



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 noted 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, the GAMBIA, VENEZUELA, CHINA, ECUADOR, BENIN, TANZANIA and UGANDA, he highlighted the need for additional financial support, sustained transfer of information and technology, capacity building and institutional strengthening. SUDAN stressed technology transfer irrespective of political relations or racial consid-

erations. NORWAY recognized the role of industry in technology transfer. The NETHERLANDS highlighted the need for increased financial flows to the most vulnerable countries.

The UK, with GHANA, said scientific uncertainty should not be used as an excuse for inaction. DENMARK called for a Buenos Aires deal that calls upon developed countries to commit themselves to provide additional funds to developing countries and address their obligations under the FCCC and the Protocol. In return, developing countries must agree to work out the necessary national strategies to allow for a constructive review process. AOSIS called for a clear and ambitious timetable to elaborate the Protocol. The G-77/CHINA said their participation in mitigating climate change depends on the effective implementation of developed country Party commitments in the field of technology transfer and financial resources. JAPAN and the EU stressed the need to maintain the momentum of Kyoto, and with FINLAND, called for the creation of a clear and efficient work plan giving priority to developing country concerns. LATVIA supported the EU proposal for a Buenos Aires work plan.

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

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Chad Carpenter LL.M. <chadc@iisd.org>, Angela Churie <churie@l.kth.se>, Victoria Kellett <vkellett@iisd.ca>, Greg Picker <gregpicker@hotmail.com>, Lavanya Rajamani LL.M. <lrajamani@hotmail.com>. The Editor is Pamela Chasek, Ph.D. <pam@iisd.org> and the Managing Editor is Langston James "Kimo" Goree VI <kimo@iisd.org>. The WWW Content Editor is Peter Doran <pdforan@ecology.u-net.com> and WWW design by Andrei Henry <ahenry@iisd.ca>. Digital photos by Leila Mead <leila@interport.net>. Digital engineering by David Fernau <david@virtualstockholm.net> and Chris Spence <spencechris@hotmail.com>. Logistics by Molly Rosenman <mrosenman@iisd.ca>. French translation by Mongi Gadhoom <Mongi.Gadhoom@enb.intl.tn>. The Sustaining Donors of the *Bulletin* are the Netherlands Ministry for Development Cooperation, the Government of Canada (through CIDA) and the United States (through USAID). General support for the *Bulletin* during 1998 is provided by the United Kingdom Department for International Development (DFID), the German Federal Ministry of Environment (BMU), the Danish Ministry of Foreign Affairs, the Swiss Office for Environment, Forests and Landscape, the European Community (DG-XI), the Ministries of Environment and Foreign Affairs of Austria, the Ministries of Foreign Affairs and Environment of Finland, the Ministries of Foreign Affairs and Environment of Norway, the United Nations Development Programme (UNDP), the Global Environment Facility (GEF) and the Ministry for the Environment in Iceland. Specific support for ENB coverage of COP-4 is provided by Germany's GTZ and the UNFCCC Secretariat. The *Bulletin* can be contacted in Buenos Aires at (15) 170-7613, by e-mail at <enb@iisd.org> and fax: +1-212-644-0206. IISD can be contacted at 161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba R3B 0Y4, Canada. The opinions expressed in the *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD and other funders. Excerpts from the *Earth Negotiations Bulletin* may be used in non-commercial publications only and only with appropriate academic citation. Electronic versions of the *Bulletin* are sent to e-mail distribution lists <http://iisd.ca/enb/email.asp> and full multimedia coverage of COP-4 can be found on the Linkages WWW server at <http://www.iisd.ca/climate/ba/>.



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 quantitative 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 flexibility 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-discriminatory. EGYPT emphasized the equal treatment of the three flexibility mechanisms and suggested that part of the proceeds from these mechanisms 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 development 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 "revision" of decisions taken at Kyoto.

Several Parties including DENMARK, VENEZUELA, POLAND, AUSTRALIA, FRANCE, the EU and the US called for the establishment 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 emission 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 discussions on the adverse impacts of climate change.

Supported by MEXICO, BHUTAN and ICELAND, COLOMBIA called attention to sinks under the Protocol and underscored the elaboration 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 implementing 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 marginalization of Africa made equity a particular concern. INDIA stressed the distinction between luxury and survival emissions. ZAMBIA said climate change programmes 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 establishment of an independent financial mechanism to finance the CDM for poor countries.

BURUNDI underscored the need for improved access to technological 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. SWITZERLAND called for coordination between various international environmental 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.