEALAND called for support to AOSIS.

FRANCE noted that developing country emissions are increasing and called for timely provision of financial support and technology transfer. With ECUADOR, FINLAND, the CARICOM states, ICELAND, AUSTRALIA, the US, BOLIVIA and BANGLADESH, France supported the Argentine voluntary commitment. With the US and KOREA, FRANCE also supported the Argentine voluntary commitment. With the US and HONDURAS, KOREA recognized that voluntary commitments was a sensitive issue, but there would be a need for global participation over time.

NEW ZEALAND, the RUSSIAN FEDERATION and the US supported the Argentine voluntary commitment. With the US and HUNGARY, AUSTRALIA called for meaningful participation and future voluntary commitments appropriate to individual circumstances and with QATAR, NORWAY, PERU and SENEGAL stressed the principle of common but differentiated responsibilities.

AOSIS noted the inadequacy of the commitments and efforts to implement them under the Protocol and FCCC. He said the Argentine voluntary commitment must not be allowed to detract from the commitments of Parties in the Protocol. CUBA, QATAR and SAUDI ARABIA opposed any attempt to compel developing countries to take on “voluntary commitments.”

KOREA recognized that voluntary commitments was a sensitive issue, but there would be a need for global participation over time. BOLIVIA stressed that substantive participation of non-Annex I Parties should be based on the principle of sovereignty and right to self-determination and that their emissions limits cannot constitute a precedent nor commit others to emissions limitation targets. MALAYSIA expressed regret over the continued discussion on voluntary commitments. ETHIOPIA said pressure for voluntary commitments would undermine the FCCC process.

GHANA said the challenges of climate change mitigation and adaptation present an additional burden to developing countries and with the CARICOM states, ICELAND, AUSTRALIA, the US, SAUDI ARABIA, NEW ZEALAND and the G-77/CHINA called for...
elaboration of mechanisms under the Kyoto Protocol. The CENTRAL
AMERICAN STATES stressed the importance of sinks and supported
the G-77/China proposal to prioritize the CDM and operationalize it by
1 January 2000. With CHILE, he proposed an interim phase of the
CDM. IRELAND supported the EU call for clear qualitative and quanti-
tative ceilings on the use of the flexibility mechanisms. The COOK
ISLANDS, MARSHALL ISLANDS, NAURU, NIUE, TUVALU,
ALGERIA and the CARICOM States expressed concern that the flexi-
bility mechanisms are a way of avoiding domestic responsibility.
THAILAND said the CDM should not be the sole means of technology
transfer.

SEYCHELLES expressed concern that vulnerable nations that are
insignificant on the global stage may be excluded from programmes
such as those under the flexibility mechanisms. THAILAND
supported north-south and south-south partnerships based on equity
and the principle of common but differentiated responsibility. SPAIN
called for progress on developing a process of technology transfer and
efforts to address the issue of public awareness and education.
FRANCE called for a common approach to collective measures and
said mechanisms should be based on a reliable system of compliance
that includes sanctions. CROATIA said the flexibility mechanisms
must be equitable, i.e. open, transparent, verifiable and non-discrimi-
natory. EGYPT emphasized the equal treatment of the three flexibility
mechanisms and suggested that part of the proceeds from these mecha-
nisms be mobilized to finance the transfer of adaptation technology for
developing countries. BRAZIL underscored the CDM as a means of
inducing new and mostly private investment, and suggested that it be
project based and include all countries. CANADA described the CDM
as a “win-win-win mechanism,“ i.e. win for the environment, win for
sustainable development and win for the developed countries, as they
would be able to meet the Kyoto Protocol targets. VENEZUELA said
CDM projects must ensure net contribution to sustainable develop-
ment in the host country; avoid hidden costs; and use project-based
rather than sectoral or national baselines to avoid future imposition of
targets.

ARGENTINA said emissions trading was an innovative solution to
market failure. POLAND called for final decisions on the mechanisms
at COP-5 and proposed a pilot phase for emissions trading. KOREA
opposed any limits on CDM. MEXICO stressed open criteria and a
progressive approach to CDM that could foster immediate and simple
actions without artificial limits, not contained in the Protocol.
BOTSWANA emphasized the role of the CDM in assisting developing
countries and urged progress on elaborating this mechanism.
MOROCCO said the imbalance of projects under the AIJ pilot phase
was inequitable and ZIMBABWE recommended its extension.
MALAYSIA called for the incorporation of technology transfer and the
financial mechanism into the Protocol mechanisms.

GREECE supported agreement on clear principles, modalities,
rules and guidelines for the flexibility mechanisms including ceilings
on their use. SOUTH AFRICA supported development of a clear
programme of work, establishment of an intersessional working group
and a timeframe to ensure the Kyoto targets are met. UKRAINE
stressed establishment of a work programme for implementation of
Kyoto obligations by Annex I Parties. He said revival in transition
economies will lead to inevitable increases in GHG emissions, but
these countries will achieve internal reductions. He opposed the “revi-
sion” of decisions taken at Kyoto.

Several Parties including DENMARK, VENEZUELA, POLAND,
AUSTRALIA, FRANCE, the EU and the US called for the establish-
ment of a coherent, effective and strong compliance system. The G-77/
CHINA called for a decision on compliance at COP-4. GERMANY
suggested a ceiling for mechanisms and, with FRANCE, supported
the inclusion of sanctions in the compliance system.

RUSSIAN FEDERATION opposed attempts to qualify its emis-
sion reductions as “hot air,” since they compensate for emissions
increases of other countries, and have been paid for by a decline in
living standards. BRAZIL, with KENYA, called for further discus-
sions on the adverse impacts of climate change.

Supported by MEXICO, BHUTAN and ICELAND, COLOMBIA
called attention to sinks under the Protocol and underscored the elabo-
ration of methodologies. ICELAND underscored the proportional
impact of single projects on small economies.

With BENIN and ZIMBABWE, CHINA cautioned against the
COP losing focus on the Convention. He opposed the argument that a
global problem demands a global response and rejected emission
reduction or limitation conditions. SWEDEN urged delegates to work
to increase awareness, understanding and support for change and, with
FINLAND, applauded the role of NGOs in the environmental agenda.
VENEZUELA cautioned against allowing distractions from the main
issues by discussing items not on the COP-4 agenda. ECUADOR
supported closer coordination with other UN Conventions, particularly
the CBD. NEPAL stressed regional environmental cooperation and
opposed undue limits on their energy consumption.

KENYA called for GEF support in facilitating CDM and imple-
menting adaptation measures. The GAMBIA called for membership of
the Multilateral Consultative Committee and participation in the CDM
on an equitable geographical basis. SENEGAL said the debt burden
was a serious hindrance to sustainable development and the marginal-
ization of Africa made equity a particular concern. INDIA stressed the
distinction between luxury and survival emissions. ZAMBIA said
carbon dioxide emissions should be linked to poverty eradication.
Recognizing that the lack of multilateral financing constitutes a major
obstacle to implementing the Convention and noting the slow and
complex process to access GEF funds, DJIBOUTI supported the estab-
lishment of an independent financial mechanism to finance the CDM
for poor countries.

BURUNDI underscored the need for improved access to techno-
logical information and knowledge and capacity building, especially
for African delegates participating in the climate change process.
CÔTE D’IVOIRE stated that the CDM should not be a substitute for
official development assistance or support from the GEF. SWITZER-
LAND called for coordination between various international environ-
mental agreements, particularly the Montreal and Kyoto Protocols.
PARAGUAY highlighted its interest in the potential of the flexibility
mechanisms.

As of 9:00 pm, approximately 20 delegates were scheduled to
address the Plenary.

**IN THE CORRIDORS**

Some delegates noted the US proposal to include voluntary
commitments in the draft text on flexibility mechanisms on Tuesday
changed the tone of debate, resulted in pointed attacks from the G-77/
China and hindered the spirit of compromise. Other delegates
suggested that current backroom discussions were slowly making
progress and that the term“flexibility mechanisms” was being replaced
by “Kyoto Protocol Mechanisms.” As one delegate asked, “flexible for
whom?” Some observers said they expected other countries to state
they would assume voluntary commitments on the final day of the
COP.

**THINGS TO LOOK FOR TODAY**

**COP Plenary:** COP Plenary is expected begin at 3:00 pm.