



HIGHLIGHTS FROM FCCC SB-13 MONDAY, 11 SEPTEMBER 2000

On the opening day of the thirteenth sessions of the FCCC subsidiary bodies (SB-13), delegates convened in the morning for a welcoming ceremony and to address organizational matters. In the afternoon, a joint session of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA) was held, during which Parties made general statements and addressed issues relating to adverse effects, compliance, activities implemented jointly (AIJ), the mechanisms, and capacity building. In addition, SBSTA considered a number of issues, including land use, land-use change and forestry (LULUCF), technology transfer, and policies and measures. A contact group met to discuss capacity building and informal consultations were held on administrative and financial matters.

WELCOMING CEREMONY

COP-5 President Jan Szyszko (Poland) opened the meeting, encouraging delegates to look for common ground and explore compromises in order to streamline negotiating texts and achieve success at COP-6.

FCCC Executive Secretary Michael Zammit Cutajar drew participants' attention to two political challenges: the need to support developing countries in their response to climate change impacts; and the importance of realizing the goals of the Protocol. He cautioned against attempts to renegotiate parts of the Protocol, as this would result in its collapse. He also expressed regret at the passing away of two prominent figures in climate change negotiations: Jean Ripert of France, who chaired the Intergovernmental Negotiating Committee that resulted in the adoption of the FCCC in 1992; and Zhong Shukong, Special Advisor on Environmental Issues in China's Ministry of Foreign Affairs.

Raymond Barre, Mayor of the City of Lyon, expressed his hope for a successful outcome for SB-13. He noted the presence of France's Prime Minister and Minister of Spatial Planning and Environment as a sign of the political and economic importance attached to the work on climate change.

Lionel Jospin, Prime Minister of France, noted France's active support for early ratification of the Protocol. He stressed the importance of domestic action as the most important instrument to reduce emissions, and said the mechanisms should be applicable to no more than half of the efforts from each state. He also expressed caution over the inclusion of sinks. He urged developing countries not to postpone action, and recommended expeditious adoption of the CDM. He stated that his Government's recent measures to mitigate the impact of rising oil prices did not compromise France's climate change programme.

SBI

Following the welcoming ceremony, SBI met briefly to adopt its agenda and schedule of work. SBI Chair John Ashe (Antigua & Barbuda) noted that 184 parties had ratified the FCCC and 23 had ratified or acceded to the Protocol.

SBSTA

SBSTA convened in both morning and evening sessions, beginning by adopting its agenda and organization of work.

LULUCF: Informal group Co-Chair Gwage (Uganda) indicated progress and expressed his desire for a short negotiating text. JAPAN opposed separating human-induced and natural effects, while SWITZERLAND underscored that the integrity of the Protocol depends on their separation. BRAZIL, for the G-77/CHINA, outlined its principles for LULUCF, including that agreed-upon Annex I LULUCF activities should not change the global effect of the Protocol. The EU said additional activities under Protocol Article 3.4 should not be applied during the first commitment period unless concerns related to scale, uncertainties and risks associated with sinks are resolved. CANADA expressed confidence that these concerns can be met and, with JAPAN, stressed inclusion of Article 3.4 activities in the first commitment period as a condition for ratification of the Protocol. Discussions will continue in a contact group.

IMPACT OF SINGLE PROJECTS ON EMISSIONS IN THE COMMITMENT PERIOD: Chair Dovland noted that no submissions had been made by Parties on the matter by 17 July 2000, as requested by SBSTA-11. Following statements by ICELAND and other Annex I countries, he concluded that full agreement had yet to be reached, and requested Ole Plougmann (Denmark) to conduct informal consultations on the issue.

OTHER METHODOLOGICAL MATTERS: Emissions from bunker fuels: The Secretariat reported on cooperation with ICAO and the IMO, and on efforts within these organizations to identify options to limit and reduce greenhouse gas emissions. Chair Dovland noted their progress reports, as requested by SBSTA-11. The IMO introduced its study on greenhouse gas emissions from ships, which will be available at SBSTA-14.

Methods and tools for vulnerability and adaptation assessments: The Secretariat noted that a workshop with IPCC experts will be held following the release of the IPCC report in April 2001.

TECHNOLOGY TRANSFER: The US emphasized the importance of technology needs assessments and an integrated approach. He urged the COP-6 decision to build on the recent technology cooperation pilot project and to consider future roles for the Climate Technology Initiative. INDONESIA highlighted the importance of: monitoring and evaluating technology transfer, minimizing dumping of inefficient technologies, and developing a clearinghouse for technology transfer. The EU urged that identification of needs and priorities should be country-driven and region-

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specific, and should identify priorities for both mitigation and adaptation. With MALAYSIA, he underlined the importance of an enabling environment in developed and developing countries, and of using existing mechanisms. The REPUBLIC OF KOREA advocated greater focus on supply-side issues. Discussions will continue in a contact group.

BEST PRACTICES IN POLICES AND MEASURES

(P&Ms): The EU emphasized experience sharing and information exchange, identifying opportunities for cooperation and contributing to the assessment of demonstrable progress. CANADA, with the US and JAPAN, emphasized that the Copenhagen workshop on P&Ms fulfilled relevant BAPA requirements. He urged avoiding linkages with other issues, including demonstrable progress. URUGUAY highlighted the possible impact of P&Ms on developing countries. A contact group was established.

OTHER MATTERS: SBSTA also addressed Protocol Articles 5 (methodological issues), 7 (communication of information) and 8 (review of information). Group Co-Chair Helen Plume (New Zealand) noted that substantial work remained. A contact group was established to continue discussions. On cooperation with relevant international organizations, the Secretariat noted recent cooperative work with the Convention on Biodiversity.

JOINT SBI/SBSTA

GENERAL STATEMENTS: The joint SBI/SBSTA began with general statements by several Parties. The EUROPEAN COMMISSION said the EU hoped COP-6 would ensure the ratification of the Protocol for entry into force in 2002. She encouraged strong consequences in cases of non-compliance. FRANCE, speaking for the EU, suggested that the momentum from Kyoto had been lost. She urged each country to assume its responsibility and adopt emissions reduction measures.

NIGERIA, speaking for the G-77/CHINA, expressed concern that developed countries were not engaging in meaningful FCCC implementation. He stressed the importance of taking comprehensive decisions on all issues. The AFRICA GROUP noted concerns with availability of translated documents, the convening of too many meetings and rigid positions taken by developed countries. VENEZUELA said developed countries should not avoid commitments or attempt to transfer commitments to developing countries. INDONESIA stressed the importance of capacity building, adaptation, Annex I domestic action, and technology transfer.

ADVERSE EFFECTS: On FCCC Article 4.8 and 4.9 and Protocol Article 3.14 (adverse effects), Chair Dovland noted that negotiating text had been prepared based on informal consultations held in August and last week. Group Co-Chair Abdulmohsen Al Sunaid (Saudi Arabia) noted progress, but drew attention to disagreements over whether to have two decisions that address FCCC Article 4.8 and 4.9 and Protocol Article 3.14 separately, or one decision dealing with both.

The G-77/CHINA called for the will to implement "long overdue" actions on FCCC Article 4.8 and 4.9 at COP-6 and, supported by SAUDI ARABIA, UNITED ARAB EMIRATES, and JAMAICA, called for two separate decisions. The EU said it was aware of the importance of these issues for developing countries, particularly least developed countries and, with the US, supported one decision. The US added that progress had been made and he remained optimistic. Discussions will continue in a contact group.

ACTIVITIES IMPLEMENTED JOINTLY: On activities implemented jointly under the pilot phase, the Secretariat presented a report indicating, *inter alia*, better regional and technical distribution of projects, improved quality of reporting and strengthened capacity in host countries. It was also noted that a revised uniform reporting format was available.

CHINA, with SAUDI ARABIA, EGYPT and TUNISIA, highlighted the need to extend the pilot phase and ensure greater geographical balance in projects. With the US and CANADA, he suggested that the revised uniform reporting format be discussed at SBSTA-14. HUNGARY suggested that the AIJ experience should

be used to implement JI, and the EU said it could be used to elaborate the CDM Reference Manual. She added that crediting for projects should only be possible after the Protocol comes into effect. Parties agreed to discuss the AIJ pilot phase and the revised uniform reporting format at SBSTA-14.

MECHANISMS: On mechanisms, the Secretariat presented the documents and Chair Chow outlined the state of deliberations on the text. Highlighting the slow pace of discussions, AUSTRALIA said it would only ratify the Protocol if there was a workable package at COP-6. The G-77/CHINA highlighted the need to address equity, nature and scope, supplementarity and cross-cutting issues. Opposed by CANADA, he said the decisions on the three mechanisms should have three different chapeaus. Discussions will continue in the contact group.

Delegates also briefly addressed matters relating to compliance and to capacity building, referring these issues to contact groups.

INFORMAL MEETINGS AND CONTACT GROUPS

CAPACITY BUILDING: The contact group considered the framework for capacity building in EITs and in developing countries, and began consideration of a proposed draft decision on capacity building in EITs.

Regarding EITs, issues discussed included: the need for capacity building to assist in achieving the overall objectives of the Convention and Protocol; whether consideration of progress on capacity building relating to the Protocol should be referred to the COP/MOP; and who should monitor progress. CANADA stressed elaborating the concept of an enabling environment to ensure that it does not imply delays in initiating capacity building activities. SLOVENIA introduced a proposal for a draft decision calling for a prompt start to capacity building in EITs, and a COP decision to initiate the creation of the framework for capacity building.

Regarding a framework for non-Annex I country capacity building, participants sought clarity on, *inter alia*, how to monitor implementation, whether there should be coherence in the frameworks for EITs and developing countries, the role of national focal points, and how GEF could be involved in the implementation of the framework.

ADMINISTRATIVE AND FINANCIAL MATTERS: In informal consultations, the US, with the RUSSIAN FEDERATION, addressed the issue of late payment of dues, seeking information on existing practices in other UN fora. Speaking for several developing countries, IRAN asked for a postponement of the discussion until COP-6, and ARGENTINA added that the options included were unacceptable. The US stated that 89% of dues had been collected this year, while the Secretariat noted that, although this was correct, one-third of Parties had not yet paid. Chair Mahmoud Ould El Ghaouth (Mauritania) said he would transmit to SBI the recommendation that the issue be discussed at COP-6.

IN THE CORRIDORS

Delegates have been discussing rumors about a possible deal under negotiation between certain developed country groups. While the details remain hazy, some speculation centered around an agreement on parts of the text relating to the mechanisms, while others suggested the agreement may incorporate a wider package deal. Observers suggest such a move, which would marginalize developing countries, could provoke a backlash in the negotiations.

THINGS TO LOOK FOR TODAY

SBI: SBI will convene at 10:00 am in Plenary I to consider the venue of COP-7, administrative and financial matters, national communications, and the financial mechanism.

CONTACT GROUPS: A number of contact groups will meet to begin negotiations on the newly-revised draft negotiating texts. Negotiations will address: policies and measures, Articles 5, 7 and 8, compliance, the mechanisms, technology transfer, adverse effects and LULUCF. Check the noticeboard for details.