

COP 14 HIGHLIGHTS:

WEDNESDAY, 10 DECEMBER 2008

On Wednesday afternoon and evening, the AWG-LCA, AWG-KP, SBI and SBSTA reconvened in plenary sessions in order to conclude their work. The plenary sessions followed numerous informal consultations and contact groups aimed at finalizing negotiations on individual agenda items. By late Wednesday evening, all four subsidiary bodies had concluded their work in Poznań.

AWG-LCA

LONG-TERM COOPERATIVE ACTION: Chair Machado noted that a number of contact groups had met to discuss the “assembly document,” which deals with a shared vision, mitigation, adaptation, and delivering on technology and financing. He indicated that there had been 164 submissions in total for the assembly text, amounting to more than 1000 pages of input. He said this demonstrates the active interest and engagement of parties, and that this updated text will provide a strong basis for work in 2009 (FCCC/AWGLCA/2008/16/Rev.1).

WORK PROGRAMME FOR 2009: Parties adopted conclusions developed during informal consultations convened by AWG-LCA Vice-Chair Cutajar (FCCC/AWGLCA/2008/L.10).

REPORT TO COP 14 ON THE AWG-LCA’S PROGRESS: The AWG-LCA adopted conclusions (FCCC/AWGLCA/2008/L.11).

STATEMENTS FROM OBSERVER ORGANIZATIONS: The INTERNATIONAL COUNCIL FOR SUSTAINABLE ENERGY called for, *inter alia*: quantifiable mid- and long-term emission reduction targets for industrialized countries; actions by developing countries to reduce emissions below business-as-usual scenarios; and incentive structures for technology transfer. INDIGENOUS PEOPLES expressed concern over REDD and proposed an expert group on indigenous peoples and climate change.

REPORT OF THE SESSION: Chair Machado thanked delegates and all involved in the AWG-LCA’s work, and parties adopted the report of the session (FCCC/AWGLCA/2008/L.9).

Many parties thanked Chair Machado and Vice-Chair Cutajar for their guidance, and expressed hope for constructive talks in 2009. Chair Machado declared AWG-LCA 4 closed at 4:55 pm.

SBSTA

ORGANIZATIONAL MATTERS: SBSTA agreed to elect A.H.M. Mustain Billah (Bangladesh) as Vice-Chair and Purushottam Ghimire (Nepal) as Rapporteur.

NAIROBI WORK PROGRAMME: Delegates adopted conclusions (FCCC/SBSTA/2008/L.22).

TECHNOLOGY TRANSFER: Delegates adopted conclusions (FCCC/SBSTA/2008/L.16).

REDD: Contact group Co-Chair Rosland reported on intense negotiations and some “difficult moments” over the past week, including a “marathon session” on Tuesday. However, he noted that the group had now completed its work. PAPUA NEW GUINEA suggested that the SBSTA had “undershot” what could have been achieved and that the AWG-LCA had moved too slowly to address the necessary policy issues. The SBSTA adopted the conclusions (FCCC/SBSTA/2008/L.23).

RESEARCH AND SYSTEMATIC OBSERVATION: The SBSTA adopted conclusions (FCCC/SBSTA/2008/L.18).

METHODOLOGICAL ISSUES (CONVENTION): **Greenhouse gas inventories:** Parties adopted the SBSTA conclusions (FCCC/SBSTA/2008/L.20).

Greenhouse gas data interface: SBSTA Chair Plume informed the plenary that consideration of this item would continue at SBSTA 30.

Bunker fuels: Parties adopted conclusions (FCCC/SBSTA/2008/L.15).

METHODOLOGICAL ISSUES (PROTOCOL): **HCFC-22/HFC-23:** Co-Chair Spooner reported that parties had been unable to agree. The item will be taken up again at SBSTA 30.

CCS under the CDM: Co-Chair Wollansky reported that parties had considered two bracketed options, but that differences remained on forwarding bracketed text to the COP/MOP or to a later SBSTA session. Parties adopted short draft conclusions (FCCC/SBSTA/2008/L.21) and this matter will be taken up in SBSTA 30. The EU, SAUDI ARABIA, AUSTRALIA, NORWAY and JAPAN expressed regret that agreement had not been reached. JAMAICA noted that CCS technology is not ready for use in an offset mechanism such as the CDM. BRAZIL highlighted concerns relating to long-term permanence and host-country liabilities.

IPCC: SBSTA adopted conclusions on IPCC AR4 (FCCC/SBSTA/2008/L.17).

PROTOCOL ARTICLE 2.3: The SBSTA took this matter up in plenary following a joint SBI/SBSTA contact group session on Protocol Articles 2.3 and 3.14 held earlier in the day. In the contact group, parties had been unable to agree on forwarding substantive draft conclusions to SBI and SBSTA. Instead, they accepted a short text acknowledging the importance of addressing matters related to Protocol Articles 2.3 and 3.14, and agreeing to continue discussions in a joint contact group at SB 30. During the closing plenary, Co-Chair Tilley reported that more time was needed to address these issues. Parties adopted the brief conclusions (FCCC/SBSTA/2008/L.24).

OTHER MATTERS: The SBSTA adopted conclusions on activities implemented jointly (AIJ) and on cooperation with the Secretariat of the Vienna Convention and Montreal Protocol (FCCC/SBSTA/2008/L.19 and Add.1).

STATEMENTS FROM OBSERVER ORGANIZATIONS: TRADE UNIONS urged increased financial support for adaptation. YOUTH said REDD must not be used as a mechanism by which Annex I countries avoid their domestic emission reduction obligations.

REPORT OF THE SESSION: The Secretariat outlined cost implications of SBSTA outcomes, noting that most would be covered through core resources or the Trust Fund for Supplementary Activities. He noted that a request for a technical paper on REDD would require voluntary contributions amounting to US\$100,000. The SBSTA then adopted its report of the session (FCCC/SBSTA/2008/L.14), and Chair Plume closed the meeting at 6:15 pm.

SBI

ORGANIZATIONAL MATTERS: The SBI re-elected Nataliya Stranadko (Ukraine) as Vice-Chair, and elected Kadio Ahossane (Côte d'Ivoire) as Rapporteur.

NON-ANNEX I COMMUNICATIONS: The SBI adopted conclusions on the CGE and on financial and technical support (FCCC/SBI/2008/L.23 and L.24).

ADVERSE EFFECTS AND RESPONSE MEASURES:

Decision 1/CP.10: Several parties expressed regret at the lack of agreement on this issue, while others noted some progress. Chair Asadi said the issue would be on SBI 30's agenda.

LDCs: Delegates adopted conclusions (FCCC/SBI/2008/L.22).

CAPACITY BUILDING: The SBI adopted conclusions on capacity building under the Convention and the Protocol (FCCC/SBI/2008/L.25 and L.26).

ANNEX I COMMUNICATIONS: The SBI adopted conclusions on reporting and review of information submitted by Annex I parties to the Convention that are also parties to the Protocol (FCCC/SBI/2008/L.19).

COMPLIANCE: SBI agreed to continue consideration of this item at its next session.

ADMINISTRATIVE, FINANCIAL AND

INSTITUTIONAL MATTERS: Chair Asadi presented draft "omnibus" texts covering a range of financial and institutional matters, including audited financial statements for 2006-2007, budget performance for 2008-2009, status of contributions, and authorization to prepare the budget for 2010-2011. The SBI adopted conclusions (FCCC/SBI/2008/L.17) and draft decisions for the COP and COP/MOP (FCCC/SBI/2008/L.17/Add.1/Rev.1 and Add.2/Rev.1), with a minor oral amendment to a footnote by JAPAN.

TECHNOLOGY TRANSFER: Parties were briefed on the two contact groups that had considered different elements of this topic: the SBI group and the joint SBI/SBSTA group. The SBI adopted draft conclusions relating to the EGTT, GEF strategic programme, and the terms of reference for the review of implementation of Convention Articles 4.1(c) and 4.5 (FCCC/SBI/2008/L.28 and Add.1).

PROTOCOL ARTICLE 3.14: Co-Chair Djemouai reported on a joint SBI/SBSTA contact group on this issue, noting agreement that the joint group was the appropriate context to continue discussions at SB 30. Parties adopted draft conclusions (FCCC/SBI/2008/L.27).

INTERNATIONAL TRANSACTION LOG: Parties adopted conclusions (FCCC/SBI/2008/L.18).

PRIVILEGES AND IMMUNITIES: Co-Chair Oberthür reported agreement on SBI draft conclusions, as well as on a draft COP/MOP decision, which was forwarded to the contact group on the second review of the Protocol under Article 9. Parties adopted conclusions (FCCC/SBI/2008/L.20 and Add.1).

OTHER MATTERS: Parties adopted conclusions on the annual compilation and accounting report for Annex B parties under the Kyoto Protocol (FCCC/SBI/2008/L.16).

FINANCIAL MECHANISM: Fourth review of the financial mechanism: The Philippines, for the G-77/CHINA, expressed disappointment at the lack of a substantive outcome. The SBI adopted brief conclusions (SBI/FCCC/2008/L.29).

Report of the GEF to the COP and guidance to the GEF: Chair Asadi noted lack of agreement on draft text and said bracketed text (SBI/FCCC/2008/L.30) would be forwarded to the COP Chair for his consideration. The G-77/CHINA expressed disappointment, stating that the Group has spent 15 years trying to make the GEF as an operating entity more responsive to the concerns of developing countries.

LDC Fund: The SBI adopted conclusions, including an annex with further guidance on operation of the Fund (FCCC/SBI/2008/L.21 and Add.1).

REPORT OF THE SESSION: The Secretariat noted minor budgetary and administrative implications of the SBI outcomes. The SBI then adopted its report on the session (FCCC/SBI/2008/L.15). Reflecting on the session, Chair Asadi said the formal outcome left much to be desired, due in part to lack of time. However, he also noted some positive outcomes, including a modest but encouraging start to the joint contact group on Protocol Articles 2.3 and 3.14. He urged a "collective endeavor to find common solutions to our common problems," and closed the meeting at 9:02 pm.

AWG-KP

AGENDA ITEMS 3, 4, 6, AND 7: Following informal consultations and a contact group earlier on Wednesday, the AWG-KP adopted its conclusions (FCCC/KP/AWG/2008/L.18).

SPILLOVER EFFECTS / POTENTIAL

CONSEQUENCES: Following a contact group earlier in the day, Co-Chair Kerr reported on the progress of the group, noting that work on this agenda item will continue at a 2009 workshop, as described in the conclusions. She added that the group will henceforth refer to itself as the "potential consequences" group. The AWG-KP adopted the conclusions (FCCC/KP/AWG/2008/L.17).

WORK PROGRAMME: Vice-Chair Konate reported on consultations on the AWG-KP's work programme for 2009, and AWG-KP Chair Dovland highlighted the work programme's importance for reaching agreement on further commitments in Copenhagen. He characterized the consultations as "somewhat challenging," also noting the lack of time. The AWG-KP adopted conclusions (FCCC/KP/AWG/2008/L.19).

STATEMENTS FROM OBSERVER ORGANIZATIONS:

TRADE UNIONS called for a "green new deal" and programmes for workers who may be affected by restructuring to a low-carbon future. **CLIMATE ACTION NETWORK EUROPE** called for accelerated progress on developed country targets, stating that these targets should be at least 40%.

REPORT OF THE SESSION: Delegates adopted the AWG-KP's report of the resumed sixth session (FCCC/KP/AWG/2008/L.16). Chair Dovland said the AWG-KP had completed a "very ambitious agenda" in a very short period of time. Reflecting on his term as AWG-KP Chair, he said progress had been made during the past 12 months but that the AWG-KP is behind schedule. He urged focusing on new QELROs for Annex I parties.

Several parties thanked Chair Dovland for his leadership. While thanking Chair Dovland, CHINA expressed deep disappointment at slow progress regarding Annex I parties' further commitments.

Chair Dovland thanked the parties, his Vice-Chair and the Secretariat, expressing hope that a robust basis had been laid for the AWG-KP's work in 2009. He declared AWG-KP 6 closed at 10:05 pm.

IN THE CORRIDORS

Delegates emerged from the final plenary of the subsidiary bodies on Wednesday evening with seemingly mixed feelings. Most appeared to feel that the AWGs and SBs had achieved at least the minimum that was needed. "We got what we came here for, although many might have wanted more," said one delegate. "There were some 'small wins' here but no big breakthroughs. Still, few expected any," said another.

Some were pleasantly surprised that the AWG-KP had finished its work at a reasonable hour, especially since some sections of the work programme had apparently not been agreed when the text was brought to plenary. There was a range of views on the work programme in particular, depending on which delegation was speaking.

Meanwhile, in some of the remaining COP/MOP negotiations, the Article 9 review group was reporting "slow progress" at 11:00 pm Wednesday night. However, delegates leaving the Adaptation Fund talks at a similar hour were reporting some forward momentum, with the legal status of the Board as the only major outstanding issue.