

## SUMMARY OF THE BANGKOK CLIMATE TALKS: 3-8 APRIL 2011

The sixteenth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP 16), the fourteenth session of the *Ad Hoc* Working Group on Long-Term Cooperative Action (AWG-LCA 14), and three pre-session workshops convened in Bangkok, Thailand, from 3-8 April 2011.

Over 2000 participants from governments, intergovernmental and non-governmental organizations, academia, the private sector and the media attended the meetings. This marked the first round of negotiations on climate change following the sixteenth Conference of the Parties (COP 16), held in Cancun, Mexico in November - December 2010. Delegates set out to adopt the agenda and organization of work for 2011 to enable the *Ad Hoc* Working Groups (AWGs) to achieve their mandates in the lead up to COP 17, to be held in December 2011 in Durban, South Africa.

On Sunday, 3 April, a pre-session workshop on assumptions and conditions related to the attainment of quantified economy-wide emission reduction targets by developed country parties convened to discuss presentations and submissions by parties. On Monday, 4 April, a pre-session workshop on mitigation actions submitted by developing country parties, underlying assumptions, and any support needed for implementation of these actions discussed presentations and submissions by parties. The expert workshop on the Technology Mechanism took place from 4-5 April and focused on means of operationalizing the institutions of the Technology Mechanism, including the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN).

AWG-LCA 14 and AWG-KP 16 convened from 5-8 April and will continue in Bonn, Germany in June. The AWG-LCA opened with discussions on the agenda for the meeting, but parties could not reach agreement on whether to work on the basis of the agenda proposed by the AWG-LCA Chair or the one proposed by the Group of 77 and China (G-77/China). The AWG-LCA met all week in informal consultations, informal plenaries and drafting groups to resolve the impasse. The AWG-KP met three times in a contact group on further commitments for Annex I parties and debate focused on how to address the

political and technical issues that must be resolved in order to reach agreement on a second commitment period of the Kyoto Protocol.

## A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

The international political response to climate change began with the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, which sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid “dangerous anthropogenic interference” with the climate system. The UNFCCC entered into force on 21 March 1994 and now has 195 parties.

In December 1997, delegates to COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits industrialized countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known as Annex I parties under the UNFCCC, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment

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period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005 and now has 193 parties.

In 2005, COP/MOP 1, held in Montreal, Canada, established the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) on the basis of Protocol Article 3.9, which mandates consideration of Annex I parties' further commitments at least seven years before the end of the first commitment period. In addition, COP 11 agreed in Montreal to consider long-term cooperation under the Convention through a series of four workshops known as "the Convention Dialogue," which continued until COP 13.

**BALI ROADMAP:** COP 13 and COP/MOP 3 took place in December 2007 in Bali, Indonesia. Negotiations resulted in the adoption of the Bali Action Plan (BAP), which established the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) with a mandate to focus on key elements of long-term cooperation identified during the Convention Dialogue: mitigation, adaptation, finance and technology transfer. The Bali conference also resulted in agreement on a two-year process, the Bali Roadmap, which established two negotiating "tracks" under the Convention and the Protocol, and set a deadline for concluding the negotiations at COP 15 and COP/MOP 5 in Copenhagen, Denmark in December 2009.

**COPENHAGEN CLIMATE CHANGE CONFERENCE:** The UN Climate Change Conference in Copenhagen, Denmark, took place from 7-19 December 2009. Over 110 world leaders attended the joint COP and COP/MOP high-level segment from 16-18 December. The conference was marked by disputes over transparency and process. During the high-level segment, informal negotiations took place in a group consisting of major economies and representatives of regional and other negotiating groups. Late in the evening of 18 December, these talks resulted in a political agreement, the "Copenhagen Accord," which was then brought to the COP plenary. Delegates debated the Accord at length, with many supporting its adoption as a COP decision as a step towards securing a "better" future agreement, while others opposed it due to the lack of transparency and an "undemocratic" process. Ultimately, the COP agreed to "take note" of the Copenhagen Accord. They also established a process for parties to indicate their support for the Accord. To date, over 140 countries have indicated their support. More than 80 countries have also provided information on their emission reduction targets and other mitigation actions.

On the last day of the Copenhagen Climate Change Conference, the COP and COP/MOP also decided to extend the mandates of the AWG-LCA and AWG-KP, requesting them to present their respective outcomes to COP 16 and COP/MOP 6 in Cancun, Mexico.

**2010 UNFCCC NEGOTIATING SESSIONS:** Prior to COP 16 and COP/MOP 6, four negotiating sessions of the AWGs were held in 2010. These took place in Bonn, Germany in April, May-June and August, and in Tianjin, China, in October. The aim of these four sessions was to advance the work in the lead-up to the December Cancun Climate Change Conference. Under the AWG-KP, delegates focused on the scale of Annex I parties' emission reductions under the Protocol beyond 2012. They also

discussed other issues arising out of the AWG-KP's programme, including the flexibility mechanisms, land use, land-use change and forestry, as well as a basket of methodological issues. Under the AWG-LCA, parties attempted to develop a negotiating text that encompassed all the main elements of the BAP, including mitigation, adaptation, technology, financing, reducing emissions from deforestation and forest degradation in developing countries, including conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) and monitoring, reporting and verification (MRV). By the end of the Tianjin meeting, documents had been developed under both the AWG-KP and AWG-LCA, although these contained many options and much text that had not been agreed by all parties.

**CANCUN CLIMATE CHANGE CONFERENCE:** The UN Climate Change Conference took place in Cancun, Mexico, from 29 November to 11 December 2010 with over 12,000 participants. Expectations for Cancun were modest, with few anticipating a legally-binding outcome on all outstanding issues and therefore parties focused on identifying elements of a "balanced package" of outcomes. Negotiations focused on key issues including mitigation, adaptation, financing, technology, REDD+, MRV and international consultation and analysis (ICA). During the second week of negotiations ministers from developed and developing countries were "paired" in an attempt to facilitate negotiations on the main issues. These negotiations, along with contact groups, informal consultations and bilateral meetings continued all week, with regular "stocktaking" plenary sessions, which were held to maintain a degree of transparency and keep all participants informed of the process.

By early Saturday morning, parties finalized the "Cancun Agreements." The Agreements included decisions under both the Convention and Protocol negotiating tracks and contained provisions on adaptation, REDD+, technology, mitigation and finance.

## WORKSHOPS

### ***PRE-SESSIONAL WORKSHOP ON ASSUMPTIONS AND CONDITIONS RELATED TO THE ATTAINMENT OF QUANTIFIED ECONOMY-WIDE EMISSION REDUCTION TARGETS BY DEVELOPED COUNTRY PARTIES, AS REQUESTED BY DECISION 1/CP.16, PARAGRAPH 38***

On Sunday, 3 April 2011, UNFCCC Executive Secretary Christiana Figueres opened the workshop on assumptions and conditions related to attainment of emission reductions targets by developed country parties (FCCC/SB/2011/INF.1). Figueres noted that the workshop would provide input for the Secretariat's technical paper, available in June 2011, and inaugurate a future series of workshops. The workshop was co-chaired by Richard Muyungi (Tanzania) and Maas Goote (the Netherlands) and was organized in four sessions, each with formal presentations by parties followed by question and answer periods.

**SESSION 1:** During the first session, Hungary, for the European Union (EU), confirmed that its Kyoto Protocol target had been met while growing gross domestic product (GDP) in the period 1990-2009. He described the role of the EU Emission Trading System (ETS) and its growing influence on private sector investment behavior. On key considerations for 2011, the EU highlighted the need for discussions on: ambition;

comparability; and the importance of accounting for assessing whether parties are on track. On next steps, he called on parties to use the workshops to enhance understanding of pledges, assess the scale of the gap in pledges if the goal of limiting temperature increase to below 2°C is to be achieved, and build robust and consistent accounting rules.

Brazil, for the G-77/China, underscored the importance of converting pledges into quantified commitments, including use of a single base year. On carbon accounting, he stressed that numbers do not necessarily translate into stringency of effort, and called for consideration of land use, land-use change and forestry (LULUCF), the nature and use of offsets, including the issue of supplementarity, and a move to full comparability. Highlighting the insufficiency of current pledges, he called for a clearer notion of aggregate mid-term mitigation contributions from Annex I parties and means of ensuring compliance.

Norway stressed the effect of changes to accounting rules on LULUCF and the need to revise emission reductions commitments in light of any changes made in order to maintain the overall level of ambition. He highlighted that cost-effective mitigation actions can be achieved through the flexibility mechanisms under the Kyoto Protocol or new mechanisms under the Convention.

The US reaffirmed its commitment to 17% emission reductions below 2005 levels by 2020. He stated that US emissions currently stand 5.7% above 1990 levels but 8.7% below 2005 levels, underlining that reductions since 2005 are comparable to other developed countries. Noting the increased US focus on clean energy, he highlighted allocation of US\$92 billion to clean energy financing. He said the US is committed to an economy-wide target not limited by sectors.

France highlighted that his country had exceeded the national target under the Kyoto Protocol and that France has almost entirely de-carbonized electricity generation due to the use of nuclear, hydroelectricity and other technologies.

During discussions, Egypt, the Republic of Korea, Pakistan, Solomon Islands, the Philippines and China raised a range of issues, *inter alia*: the contribution of international aviation to the EU's emissions reduction target; comparability of efforts; supplementarity; a compliance mechanism; and why the EU cannot unilaterally move to a 30% reduction target.

On the ambition of current pledges, the US noted that there are an infinite number of pathways that can place countries on track to remain within the 2°C window, and suggested that reaching agreement on the implementation of the Cancun Agreements is the best place to start. The US outlined plans to introduce a combination of legislative and regulatory measures on energy and other issues, following the collapse of efforts to introduce cap-and-trade legislation in the US Congress.

On comparability, the US said he did not believe parties would arrive at a single metric. He said the base year 1990 does not work for the US and that different measures are required depending on national circumstances. He recalled that the Bali Action Plan (BAP) referred to comparability of effort and that effort can be defined differently, such as in terms of GDP, technology or national circumstances. The EU agreed that there should be no single metric. He noted that comparability

is a question of political judgment, linked to issues of responsibility, capability and early action. He said the approach to comparability in the Kyoto Protocol has not worked.

On compliance, the US said this was a matter of domestic law. The EU said the starting point is the Kyoto Protocol, with its facilitative and enforcement elements and that this issue is not limited to parties in Annex B of the Kyoto Protocol.

On supplementarity, the EU said he anticipated that up to 4% of the 20% target would come from international credits and that were the EU to move to a 30% target, the share would rise to 9%. On non-Annex I party efforts, the EU noted that reported actions have been forwarded using different matrices. He underscored the importance of workshops for clarifying these issues if parties are to assess where they stand on remaining within the 2°C window.

On moving to a 40% reduction target, Norway noted the importance of clarifying pledges, and issues related to flexibility mechanisms and accounting rules.

**SESSION 2:** Switzerland described his country's pledged emission reductions as 20-30% by 2020 compared to 1990 levels, with no carryover of surplus assigned amount units (AAUs) expected in the current projection. He emphasized that bunker fuels need to be part of the international regime.

St. Lucia, for the Alliance of Small Island States (AOSIS), emphasized that there is a substantial gap of 5-9 gigatonnes of CO<sub>2</sub> equivalents per year between the pledges made and those required by science. She called for: increased transparency; common rules for LULUCF accounting; a technical paper to clarify quantification of emissions, conditions, the scale of use of the Kyoto Protocol flexibility mechanisms; and a work programme for improving Annex I party ambitions.

New Zealand described the challenges that it faces in emission reductions as an agricultural export economy and said its target of 10-20% below 1990 levels by 2020 is conditional on: a trajectory limiting the global temperature increase to 2°C; a comparable effort from developed countries and action by developing countries in line with their respective capabilities; effective rules for LULUCF; and a fully functioning carbon market.

Germany described its current emissions as 26.5% below 1990 levels, with a future target of 40% emission reductions below 1990 levels by 2020. She called for: a legally binding framework to provide market certainty; funding schemes; feed-in tariffs; and monitoring of implementation.

During discussions, the US queried the AOSIS figures set out in an analysis of aggregate Annex I parties' emission reductions for 2020. The US noted that he had seen numbers that range widely and that it was not in parties' collective interest to use numbers at the extreme edge of a range. AOSIS noted that projections on sea-level rise reflected a precautionary approach and stressed the need to increase levels of ambition. The EU agreed with much of the AOSIS data and welcomed the opportunity to "get underneath" the numbers.

**SESSION 3:** In the afternoon, the Russian Federation stressed the importance of returning to pre-crisis levels of economic growth. He outlined different baselines and scenarios

of their greenhouse gas (GHG) emissions, and concluded that they can achieve emission reductions between 14-28% below 1990 levels by 2020.

India outlined a global carbon budget of 300 gigatonnes of CO<sub>2</sub> equivalent for the period 2010-2050 consistent with providing equitable access to sustainable development. He said the future entitlement of non-Annex I parties would be 425 gigatonnes of carbon equivalent compared with a negative entitlement of -125 gigatonnes of carbon equivalent for Annex I parties, calculated on the basis of a fixed per capita share. He added that the gap between entitlement and available carbon space provides the basis of a scientific benchmark for decisions on finance and technology transfer.

Sweden said his country has decoupled economic growth from GHG emissions through a number of policies, including price signals. He explained that Sweden aims for 40% emission reductions below 1990 levels by 2020, and achieving no net emissions of GHGs by 2050, calling its ambitious national goals “good for the economy.”

Reflecting on the economic impact of recent natural disasters, Japan expressed a continued willingness to contribute to climate negotiations but conceded that due to relief and reconstruction efforts they are uncertain of their position on future climate change policies.

Poland said they have decoupled economic growth from GHG emissions, and are currently more than 30% below 1988 emission levels, but need to increase energy efficiency to match the EU's efficiency levels.

Australia stated its emission reduction target range of 5-15% below 2000 levels by 2020, noting the 15% reduction is conditional on a global agreement in which all major economies substantially restrain their emissions. She said Australia would consider a 25% target in the context of a global agreement capable of keeping CO<sub>2</sub> equivalents at 450 parts per million (ppm) or lower. On assumptions and conditions, Australia said parties should clarify their pledges, including: baselines used; methods of determining baselines; expected use of international offsets to achieve targets; and conditions for achieving targets.

In discussions, the US, EU, Saint Lucia, Switzerland, Indonesia, Egypt and Venezuela raised a number of issues, including: the role of LULUCF; the management of offsets in the context of interactions between developed and developing country parties; equitable access to sustainable development; and innovative approaches to using surplus AAUs. Brazil raised concerns about Annex I party projections based on uncertainty regarding future rules. He noted that existing rules under the Kyoto Protocol are not being used to set pledges and cautioned that pledges based on what developing countries do may only serve to strengthen a “wait and see” approach. Venezuela emphasized that no decision had been taken in Cancun on the establishment of new market mechanisms. She urged parties referring to mechanisms to do so in the context of the Kyoto Protocol.

India cited research in support of the carbon budget approach and rejected suggestions that the cumulative approach is essentially backward looking. On the role of offsets, Australia pointed to the centrality of MRV in their design and credibility. She advocated working on those aspects of pledges where

conditional elements are shared by a number of parties. She defended reserving a role for political judgment in elaborating pledges, with the uncertainty that this implies. She noted that the existing structure of the Kyoto Protocol would keep the global average temperature increase below 2°C and a logical consequence was the question of how to draw in all major emitters. Brazil responded that the low level of ambition in the Protocol's first commitment period was not a structural problem.

**SESSION 4:** Bolivia highlighted the inconsistency between the goal to limit global temperature increase to 2°C and the actions enshrined in the Cancun Agreement. He underscored that failure to reach the necessary emission reductions would result in an increase in the global temperature of 3-5°C. He stressed that the double counting effect of offsets undermines mitigation efforts.

The UK underlined an emissions pathway to 2050, set by a carbon budget consisting of four budget periods and said that the carbon budgets of the first two periods will be solely met by the EU ETS and domestic efforts. Noting there is almost zero mitigation potential in energy production due to near 100% deployment of renewable energy, Iceland highlighted the potential for carbon sequestration, including LULUCF, subject to provisions including: joint target setting with other parties; the continuation of the Kyoto Protocol, particularly Article 4 (joint fulfillment of commitments) or similar arrangements; extension of Decision 14/CP.7 (impact of single projects on emissions in the commitment period); and agreement with the EU on joint fulfillment.

During discussions, more than a dozen countries submitted input focusing on offsets, LULUCF rules and the workshop.

The EU agreed with Bolivia on the importance of proper accounting and expressed interest in better understanding discrepancies in offset figures. Bolivia reiterated that increasing the number and use of offsets increases the burden on developing countries to contribute more than their fair share to emissions reductions, adding that he did not support the merging of the AWGs. Egypt said that the workshop suggested there was unanimous support for a rules-based system and shared rules at the national level for both parties to the Kyoto Protocol and non-parties.

**CLOSING STATEMENTS:** A number of countries said the workshop was helpful. The US asked that the workshop report include a description of how options will affect Annex I party guidelines. Singapore suggested that future workshops give priority to those countries that have not yet presented. Tuvalu recommended that all Annex I parties provide data similar to that presented during the workshop.

Climate Action Network (CAN) International highlighted three key problems with the negotiations as identified during the workshop: the low level of ambition for developed country targets; “creative book-keeping;” and the ineffectiveness of pledges that are less ambitious than existing commitments under the Kyoto Protocol or domestic forecasts.

Co-Chair Muyungi summarized the issues raised at the workshop and confirmed that the Co-Chairs would produce a written report to feed into deliberations during the AWG-LCA session.

**PRE-SESSIONAL WORKSHOP TO UNDERSTAND THE DIVERSITY OF MITIGATION ACTIONS SUBMITTED, UNDERLYING ASSUMPTIONS, AND ANY SUPPORT NEEDED FOR IMPLEMENTATION OF THESE ACTIONS, NOTING DIFFERENT NATIONAL CIRCUMSTANCES AND RESPECTIVE CAPABILITIES OF DEVELOPING COUNTRY PARTIES**

On Monday, 4 April, parties convened in a pre-session workshop to understand the diversity of mitigation actions submitted, underlying assumptions and any support needed for implementation of these actions, while noting different national circumstances and respective capabilities of developing country parties, as requested by Decision 1/CP.16, paragraph 51. The workshop, with presentations followed by question and answer sessions, was co-chaired by Philip Gwage (Uganda) and Maas Goote (the Netherlands).

UNFCCC Executive Secretary Christiana Figueres recalled that COP 16 had taken note of Nationally Appropriate Mitigation Actions (NAMAs) communicated (FCCC/AWGLCA/2011/INF.1). She also invited developing country parties to submit information on actions for which they are seeking support, in the context of the Registry. The Co-Chairs agreed to facilitate consensus on a request by Brazil that their report be conveyed to the Subsidiary Body for Implementation (SBI) and the AWGLCA.

**SESSION 1:** Mexico discussed a three-phase approach to NAMAs, including reducing emissions up to 50% by 2050 from the base year of 2000. He highlighted the potential of NAMAs in the housing, transport, cement and iron/steel sectors and indicated domestic, international and crediting mechanisms would be used to finance actions.

Underlining that NAMAs are voluntary, China described actions to: lower its emissions by 40-45% per unit of GDP by 2020 compared to 2005 levels; increase its share of non-fossil fuels in primary energy consumption to 15% by 2020; and increase forest coverage by 40 million hectares and forest stock volume by 1.3 billion cubic meters by 2020 from 2005 levels. He highlighted that China is the number one country in terms of clean energy investment.

Ghana recalled that his country submitted a list of 55 NAMAs to the UNFCCC after COP 15 and described further analytical work on five priority NAMAs including for cooking fuel and sustainable forest management. He described the importance of the GHG inventory for NAMAs and conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) reporting, and added that his country is open to technical and financial support for preparation and implementation of NAMAs.

Outlining its voluntary mitigation action, India described its goal to reduce the emission intensity of GDP by 20-25% by 2020 compared to 2005 levels, with the exclusion of agriculture. He highlighted the difficulty of reducing emission intensity while facing the development imperative of lifting 470 million people out of poverty.

Indonesia outlined plans for a NAMA scheme comprising 26% domestic-, 15% international-, and 41% market-supported actions.

Responding to a round of questions from the EU, New Zealand, Switzerland, Nepal, Australia, Norway, the US, Senegal and Kenya, presenters addressed: their expectations regarding the mix of public finance and carbon finance from abroad; economic growth assumptions; expectations of support for preparing NAMAs; the use of market mechanisms; carbon accounting methods; and institutional arrangements for the preparation of NAMAs. Mexico said he expected a greater role for the private sector in 2020 and beyond, and described institutional arrangements, including those for MRV, consisting of a special group to assess short-term mitigation actions. He favored the use of new market mechanisms. China described a GDP growth target of 7% for the period 2010-2018, and explained that inventory data is still under preparation to establish the scope and definition of carbon intensity. Ghana said that support for the preparation of NAMAs is required.

**SESSION 2:** The Republic of Korea highlighted its Global Green Growth Institute and presented a new five-year implementation plan that emphasizes efforts to address large emitters. He reiterated the goal of 30% emission reductions below business as usual (BAU) by 2010.

Noting that deforestation was responsible for 47% of emissions in 2000, Peru described its goal for zero net LULUCF emissions by 2021, which is equivalent to conserving 54 million hectares of primary forest.

The Federated States of Micronesia, for AOSIS, reported that small island developing states are prepared to contribute to carbon neutrality, absolute reductions below base year and enhancing existing efforts. She described financial, technical and institutional challenges, and the need for flexible MRV reporting requirements and enhanced capacity building. She underlined that funding for actions and the registry needs to be made as soon as possible.

Singapore described its high fossil fuel dependency and difficulty in deploying land-intensive renewables such as solar. He described a mitigation pledge to reduce emissions by 16% when a legally binding agreement is achieved, and outlined interim work on a 7-11% reduction below BAU levels in 2020.

Qatar, Switzerland, the US, the EU, Egypt and Indonesia posed questions on fossil fuel imports, BAU assumptions and international transport emissions. The Republic of Korea and AOSIS underlined the importance of decoupling economic development from fossil fuel dependence. The Republic of Korea said its BAU assumes a growth rate declining from 4.2 to 3.6% in 2020 and Singapore assumed a growth rate of 3-5%.

**SESSION 3:** In the afternoon, South Africa recalled a pledge to achieve a 34% deviation from BAU by 2020, and a 42% deviation by 2025, subject to the achievement of an ambitious legally binding agreement. On the level of required support for NAMAs, he outlined marginal costs for options such as ramping up renewables, industrial efficiency, carbon capture and storage, and electric vehicles.

Australia welcomed the "gritty detail" presented at the workshops and observed opportunities for developing countries to leapfrog to a green growth future. She called on parties to lock in available pledges, and suggested sorting actions into an annex differentiated by domestic or international support. The Marshall

Islands outlined plans to reduce carbon emissions by 40% below 2009 levels by 2020, depending on international support.

Noting that economic growth is necessary for all least developed countries, Bangladesh discussed his country's commitment to developing a low carbon path, including through new technology and more efficiencies in the power, transport, agriculture, forestry, and waste management sectors. Brazil underlined that NAMAs should result from national policy, be effective and put countries in a position to expect more from developed countries. He said his country expects the agreed financial and technological support for mitigation actions and emphasized that Brazil has generated opportunities for South-South cooperation on REDD+ and agriculture.

During discussions, issues were raised by Indonesia, Norway, Australia, the US, Switzerland, Tuvalu and the EU, including items on: the need for more in-depth work on the distinction between supported and unsupported NAMAs and the role of the Registry; the calculation of BAU scenarios and baselines; identifying the most useful international support for NAMAs; and financial constraints and conditionalities.

The Marshall Islands underlined constraints on access to funding. South Africa said it was his understanding that all NAMAs are to be supported, while the mix of funding sources is a matter for negotiation. South Africa said all NAMAs would be autonomously implemented, but the extent of implementation would depend on support. He cautioned against initiating attempts to define "supported" and "unsupported" NAMAs. South Africa described the Registry as a mitigation mechanism to record both actions and support, and did not envisage a periodic review of published targets for 2020 and 2025. Brazil noted that domestic actions would be prioritized by local stakeholders.

**SESSION 4:** The Global Environment Facility (GEF) outlined the types of support available for mitigation priorities, noting the GEF 5th replenishment's (GEF-5) strategic objectives, including support for developing countries and economies in transition toward a low-carbon development path. He said GEF-5 can support work on: long-range emissions scenarios, mitigation opportunities and costs, MRV methodologies, and piloting sectoral approaches.

CAN International said NAMAs need to be developed within the context of long-term low emission development strategies and that financial support and capacity building form part of a "dual obligation" on developed countries.

During a closing discussion most parties agreed that the workshops had been useful. Singapore, Australia, Switzerland and Tuvalu suggested the inclusion at future workshops of presentations from developing countries that have not made pledges and from non-party experts. Tuvalu requested that information from national presentations be collated on the UNFCCC website. The Republic of Korea noted a discrepancy between the costs of NAMAs and the capacity of the Green Climate Fund. The US said the workshops enhanced transparency and suggested the workshop report be forwarded to the AWG-LCA.

**CLOSING STATEMENTS:** Summing up the workshop, Co-Chair Goote noted:

- the enormous diversity of NAMAs and national circumstances, including constraints and opportunities;

- references to driving paradigms, including sustainable development, green growth, food security and lifting people out of poverty;
- quantified emission limitation and reduction objectives (QELROs);
- a variety of goals including intensity targets, renewables, forest cover, energy efficiency and absolute reductions;
- a variety of instruments and tools being applied;
- longer-term scenarios, including the necessity to include stakeholder participation;
- barriers and challenges, including finance, difficulties around setting the baseline, methodologies, South-South cooperation and socio-economic challenges; and
- the need to focus future workshops, using specific themes and guidance.

Issues identified for future workshops included: MRV; the role of the Registry; defining NAMAs and guidelines; BAU, baselines and assumptions; and the struggle to interpret supported and unsupported NAMAs. Brazil noted on-going discussions on the circulation of the workshop reports to the AWGs and the SBI, and indicated that he would raise this for discussion in the AWG-LCA.

### **EXPERT WORKSHOP ON THE TECHNOLOGY MECHANISM**

On Monday and Tuesday, 4-5 April 2011, parties participated in an expert workshop on the technology mechanism, with the objective of commencing work on its operationalization. On Monday, parties discussed the preparatory work of the Expert Group on Technology Transfer (EGTT), the governance structure and terms of reference, and selection processes and criteria of evaluation for the new Climate Technology Centre and Network (CTCN). On Tuesday morning, parties discussed linkages within the Technology Mechanism and with other institutional arrangements.

On Monday morning AWG-LCA Chair Dan Reifsnyder (US) opened the workshop saying the Technology Mechanism could be a powerful new tool to achieve adaptation and mitigation actions and noted that parties need to take steps to make the mechanism operational in 2012.

The Secretariat, on behalf of UNFCCC Executive Secretary Christiana Figueres, welcomed the agreement to establish the Mechanism in Cancun and called on parties to maintain momentum to make the institution operational. He said the workshop is an opportunity to take up where parties left off and exchange views on how to proceed.

Workshop Facilitator Jukka Uosukainen (Finland) reminded parties of the workshop mandate to address the relationship between the Technology Executive Committee (TEC) and the CTCN, the terms of reference, governance structure, and procedure for proposals and criteria for selecting a host of the CTCN, and consideration of additional functions for the TEC and CTCN.

**DESIGN OF A FULLY OPERATIONAL TECHNOLOGY MECHANISM IN 2012: Operational Modalities of the Technology Mechanism – Results of the Preparatory Work of the EGTT:** Former EGTT Chair Bruce Wilson presented the lessons learned from the preliminary work of the EGTT on the

Technology Mechanism, as contained in an internal working paper of the EGTT (UNFCCC/EGTT/2010/13). He identified operational, and governance and organizational modalities, that could deliver products, services and partnerships. He said the issues to be addressed, included: arrangements to balance independence and accountability; legal issues; governance issues related to the Network; and funding. On selecting the host of the CTCN, he stressed the importance of an inclusive and competitive selection process.

#### **CTCN – Governance Structure and Terms of Reference:**

The US defined the objective of the CTCN as helping developing countries identify projects and strategies to enhance low-emission and climate-resilient development. He said the Climate Technology Centre (CTC) should: be the “first stop” for technology information about tools and practices; help countries identify and assess options, needs and policy barriers; and provide access to a global network of regional and sectoral experts. On tools to deliver these services, the US identified as possibilities: teams of expert responders to provide assistance drawn from the network to undertake in-country visits and provide capacity building for projects and policy proposals; regional-, country- or issue-specific training to build capacity; and funding assistance to identify sources of financing. He suggested that services provided by the CTC should not be entirely free.

India envisioned a process beginning with a request from a developing country to develop a project. The CTC would then ask organizations and experts best suited to respond to the request to self-organize a network to provide assistance with project preparation, capacity building and/or innovation as needed. He called on developing countries to provide an early intimation of the type and volume of requests that they expect to make to provide a basis for determining the institutional needs of the CTC. India said that the TEC should provide the operational oversight, and budgeting and audits.

Outlining a facilitative role for the CTC, the EU proposed a “light” CTC structure entailing a small, cost-effective team with a clear and effective institutional structure. Noting that there is no need for new institutions, he envisioned the CTC as a coordination body between Network members and parties.

Bolivia said the CTC should: adapt to local conditions; promote technology acquisition and innovation; remove technology transfer obstacles, particularly those related to Intellectual Property Rights (IPRs); enhance endogenous capacities; and support independent evaluation. He said the CTC should take a bottom-up approach under the leadership of entities in each country.

Australia said the CTCN should be: country-driven; adaptable and responsive to national circumstances; and enhance conditions necessary for investments. She underscored the CTCN should be independent from the TEC but that it should be accountable to the COP.

Grenada, for AOSIS, said both the TEC and the CTC should have the mission to increase the volume of technology transfer for social development. He underscored that an integrated relationship between the CTC and the financial mechanism is crucial to providing the level of resources required. He suggested that the governance of the CTCN be independent of the TEC.

Bangladesh said the CTC governance structure should comprise an expert group to provide strategic guidelines for technology development and transfer, supported by a Secretariat. He said that regional CTCs should be established in all UN regions. At the country level, he said developing countries should either designate a specific entity or establish a center of excellence for technology development and transfer to work with the regional CTC. He stressed that funding should be balanced between mitigation and adaptation.

Japan said the CTC should function as an effective gatekeeper enabling efficient implementation of technology transfer and use of outside experts to respond to needs and requests of developing countries. He called for regional approaches to identifying available technology and experts. He preferred a CTC governing board separate from the TEC, with members from developed and developing countries, business organizations, multilateral development banks, the TEC Chair and the executive director of the CTC.

During discussions, parties debated a range of issues, including: focusing resources on technology transfer; whether regional centers should be technology specific or include all technologies; establishing national level CTCs with coordination at the regional and international levels; and centralization versus efficiency and effectiveness. The US highlighted the possibility of a hybrid of the Bangladesh model with an in-country institution coordinating project development and applications for assistance from the CTC. Bangladesh noted that the process should be both bottom-up and top-down, with policy direction provided by the TEC. India said each country needs to establish a national process to identify, develop and put forward requests to the CTC, and that the CTC should be a relatively small group of case managers identifying possible consortia of partners from network members. He said this would ensure a light bureaucratic structure to reach out to the best available experts and quickly respond to identified needs. CAN International highlighted the need for capacity building.

In the afternoon the Consultative Group on International Agricultural Research (CGIAR) presented its experience with creating an expert network to address climate change impacts on agriculture. He highlighted the informal nature of the network, noting the lack of formal legal status. On lessons learned, he said networks can have a great impact, but noted the need to keep the system design simple, minimize administrative requirements and reach agreement on broad principles before drafting legal agreements.

UNEP provided perspectives on technology centers and networks and identified the following attributes of successful centers and networks: stable and predictable funding; specific focus and means of measuring results; and size that matches ambition. He suggested the CTCN could be most effective by focusing on technical support for specific projects in developing countries and on strategic planning and sound policy infrastructure. He said two key questions must be addressed: how network members can be compensated for services they provide; and how advances in information and communications technology can deliver more services more effectively at lower cost.

In the panel discussion on the necessary arrangements for full operationalization of the Technology Mechanism among relevant organizations and initiatives, a range of issues were discussed, including: a decentralized bottom-up approach; the role of the private sector; interaction at national, regional and international levels; and multi-level governance.

On a bottom-up approach, Ambuj Sagar, India Institute of Technology, underscored that centers at the national level acting as critical facilitative bodies can: customize various processes; meet local technological needs and circumstances; and leverage financial and technical resources. Martin Khor, South Centre, pressed for national level CTCs to identify sectoral technology needs and carry through national policy making processes.

On private sector involvement, Jean-Yves Caneill, World Business Council for Sustainable Development (WBCSD), underlined the importance of involving the private sector at all levels. He said the private sector is ready to participate in the creation of the Network.

On multi-level governance and institution building, Richard Bradley, International Energy Agency, noted the effectiveness of using tools and techniques, including: implementing agreements; private sector involvement; and independent decision-making. He suggested taking advantage of existing networks.

**CTCN – Selection Process and Criteria for Evaluation:** The EU identified considerations for selecting an appropriate host for the CTC, including: their interpretation of the CTC functions; an organizational management structure; demonstration of expertise and knowledge; involvement with the private sector; and cost estimates.

India said the CTC would need to capture experience and intervention trends and replicate success. He noted that the institution needs experience in technology development and transfer, innovation, carrying out collaborative actions and project management. On possible hosts, he said they should demonstrate experience, capability and a willingness to invest their own resources. Bangladesh underscored that any process to solicit developing country input on what types of projects they might request should not lock in the scope and should take account of the capacities of least developed countries (LDCs). The US supported developing a clearer sense of potential demand, while avoiding lock-in, and the collection of a range of information on the supply-side on possible host institutions.

The EU said the focus should be placed on the network rather than the creation of a centralized institution.

Japan supported using information available in Technology Needs Assessments (TNAs) to learn about possible expectations and noted that a new institution might be best if pursuing a CGIAR-style network. India underscored that the coordination role of the CTC should be financed by the Green Climate Fund to ensure stability.

**Linkages within the Technology Mechanism and with Other Institutional Arrangements:** On Tuesday morning, Facilitator Uosukainen opened the session noting the need to find a balance between accountability and flexibility.

The EU underlined that the mechanism will facilitate information flow while the COP will make decisions on recommendations by the TEC, thus separating policy advice from operation. He envisioned that the UNFCCC subsidiary

bodies, the CTC and the Network will report to each other and that the TEC would report to both the subsidiary bodies and directly to the COP.

China underscored that there should be a specific funding window for technology transfer in the financial mechanism, with the TEC providing recommendations for the review process under the financial mechanism. On the reporting lines, he said the CTCN should be accountable to the TEC and the TEC should report to the COP. He said additional functions should be considered, including: evaluation of the speed, range and scale of technology flows; MRV of technology support for developing countries; and addressing solutions to IPR issues.

Ecuador said the policy functions of the TEC should include: free patent provisions on environmentally-friendly technologies that are in the public domain; technology disaggregation through the Green Climate Fund and/or other funding sources under the UNFCCC; promotion of endogenous technologies; sharing expertise on new and existing technologies; and addressing research and development needs. She said the enabling functions should include: technology transfer and sharing arrangements; funding resources identification; institutional arrangement building; and technology needs assessments. Noting the IPR barrier to diffusing technologies in developing countries, she said developing countries want to receive as well as contribute to climate friendly technologies.

Highlighting the International Centre for Genetic Engineering and Biotechnology as a model, South Africa envisioned the institutional arrangements of the Technology Mechanism with the TEC overseeing and providing guidance to the CTCN, and multiple CTCs functioning at the national level with affiliated local institutions. He described the additional functions of the TEC, including: examining the draft work programme and the budget of the CTC; reviewing the implementation of the approved work programme; reporting and providing recommendations to the governing body; and identifying mid- and long-term potentials of the CTC's work programme.

Workshop Facilitator Uosukainen invited participants to comment. On finance and governance, Brazil cautioned against the creation of new layers of decision-making. The US questioned proposed windows for "adaptation" and "mitigation" technologies in the financial mechanism. India explained that activities under mitigation or adaptation would have real and present benefits at the implementation stage, whereas the Technology Mechanism would support preparatory activities. On IPRs and the role of the private sector, Uganda suggested a distinction between widely diffused technologies and those likely to require the negotiation of a license. The US and EU stated that IPRs are not a hurdle and welcomed a business and industry proposal for a voluntary consultative mechanism within the UNFCCC. Grenada, for AOSIS, invited parties to consider how the group could access ocean thermal energy technology from Japan, the US and France. On decision-making on the road to COP 17, the EU called for an elaboration of terms of reference for the CTC; The Chair observed the need for: a mechanism that both serves the UNFCCC's policy needs and meets the operational requirements of developing countries; and further discussion on links with the UNFCCC.

**AWG-LCA 14 AND AWG-KP 16****WELCOMING CEREMONY**

UNFCCC Executive Secretary Christiana Figueres opened the UN Climate Change Conference in Bangkok on Tuesday afternoon, 5 April 2011, with a moment of silence for the victims of the earthquake and tsunami in Japan. She called for an atmosphere of compromise and said much work remained to be done, despite breakthroughs in Cancun, and that full implementation of the Cancun Agreements is only one step towards addressing climate change.

Noeleen Heyzer, Executive Secretary, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), called on parties to renew their sense of urgency to tackle the increasingly adverse impacts of climate change on developing countries. She highlighted the importance of: risk reduction measures; building resilient societies; and pursuing a regional approach to low carbon green growth.

Suwit Khunkitti, Minister of Natural Resources and Environment, Thailand, said the Cancun pledges are inadequate to prevent the adverse effects of climate change. He urged developed country parties to take the lead on emission reductions and stressed that COP 17 must deliver the promised financial and technological support to developing countries to achieve their NAMAs.

**AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL**

The sixteenth session of the AWG-KP opened on Tuesday afternoon, 5 April 2011. AWG-KP Chair Adrian Macey (New Zealand) highlighted the decisions taken at Cancun on Further Commitments for Annex I Parties to the Kyoto Protocol (Decision 1/CMP.6) and LULUCF (Decision 2/CMP.6), which reiterate the objective of adopting an agreement on a second commitment period as soon as possible to ensure there is no gap between the first and subsequent commitment periods.

**ORGANIZATION OF WORK:** AWG-KP Chair Macey invited parties to adopt the agenda and organization of work (FCCC/KP/AWG/2011/1 and 2). Tuvalu, supported by the Gambia, for LDCs, and Bolivia, noted the organization of work since COP/MOP 1 in Montreal has resulted in discussions that have “led nowhere.” He called for a single agenda item on ensuring no gap between the first and second commitment periods and said that “those not wishing to continue their obligations under the Protocol should be politely and quietly asked to leave the room.” AWG-KP Chair Macey noted this could be addressed under the organization of work under the agenda item on further commitments for Annex I parties under the Protocol. Parties adopted the agenda and organization of work.

**OPENING STATEMENTS:** During opening statements, Argentina, for the G-77/China, underscored that Annex I parties must urgently raise their level of ambition, and highlighted the need to finalize outstanding issues, including LULUCF accounting rules and the flexibility mechanisms. He emphasized avoiding a gap between commitment periods and called for a transparent and equitable negotiating process in the lead-up to COP/MOP 7 in Durban.

The Democratic Republic of the Congo, for the African Group, described a second commitment period under the Kyoto Protocol as the cornerstone of global action and called for strengthened commitments by Annex B parties consistent with the 2°C temperature goal. Grenada, for AOSIS, called for the adoption of a decision on a second commitment period from 2013-2017 at COP 17, and for the establishment, in Bangkok, of a group to address the legal issues raised by the impending end of the first commitment period, and to consider options to create continuity with a second commitment period.

The EU said everyone felt the pressure to urgently make progress and establish a global, ambitious and binding post-2012 regime and, while reiterating a preference for a single legally binding instrument, reconfirmed the EU’s willingness to consider a second commitment period under the Protocol, as part of a global framework engaging all major economies. Calling for clear and stable rules to preserve and improve the existing architecture, he stressed the continuation of the flexibility mechanisms, constructive work on LULUCF, the carryover of AAUs, the improvement of mechanisms and the rules for accounting, and setting the basis for new market mechanisms.

The Gambia, for the LDCs, reiterated that parties must conclude discussions confirming commitment to the continuation of the Kyoto Protocol before moving to negotiations on technical issues.

Australia, for the Umbrella Group, stressed that there are strong links between the AWG tracks and that a broader perspective will enhance efficiency. She said that they intend to take on mitigation commitments beyond the first commitment period.

Guatemala, for the countries comprising the Central American Integration System (SICA), with the Gambia, for the LDCs, said it is essential to reach agreement on a second commitment period under the Kyoto Protocol. Switzerland, for the Environment Integrity Group (EIG), called for focusing on implementation of the Cancun Agreements and ensuring, *inter alia*, that there is no gap between commitment periods.

Papua New Guinea, for the Coalition of Rainforest Nations, emphasized the role of REDD+ and, with Venezuela, for the Bolivarian Alliance for the Peoples of Our America (ALBA), stressed continuation of the Kyoto Protocol, and underscored that the run-up to Durban is the last chance to avoid gaps between commitment periods. Egypt, for the Arab Group, said continuity of the Kyoto Protocol is a condition for any agreement under the AWG-LCA, noting the need to keep the two negotiating tracks separate.

Mexico said discussions on the second commitment period must be structured to achieve results in Durban, and supported further discussion on LULUCF and on actions to define commitments. He called for implementing the Cancun Agreements.

Japan said his government must concentrate its efforts on relieving suffering after the earthquake and tsunami, adding that it was too soon to assess the impact on Japan’s climate change policies. He repeated Japan’s objective of the early establishment of a single, fair and effective international framework with the

participation of all major emitters, and indicated that their views on a second commitment period under the Protocol remained unchanged.

On a point of order, Tuvalu said he had attempted to take the floor to address the adoption of the agenda and organization of work but had not been recognized. He requested that it be recorded that he could not support the agenda as it stood, and called for political commitments on the continuity of the Kyoto Protocol and statements of intention to take second commitment period targets before proceeding on technical discussions. Tuvalu rejected a suggestion that the outcomes from the AWG-KP are contingent on discussions under the AWG-LCA.

Saudi Arabia called for a political decision on the future of the multilateral process. He added: "To KP or not KP that is not a question." India stressed three critical issues are key to success at COP 17: a second commitment period; enhanced ambition in Annex I commitments; and the conversion of pledges to QELROs. The Philippines reported that he had heard in the corridors that the Kyoto Protocol is in "intensive care" and, "instead of oxygen, is being fed a supply of carbon dioxide."

Noting that the completion of the BAP should not be further delayed, China cautioned against falling back to previous positions and said that the continuation of the Kyoto Protocol is required by the Cancun Agreements.

The International Emissions Trading Association, for Business and Industry non-governmental organizations (NGOs), affirmed that the business community prefers no gap between commitment periods, particularly for the Clean Development Mechanism and Joint Implementation. CAN International, for Environmental NGOs (ENGOS), urged parties to: narrow the gigatonne gap; close loopholes; strengthen the LULUCF rules and increase accountability; and prevent double counting. Pan African Climate Justice Alliance, for ENGOS, emphasized substantial emission reduction activities must be taken by developed country parties. Tebtebba Foundation, for Indigenous Peoples, urged parties to clarify issues on, *inter alia*, LULUCF and accountability.

United Cities and Local Governments, for Local Governments and Municipal Authorities, called on parties to include local government constituencies as stakeholders. Gender CC-Women for Climate Justice, for Women and Gender NGOs, lamented the lack of recognition of the gender aspect in climate change research. Neighbour Organization – Nepal, for Youth, said there is no excuse for not setting legally binding and ambitious targets.

**ANNEX I PARTIES' FURTHER COMMITMENTS:** This issue was first taken up in plenary on Tuesday afternoon and was discussed throughout the week in a contact group facilitated by AWG-KP Chair Macey and AWG-KP Vice-Chair Madeleine Rose Diouf Sarr (Senegal). Macey noted that it was clear from pre-session consultations and opening statements that several roadblocks to negotiations exist, including: agreement on a second commitment period; the level of ambitions of Annex I emission reductions; and the conversion of pledges to QELROs. He said that the contact group would "unlock aspects of the text" and discuss legal issues, as requested by a number of parties, in order to progress negotiations.

AOSIS supported the formation of the contact group but stressed that the discussion should "unlock the political commitment to the second commitment period" rather than continue a repetitive technical debate, adding that breakout groups would not be helpful without this step.

Discussions during the contact group focused on how to move AWG-KP issues forward, in particular whether to continue with negotiations to resolve outstanding technical issues or engage in a broader discussion of political commitment for a second commitment period.

In the contact group on Wednesday, AWG-KP Chair Macey proposed beginning with debate on the questions provided by the Chair to facilitate discussion, followed by addressing the organization of work for the rest of the session.

Brazil, for the G-77/China, said negotiations on numbers are secondary to political discussions on the second commitment period. He emphasized that it is "apparently useless" to discuss technical issues, which would have been resolved "long ago" given political will.

Tuvalu stressed that technical discussions have led negotiators "in circles" and said he could not support the Chair's approach to the organization of work. He said negotiations should focus on ensuring no gap between commitment periods and added that the AWG-KP should establish a mandate for the June session that would allow ministers to sign-off on an outcome crafted to allow parties to clearly express their intention related to the continuation of the Kyoto Protocol.

St. Lucia, for AOSIS, urged that clarity be achieved "once and for all" on the second commitment period, which can frame further discussions on technical issues and underlined the need to focus on finding the political will to move the negotiations forward. Uganda, Egypt, for the Arab Group, Saudi Arabia, Thailand, Bangladesh, China, the Philippines, Timor-Leste, Venezuela, Bolivia, the Gambia, Peru, AOSIS, Colombia and Sudan supported addressing political commitments first. Tuvalu, with the Arab Group, noted that there would be consequences in the negotiations if parties continue to hold the outcome of the AWG-KP as contingent on the AWG-LCA. China said that countries who do not want to honor their Kyoto Protocol commitments should reveal their real political intentions rather than citing further conditions, enabling negotiations to move forward.

Bolivia noted that developing countries are already making a greater effort than Annex I parties and rejected a view that developed country parties had to wait and see what others were prepared to do. Marshall Islands said that parties need agreement on the rules because rules are key to ensuring the environmental integrity of the climate regime, but that clarity on conditionalities for the second commitment period is necessary. He proposed that the discussion move to a more focused and intensive session with the aim of clarifying political commitments that translate to pledges and associated QELROs, in order to ensure survival of the Kyoto Protocol.

Switzerland said that addressing the question on what is needed to achieve clarity on the conversion of pledges into QELROs is the most useful way to focus negotiations. He noted that they are unwilling to "undo" Cancun by opening up discussions on commitment to the Kyoto Protocol and that

parties need to understand the technical rules before agreeing to specific numbers. With the EU and Norway, Switzerland emphasized that the Cancun Agreements provide a common understanding on the establishment of a second commitment period. Norway cautioned that if rules are decided after commitments there is a risk that commitments will be watered down. The EU underscored its intention to avoid a commitment gap and noted that progress on technical issues formed part of the political answer required to move to a second commitment period. He urged parties to look again at how Kyoto Protocol commitments had been watered down after the rules were elaborated, adding that the EU would not risk buying a “pig in a poke,” in other words agree to a second commitment period before elaborating the rules it would be subject to. He said numbers and rules must be determined at the same time and emphasized that numbers do not necessarily correspond to ambition, meaning that rules can determine whether numbers are ambitious.

New Zealand said parties had made their political intentions clear, that some are willing to contemplate joining a second commitment period and others were not, and that this issue is the “elephant in the room.” She suggested reframing the debate to look at the Kyoto Protocol rules that underpin the level of ambition that Annex I parties have pledged, and examining the impact on ambition that alternate choices of rules could produce.

Chair Macey summarized the ongoing concerns, including: the continuity of the Kyoto Protocol; length and number of the commitment periods; compromise; and comparability of mitigation commitments. He proposed holding spin-off groups to resolve outstanding technical issues. Parties said they needed to consult with their groups and Macey asked AWG-KP Vice-Chair Diouf Sarr to continue consultations. Parties agreed to reflect and reconvene.

During the contact group on Thursday, chaired by AWG-KP Vice-Chair Diouf Sarr, discussions proceeded on the basis of papers produced by the Chair and Vice-Chair containing questions posed by parties, questions posed by the AWG-KP Chair to facilitate discussion, and an overview of ideas from the discussions in the first meeting of the contact group.

AOSIS said discussions should focus on what pre-conditions have been met by the Cancun outcome that will enable parties to adopt a second commitment period, what further pre-conditions are necessary for parties to adopt a second commitment period, and what is necessary for these pre-conditions to be met before Durban.

The G-77/China, Argentina, the LDCs, and Algeria, for the African Group, urged consensus on political issues before progressing toward resolving technical issues. The African Group stressed the importance of generating the political will necessary to break the deadlock on a second commitment period and emphasized that a second commitment period should not be delayed because of lack of progress under the AWG-LCA. Tuvalu emphasized that they do not see a way forward but suggested working through the questions provided. The G-77/China said parties had not had time to reflect on the questions. AOSIS said it would be useful to jump into full discussions and asked Annex I parties for their responses to the questions on pre-conditions and how they could be met before Durban.

The Marshall Islands said they need of a clearer understanding of the political obstacles and expressed concern that Annex I parties had yet to take the floor on this and wondered whether this was indicative of lack of political will.

Responding to a question on pre-conditions, the EU noted: that work needed to be completed on all negotiating tracks at the same time; that conditions were not met in Cancun; and stated that the EU needed to know what the rules are before they can move forward and “sign the contract.”

Saying the pre-conditions were not met in Cancun, New Zealand said they are looking for developed countries to take comparable efforts and developing countries to take action according to their respective capabilities. She emphasized that this would ensure a global effort and be important for domestic support. She said they need a clear understanding of the rules, that they are seeking effective LULUCF rules, and that there was progress towards these pre-conditions in Cancun.

Colombia, supported by the Marshall Islands, proposed finding a middle ground by: clarifying pre-conditions; identifying rules that are required and those that have been implemented; and assessing impacts of applying different rules. Stating willingness to discuss the proposal made by Colombia, Australia reiterated the importance of including all major emitters in order to get a chance to actually reach the global goal, while noting different capabilities. Questioning the legitimacy of political pre-conditions, Tuvalu, with Bolivia, requested that parties “unpack the phraseology” and have a foundational discussion on the political pre-conditions.

Norway recalled that the Cancun Agreements had given a clear direction on the second commitment period, and called for clarity on the rules alongside clear progress in the other negotiating track. The EU described Cancun as a milestone but noted that there had not yet been a full discussion on the pledges in terms of what they mean, and what is behind them. He said the parties had only examined the assumptions behind the pledges but not in the wider context. With Norway, he welcomed the presentations made at the NAMAs workshop in Bangkok and called for continuation. He said the discussion on targets and rules is an inroad to a discussion on comparability. China said Cancun had laid the basis for Durban and called for full agreement on a second commitment period.

Chair Macey announced that a number of facilitators were standing by to convene spin-off groups if parties agreed, but no consensus was reached on this. He added that Vice-Chair Diouf Sarr would consult on proposals for a negotiating group on legal issues.

On Friday morning, 8 April, the AWG-KP convened a third contact group meeting on further commitments for Annex I parties. AWG-KP Chair Macey invited parties’ reflections on a paper outlining “ideas from the discussion in the AWG-KP contact groups.”

Saying the EU had played a constructive role in the informal discussions on political pre-conditions, Tuvalu, supported by the LDCs, urged other parties to clarify their political pre-conditions for agreeing on a second commitment period, particularly on the issues of “comparable efforts.” Bolivia said moving from the Kyoto Protocol to a pledge-and-review system by developed countries without any binding international agreement is not

acceptable. Underscoring the AWG-KP mandate, the Philippines suggested finding an avenue to resolve the political issue concerning the pre-conditions in Bonn.

Brazil underscored that rules cannot be used to avoid or mask true environmental integrity and, with Ecuador, for ALBA, and Bolivia, their position that the second commitment period to the Kyoto Protocol is the key issue. AOSIS reiterated the need to create a context first by establishing the second commitment period and urged parties to answer questions regarding preconditions and surpluses. ALBA expressed interest in exploring options such as a ministerial session at Bonn to deal with outstanding issues.

Emphasizing discussions under the AWG-KP should only apply to developed countries, Saudi Arabia objected to merging developing countries' actions into the AWG-KP track, while noting the Cancun Agreement and the pre-session workshops in Bangkok are helpful to maintain the level of confidence among parties.

The Russian Federation underscored that it has no intention to block progress on the positive features of the Kyoto Protocol and thought constructive engagement on the Kyoto Protocol would be useful. Japan said its position remains unchanged on the Kyoto Protocol and that addressing climate change requires a single framework including all major emitters.

New Zealand said there are two simultaneous conversations in the negotiations, a discussion on comparability and one on commitments and rules. She said comparability is something they think of in terms of developed countries and in terms of costs to GDP, reiterating that their condition is that developing countries take mitigation action to the full extent of their capabilities. On commitments and rules, she emphasized that they need to be resolved together.

The EU and New Zealand said Colombia's proposal to analyze rules scenarios and corresponding targets and ambitions might be a useful way to proceed.

The EU said the starting point of discussions should be logical consequences of maintaining environmental integrity, in line with the overall objective of the Convention. Noting the effects of carbon leakage, he said discussions should not only consider Annex I party commitments but provide clarity on actions by non-Annex I parties. The EU urged parties to move forward on implementing the Cancun Agreements and supported Colombia's proposal.

Australia said their pledge range is based on the existing rules of the Kyoto Protocol so if rules change their commitment may change, and supported proposals for modeling trends related to modification of the rules and their effect on levels of ambition. She underscored that Australia requires both Annex I parties and high income non-Annex I parties to participate in a global agreement and that major developing economies must commit to their full capacities.

Asking for Annex I parties to further clarify their domestic political constraints and pre-conditions, Colombia reiterated and refined its proposal for a broader discussion on three issues as the way forward for the June sessions, including: conditionalities; models of different rule scenarios; and participation scenarios that reveal the intention of parties towards a second commitment period.

Tuvalu emphasized that countries who will not be party to the Kyoto Protocol should not participate in discussions on the rules, recalling a similar scenario in the original Kyoto Protocol negotiations, in an attempt to avoid "futile discussions about detail when we know parties will not be implementing that detail." He said he does not see the value in addressing rules or looking at scenarios and did not support Colombia's proposal.

Vice-Chair Diouf Sarr reported on the outcome of informal consultations on legal matters, saying there is wide support for spin-off groups to take place in Bonn, including on the gap, amendment of Protocol Article 21 (procedures for amendment), and possible elements referred to the legal issues group by the AWG-KP. Bolivia said it is important to encourage other Annex I parties to engage in this discussion and that they do not support looking through scenarios. Switzerland said they are ready to take policy questions to their government.

Brazil reiterated that it does not make sense for countries to participate in rules discussions if they will not be party to the Kyoto Protocol. Marshall Islands and AOSIS requested that consensus on political considerations be the focus of the Bonn sessions.

AWG-KP Chair Macey noted general consensus on continuing discussions in Bonn within a single contact group, asked parties to reflect on how to resolve whether to proceed on political or technical issues and noted that while progress is being made, there is a risk of running out of time to address outstanding issues.

**OTHER MATTERS:** On other matters, the G-77/China requested the report of the pre-session workshop on assumptions and conditions related to the attainment of quantified economy-wide emission reduction targets by developed country parties serve as an input to support the work of the AWG-KP. During the closing plenary AWG-KP Chair Macey confirmed that the report of the workshop would be available at the resumed session in Bonn.

**STOCKTAKING PLENARY:** On Friday afternoon, the AWG-KP convened for a stocktaking plenary chaired by AWG-KP Chair Macey, who identified the two objectives of the session as to address the political issues and the way forward towards Bonn.

Peru said that the issues discussed this week have been raised in previous meetings, saying there was no legal mandate to consider other issues or make additional amendments to the KP. Ecuador underscored the importance of a second commitment period.

The Chair mentioned that the formation of the legal spin-off group is for the contact group to decide in Bonn.

Argentina, for the G-77/China, supported by India, emphasized that a second commitment period is necessary for a successful outcome in Durban and added that the fact that some Annex I parties are not confirming a second commitment period means that technical issues need to follow political ones. He underlined that each track has a separate mandate and not to allow positions that compromise the two tracks. China stated that failure to secure a second commitment period is "unacceptable" and that Annex I parties should not come up with any conditionalities. Bolivia said Durban cannot be another Cancun, lamenting that a number of parties have not talked

about mitigation but about flexible mechanisms to allow them to emit more. Bangladesh urged parties to avoid a gap between commitment periods through political agreement, and then to negotiate the detailed technical issues.

AOSIS stated that the key issue in the negotiations is the second commitment period of the Kyoto Protocol as part of a two-track approach, including a legally binding agreement under the AWG-LCA. She said the open discussion on political issues is essential and it should continue in June, and she urged political decisions to be taken early enough to allow decisions to be reached in Durban. She requested the Secretariat to make two technical papers ready by the June meeting on: mitigation potential, and possible means to reach emission reduction targets. Noting the political signal from Bangkok is “not encouraging,” Egypt, for the Arab Group, said agreeing on the second commitment period is the prerequisite for negotiations leading to Durban.

Switzerland admitted that it expected more from this session based on Cancun Agreements but noted that the discussions had ensured transparency. He said that technical issues need to be discussed in parallel to the policy issues and that parties should agree on, *inter alia*: strengthened emission reductions, LULUCF rules, environmental integrity, and a consistent solution on a basket of gases.

Observing that the discussions have been constructive, the Umbrella Group highlighted the need to reframe discussion on rules and means to implement them in a broader context in the next session. The EU emphasized that the political context should also be a scientific one to ensure environmental integrity, and political and technical decisions should be made in parallel. He said the AWG-KP cannot work in isolation, but needs to be connected with progress in the AWG-LCA, noting that links between pledges and rules can bring better understanding, and help avoid gaps between commitment periods. Tuvalu emphasized the need to fully understand the “realistic conditionalities” before getting into technical discussion, and requested the Secretariat to invite Annex I parties to submit information on their pre-conditions required for adopting a second commitment period.

AWG-KP Chair Macey summarized the issues discussed, including: the implication of rules and targets, environmental integrity or rules, defining rules and targets for the commitment period, and that changes in rules affect ambition levels. He added that there are differences of opinion on the way forward, in particular on how or whether to address technical rules in Bonn, and urged progress so that parties avoid being characterized as, quoting recent media, “useless frequent fliers.”

Mexico highlighted that rules should allow parties to create a better future and expressed optimism that the deadlock can be broken in open discussion.

Noting the concerns expressed by developed and developing country parties in Bangkok, South Africa underscored that a successful outcome in Durban should include elements agreed on in Cancun and Bali. She said South Africa is committed to working with parties on both technical and political issues with transparency and inclusivity.

CAN International, for ENGOs, said: developed countries must accept a second commitment period; developed country pledges are below levels identified in the Cancun Agreement; and clarity is needed on further conditions necessary to make legitimate emissions reduction submissions. Climate Justice Now, for ENGOs, said the commitment periods should be addressed with utmost urgency.

Tebtebba Foundation, for Indigenous Peoples, urged parties to focus on developing pathways toward low carbon societies. United Cities and Local Governments, for Local Governments and Municipal Authorities, expressed their willingness to engage in implementation of the Cancun Agreements.

Global Campaign for Climate Action, for youth, emphasized the need to secure political commitment to a second commitment period, and supported tackling rules and targets together.

Women in Europe for a Common Future, for Women and Gender NGOs, urged delegates to incorporate: development of social criteria as a prerequisite for project approval; pro-poor solutions; and participation of women in the development of technology.

AWG-KP Chair Macey announced the results of the UNFCCC Bureau meeting held on Friday morning, in which they decided to schedule an additional session of the AWGs in late September or early October. The Bureau also recognized the need for additional sessions of the SBI and SBSTA. Further details on these meetings will be provided by the Secretariat pending arrangements to host the meetings and the necessary funding to cover their costs. Chair Macey noted AWG-KP 16 will reconvene in Bonn, Germany, in June. The plenary adjourned at 5:06 pm.

#### **AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION**

The fourteenth session of the AWG-LCA opened on Tuesday evening, 5 April 2011. AWG-LCA Chair Daniel Reifsnyder (US) explained that he had been engaged in extended consultations on how to structure the agenda of the meeting. Opening the session, he evoked the extraordinary outcome of COP 16 in Cancun, describing it as a milestone in the fulfillment of the Bali Mandate. He recalled the decisions reached in Cancun that invited the AWG-LCA to extend its work programme for one year and adopting Decision 1/CP.16, an extensive programme of work for the AWG-LCA and for the Convention’s subsidiary bodies. He described new challenges for the AWG-LCA, including those of building on the BAP (Decision 1/CP.13) and shaping the direction of the long-term evolution of the climate regime.

**ORGANIZATIONAL MATTERS:** On the provisional agenda (FCCC/AWGLCA/2011/1), Reifsnyder recalled decision 1/CP.16 listing the AWG-LCA’s tasks and noted that the UNFCCC Secretariat had received requests for additional agenda items on long-term finance (Item 10), response measures (Item 17(a)), fast-start finance commitments (Item 17(b)), increasing the level of ambition of developed country party economy-wide emission reduction targets (Item 17(c)), and agriculture (Item 17(d)) included in a supplementary agenda (FCCC/AWGLCA/2011/1/Add.1-Add.5), and three additional items on quantified economy-wide emission reduction targets to be implemented by Annex I Parties (Item 4 bis), on NAMAs (4 ter),

and international aviation and maritime transport (Item 17(e)). He reported on consultations on the proposed changes to the agenda and invited parties to share their views.

Argentina, for the G-77/China, called attention to their proposed agenda (FCCC/AWGLCA/2011/CRP.1). He said their proposal would allow parties to move forward with a structure inclusive of outstanding elements from the BAP and the Cancun Agreements as well as common positions from his group. Switzerland, for the EIG, thanked the Chair for his proposed agenda and for including additional items. Commenting on the G-77/China proposal, Switzerland appealed for a focus on the mandate established in Cancun. Tajikistan, for the Mountainous Landlocked Developing Countries, Egypt, for the Arab Group, the Democratic Republic of the Congo, for the African Group, Grenada, for AOSIS, the Gambia, for the LDCs, Venezuela, for ALBA, Tuvalu, the Philippines, Chile, Kuwait, Bolivia, Malawi, China, India, Singapore and Saudi Arabia supported the agenda proposed by the G-77/China, saying it is organized, inclusive and relevant to both the BAP and the Cancun Agreements, focused and future-looking. Bolivia underlined that the G-77/China proposal preserves the mandate of the AWG-LCA and is inclusive of the Cancun decisions. India said the agenda is a “Cancun-plus” proposal, creating space for larger discussions while not distracting from the Cancun Agreements. Singapore noted the agenda neither prejudices any substance, nor precludes any items, but explicitly links Bali and Cancun to enhance confidence and trust among parties.

Japan called for a strong, fair and effective agreement with the participation of all major emitters and the operationalization of the Cancun Agreements. New Zealand said work under the AWG-LCA should be prioritized and be pragmatic. She said the provisional agenda is not perfect, but it is preferable. Norway and Pakistan said fighting over the agenda is not helpful, and noted it is imperative to make progress on the AWG-LCA work.

AWG-LCA Chair Reifsnnyder said the agenda could either be more or less comprehensive but that it could not be both. Noting an impasse, he said he would conduct further consultations on the agenda and the AWG-LCA plenary was suspended at 10:26 pm.

On Wednesday afternoon, 6 April 2011, the AWG-LCA reconvened in informal consultations to continue discussion on the agenda. Parties debated whether to continue on the basis of the agenda proposed by the AWG-LCA Chair, with additional items, or on the basis of the agenda proposed by the G-77/China.

Several proposals emerged from discussions on ways to move forward, based on: the G-77/China agenda; a proposal to merge the G-77/China agenda with the Chair’s supplementary provisional agenda; and a suggestion to supplement the G-77/China agenda with two specific items, means to implement actions already agreed and further elements for agreement and implementation. The proposal to merge the G-77/China text with the Chair’s agenda was supported by a number of countries.

Several parties expressed concern with adopting an agenda before detailing the work programme (Item 6), whereas others considered Item 6 to be inclusive of implementing the Cancun Agreement.

A broad range of parties wanted the Chair to review and draft a merged agenda for the Thursday morning session. The Chair suggested he could produce a non-paper, but this was opposed by a number of parties who voiced concern for a repetition of the lack of transparency that took place in Copenhagen. Other parties wanted to ensure a party-driven process and continue the discussion in a small drafting group. One country suggested the Chair adjourn the informal consultations, not produce a merged document, and allow parties to consult the next morning and produce written reactions to the G-77/China agenda.

The Chair lamented the difficulty in identifying an agreeable format for parties to resolve the agenda issue, noting that he had heard conflicting feedback. He decided to suspend the meeting at 6:00 pm, reflect on the best way forward, and reconvene the informal consultations on Thursday morning without producing a merged Chair’s text.

Informal consultations continued throughout the day on Thursday and, following consultations by the Chair with regional and interest groups on a revised version of the agenda, an informal open-ended plenary was convened in the evening. Following a proposal by a party, the informal plenary was suspended and parties reconvened in an informal drafting group, open to all parties, which continued late into the evening.

The informal drafting group reconvened on Friday morning and debate on adoption of the agenda continued into the afternoon. In the early evening parties reached consensus in the informal drafting group on a provisional agenda, which, as a compromise between the agenda proposed by the AWG-LCA Chair and the agenda proposed by the G-77/China, is based on the structure of the Cancun Agreements and the BAP.

In the evening, a stocktaking plenary was convened by AWG-LCA Chair Reifsnnyder, who presented the new provisional agenda (FCCC/AWGLCA/2011/L.1), which parties adopted. The agenda includes main sub-headings on:

- Preparation of a comprehensive and balanced outcome to enable the full, effective and sustained implementation of the Convention through long-term cooperative action now, up to and beyond 2012, pursuant to the results of the thirteenth and sixteenth sessions of the COP and recognizing that the work of the AWG-LCA includes both implementation tasks and issues that are still to be concluded—shared vision for long-term cooperative action, enhanced action on mitigation, enhanced action on adaptation, finance, technology development and transfer, and capacity building;
- Review: further definition of its scope and development of its modalities;
- Continued discussion of legal options with the aim of completing an agreed outcome based on the BAP, work done at COP 16 and proposals made by parties under Article 17 (amendments) of the Convention; and
- Other matters, including countries with economies in transition and those with special circumstances.

AWG-LCA Chair Reifsnnyder invited parties to adopt the reports of the pre-session workshops. Workshop Co-Chair Goote (the Netherlands) reported on the pre-session workshop on assumptions and conditions related to the attainment of quantified economy-wide emission targets by developed country parties, and the workshop to understand the diversity of

mitigation actions submitted, underlying assumptions and any support needed for implementation of these actions, while noting different national circumstances and respective capabilities of developing country parties. AWG-LCA Chair Reifsnnyder noted that the report of the Technology Mechanism would be prepared and available by the June session. Parties adopted the reports of the workshops and the Chair requested the Secretariat make the reports of the workshops available to parties in June.

Praising the utility of the pre-session workshops, Argentina, for the G-77/China, requested the workshop reports also be submitted to the AWG-KP.

**STATEMENTS:** Argentina, for G-77/China, noted the G-77/China's role in renegotiating the agenda and underscored that it accommodated everyone's concerns. He said the process towards Durban should be open and led in an equitable and fair manner, and that the outcome should recognize the historical responsibility of developed countries.

The Republic of Korea, for the EIG, said *inter alia*, the EIG is committed to an ambitious, fair and balanced climate regime. He recognized the pre-session workshops as an important step to implementing the Cancun Agreements.

The Democratic Republic of the Congo, for the African Group, asked for a comprehensive process to Durban to ensure a balanced outcome that contains all elements of the BAP, highlighting the needs for technology, finance and capacity building.

Saying that the Cancun Agreements contain essential building blocks required for building a future climate change regime, Australia, for the Umbrella Group, said the agreed agenda reflects Decision 1/CP.16 (Cancun Agreements). She underscored the need to start implementing the Cancun Agreements with the establishment of institutions on finance, technology, capacity building, and a new MRV framework.

The EU said the Cancun Agreements must be implemented while addressing pending issues on the way to Durban. Noting the constructive role of the pre-session workshops for future negotiations, he stated the negotiations in Bonn should focus on: market mechanisms, hydrofluorocarbons, bunker fuels, agriculture and legal options.

Grenada, for AOSIS, stressed the importance of capitalizing on Cancun's momentum and urged parties to ensure full operationalization of the Cancun Agreements and the realization of the BAP, while ensuring environmental integrity. She said the Cancun Agreements are "indeed the foundation rather than the ceiling" on the way to Durban.

The Gambia, for the LDCs, expressed disappointment at the pace of work throughout the week and said that the need for fair and equitable access to financial resources is becoming more urgent. Egypt, for the Arab Group, said the agenda will require persistent work, flexibility and resolution of underlying issues to enable a successful outcome in Durban.

Belarus, for a number of countries with economies in transition, noted that the Bangkok session revealed a better level of understanding for the transitional economies and expressed hope that the adopted agenda will precipitate swift work in Bonn.

Bolivia echoed Argentina's statement for the G-77/China, saying there are insufficiencies and ambiguity in the results from Cancun and that the underlying issues, particularly political will,

must be resolved before South Africa. He also noted that the Cancun outcome is the only decision adopted by the COP in its sixteen years over the objections of a party and that this cannot be repeated in Durban.

Peru, for a number of Latin American countries, noting the lack of progress in Bangkok, reiterated that it is imperative to approach future meetings differently and that leadership must transcend procedural issues.

Mexico said that working in all the relevant bodies to operationalize mechanisms would enable the process to go forward in Durban.

Turkey noted the significant time lost in Bangkok debating the agenda. The Cook Islands stressed its firm commitment to adaptation and its implementation. Guatemala emphasized the need for a second commitment period of the Kyoto Protocol. The Philippines emphasized a party-driven and transparent process. Bangladesh requested the Secretariat to prepare a workshop in the June session on internationally supported NAMAs and domestic NAMAs. Thailand welcomed the agenda.

Noting the lack of time in Bangkok to proceed on substantive issues, AWG-LCA Chair Reifsnnyder adjourned the stocktaking plenary at 9:34 pm. The fourteenth session of the AWG-LCA will resume in Bonn, Germany in June.

## A BRIEF ANALYSIS OF THE MEETING

### *LIFE IN THE DEPARTURE LOUNGE*

At every point of arrival in climate change negotiations the parties are also confronted by the challenge of choosing a new destination. And it shall be ever so while the constituent players in the global regime—alone and together—are compelled to survey the distance that must be covered to close the gaps between the politically possible and the troubling science. On leaving Bangkok, parties to the UN Framework Convention on Climate Change were already preparing for a new series of destinations, geographical and metaphorical. The journey to the COP/MOP in Durban, via Bonn and a number of brief ministerial encounters, will be used to unpack what has been made possible by the achievements of Cancun and begin to navigate emerging horizons of possibility, as yet ill-defined and in need of further dialogue and trust if they are to take shape in the co-evolution of ambition and cooperation.

Parties converged on Bangkok for the first UNFCCC meeting following the adoption of the Cancun Agreements at the sixteenth Conference of the Parties (COP 16) in Mexico. At the outset, during a series of three workshops, the meeting picked up where parties had left off, in the lingering spirit of Cancun, with participants engaging in a relatively free-wheeling, and what many characterized as "constructive," exchange on the assumptions and expectations behind the targets and actions as announced in Mexico. On Tuesday there was an expectation that delegations would begin to focus on the business of "implementation," launching negotiations on an agenda or work programme based on the Cancun Agreements. This expectation turned out to be misplaced as developing countries felt the work under the *Ad Hoc* Working Group on Long-Term Cooperative Action under the Convention (AWG-LCA) should be informed

both by outstanding elements of the Bali Action Plan and elements in the Cancun Agreements and that this must be addressed prior to COP 17 in Durban, South Africa.

The momentum of the AWG-LCA, which swept out of Cancun on a wave of standing ovations, was interrupted as parties became immersed in the most preliminary of tasks: constructing the agenda and the programme of work for the year. More obvious progress was made at the *Ad Hoc* Working Group on Further Commitments by Annex I Parties under the Kyoto Protocol (AWG-KP), although others expressed frustration with the lack of consensus to progress with negotiations on technical rules.

This brief analysis considers why the parties spent the majority of their negotiating time considering the AWG-LCA agenda and where that leaves parties on the road to Durban via Bonn, where a meeting of the UNFCCC Subsidiary Bodies is scheduled in June.

### **WHEN THE AGENDA MEANS EVERYTHING**

The defining debate on the meeting's agenda was played out in both the AWG-LCA and within the G-77/China itself where views differed on the prospects of fully restoring sub-items reflecting the building blocks from the Bali Action Plan to the AWG-LCA Agenda and an attempt to fully reflect Bolivia's objections in Cancun. At stake was a G-77/China bid to replace the AWG-LCA draft agenda and to ensure that the iteration of the subsequent work programme, pursuant to the results of COP 13 (Bali Action Plan) and COP 16, will include "issues that are still to be concluded" and "implementation tasks." The agreed chapeau refers to the "results" of the sessions rather than a straightforward reference to 1/CP.16 to placate Bolivia's procedural concerns that the Cancun Agreements were adopted "by consensus" over Bolivia's objections. Many observers and negotiators were straightforward in their acknowledgement that the impasse over the agenda was a proxy battle over looming issues in the emerging work programme and how these are treated in the Bali Action Plan or in the mandate to operationalize the Cancun outcomes. The over-arching dispute, in the eyes of G-77/China parties, centered on their rejection of a view—associated with the United States and others—that the Cancun Agreements are sufficient to resolve the issues necessary for a global climate regime. The G-77/China see the Cancun Agreements as one more step in an ongoing iteration that must keep elements of the Bali Action Plan (BAP) in play, on issues such as enhanced action on adaptation and finance measures.

After inconclusive discussions in plenary, AWG-LCA Chair Dan Reifsnyder embarked on informal consultations to broker a solution but encountered deep reservations from within the G-77/China. The parties struggled to find a formula that could reflect a balanced treatment of implementation tasks inherited from their agreements in Cancun alongside a reference to items from the BAP that have still to be concluded or resolved. On Thursday Chair Reifsnyder invited Annex I parties to accept the G-77/China draft, and prepared a non-paper to illustrate how this could be facilitated without questioning or opening up the structure of the amended agenda, as presented by the G-77/China. However, the Chair's actions were met with suspicion within the G-77/China since he made his first approach to Annex I parties. It was observed in Bangkok that as an American Chair, Reifsnyder had

his work cut out for him to win the trust of some elements within the G-77/China in the first place. He met with the G-77/China and, in an effort to underline the informality of his approach, presented an informed non-paper that he had presented to developed country groups first. However, some parties within the G-77/China took exception to the Chair's intervention and questioned his authority to undertake these actions.

On Thursday evening, after a proposal that the group move to an informal drafting group, parties began to clarify the issues, with the understanding that the call to reintroduce unresolved issues from the BAP need not be pursued at the expense of a parallel focus on implementation and the Cancun Agreements. After initial fractures within the G-77/China during several days of difficult pre-session meetings, the resolution helped establish some unity.

A new item, on sectoral approaches, was introduced by developed country parties in a trade-off that also saw the introduction of a Cancun reference to "continued discussion of legal options with the aim of completing an agreed outcome based on decision 1/CP.13, the work done at COP 16 and proposals made by Parties under Article 17 of the Convention." This was accomplished with an understanding that the item on agriculture would refer to adaptation as well as mitigation issues.

The upside to what several observers called the "four million dollar agenda," referring to the cost of the meeting, is that parties left Bangkok with a carefully considered agenda on which to base their further work. Many felt it was reflective of a spirit of compromise and others noted that, while the momentum of Cancun was slowed by the bump in the road presented by the agenda, its subsequent adoption salvaged the ability to move forward.

### **ANOTHER CLIFFHANGER, STARRING THE KYOTO PROTOCOL**

The AWG-KP debate on the future of the Kyoto Protocol struggled to move beyond demands by the G-77/China for a political commitment to a second commitment period despite the best efforts of AWG-KP Chair Adrian Macey. Led by Tuvalu, some members of the G-77/China determined that this was not the time for another round of technical discussions on the rules that will inform target setting by Annex I parties. The result was widely regarded as an unprecedented level of frankness by the parties from both developed and developing countries as they exchanged views on the assumptions behind their targets and actions tabled in Cancun.

It was not all good news, of course. Japan and the Russian Federation repeated their determination to remain outside any new binding treaty together with the United States. But for those closest to the process the "surprise of the week" was the lack of active resistance to negotiations on the second commitment period from those very countries. There may be no need for the US, Japan or the Russian Federation to take up an invitation from Tuvalu to quietly leave the room and let others get on with the work on a second commitment period.

Observers commented on how, just twelve months ago, some of the statements in Bangkok by Annex I parties still working towards a position on a second commitment period would have been met with hostile reactions by developing country parties. In Bangkok there was a discernible shift in tone, albeit intangible,

as some participants went even further than their interventions during the pre-session workshops to explain, for example, the conditions behind their contingent level targets. The US surprised some with a frank admission about the shortfall in the current levels of ambition behind pledges on the table; and developing country parties reciprocated with frank political exchanges on their side of the equation, at times breaking through the “firewall” that has been maintained between the AWG-KP and AWG-LCA discussions. Observers discerned that there was recognition all around that climate change demands tough economic choices, and each party faces its own challenges in bringing their respective constituencies along, whether these are reluctant industry lobbies or publics nervous about abandoning their development rights in the global south.

A Chair’s paper, summing up ideas raised during the AWG-KP discussions, provided a tentative picture of how the Protocol debate will be managed in the coming months. Most notable, perhaps, was a sense in some quarters that there will be a role for ministers to provide clarity, direction and sign off on a second commitment period. Confidence building on the Protocol issues is likely to include an attempt to provide parties with further opportunities to convene in a “safe environment” (outside the negotiating context) to examine targets that are on the table and how different choices of rules would impact on these and help close the gap between their conditional and unconditional targets and goals, both individually and in aggregate.

### **READY, STEADY, BONN...**

With meetings scheduled for Bonn and beyond, and calls on parties from the UNFCCC Executive Secretary to use other venues and opportunities to further their preparations for COP 17 in Durban, there is recognition that the global climate regime is now a sum of many parts. Going into the June meeting of the Subsidiary Bodies, the parties face a daunting work programme, with additional intersessional meetings already scheduled. Alongside the details of Cancun implementation they must examine the core political issues, such as broader cooperation, meeting the global temperature goal, peaking in 2020, a review, and the legal nature of the future regime.

Parties will face the complex task of managing the implementation of the Cancun work programme, designed primarily to facilitate a “bottom-up” regime, allowing the willing to reach their own judgements about a second commitment period under the Protocol, and reviewing all efforts in the light of the global goal and effectively addressing all elements of the Bali Action Plan. With the prospect that a *de facto* or *de jure* gap in the Protocol commitment periods is almost certain, at least one senior negotiator has speculated that the task ahead is to agree to a political package. The package might include elements such as a “legal fix” to ensure a form of continuity in the operation of the Protocol pending ratification of an agreement on a second commitment period; an element acknowledging the two-track approach, at least, in the interim; and a negotiating framework that might bring the variable geometry of the current negotiations together some time after Durban, to reflect the outcome of a review of the adequacy of any new arrangements agreed in Durban. The thinking behind all of this is that parties may require a “cooling off” period if new proposals are not to be regarded as precipitous and, for example, provoke the type of

comments delivered by US Special Envoy for Climate Change, Todd Stern, in New York, during the Bangkok meeting. Stern’s remarks were widely discussed in the corridors in Bangkok and were regarded as unhelpful.

### **CONCLUSION**

Even as negotiators and others who make up the itinerant community of climate change interests book their next flights to Bonn, some aspects of the negotiations are thrown into light. In a limited sense, the unfinished business of Cancun was addressed somewhat by the G-77/China’s determination to revisit the outstanding business of the Bali Action Plan. In a global sense, the unfinished business of Cancun will be taken up once parties have gone some way towards implementing the Cancun Agreements and begin to review—unilaterally and collectively—the outstanding gap between their efforts and the IPCC evidence base. Going forward to Bonn the modest but critical achievements of the Bangkok meeting promises to release business-like efforts to concentrate on the detailed implementation of the Cancun Agreements, while suspending some of the pressure to conflate technical and political issues and fight proxy battles over agendas.

The long-term journey that negotiators must take to bridge their current collective efforts and the demands of a global temperature goal, however, is less clear. The parties have reached a “crossroads” marked by the achievements, albeit insufficient, of Cancun. Given the increasing interdependence of the parties and groups when it comes to helping each other understand and address assumptions, conditions and rules behind their targets and goals, the current crossroads afford a moment to step back from the heightened intensity that has accompanied negotiations in the run-up to and since Copenhagen. In the incremental development of the climate change regime, there is an increasing need for parties and groups across the spectrum to institutionalize the integral link between levels of ambition and cooperation.

As the wisdom of Thailand’s Buddhist teachers might observe: it is always wise to pause and take a moment to release or drop the frantic drive to control, calculate and uphold positions that have been useful up to a point (even in negotiations). This seems an appropriate lesson for the coming and demanding period of reorienting negotiations marked by modest achievement and beckoning ambition.

### **UPCOMING MEETINGS**

**IPCC Working Group III:** The 11th session of IPCC Working Group III will meet in May, just before IPCC-33. **dates:** 5-8 May 2011 **location:** Abu Dhabi, United Arab Emirates **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025/13 **email:** IPCC-Sec@wmo.int **www:** <http://www.ipcc.ch/>

**UN/ISDR 3rd Session of the Global Platform for Disaster Reduction:** Based on lessons emerging from the Mid-Term Review of the Hyogo Framework for Action, this meeting will discuss what the disaster risk reduction framework will look like post-2015, both in terms of governance, resources, monitoring and compliance; and how it will fit with the Millennium Development Goals and climate change framework. **dates:** 8-13 May 2011 **location:** Geneva, Switzerland **contact:**

ISDR Secretariat **phone:** +41-22-917-8878 **fax:** +41-22-917-8964 **email:** globalplatform@un.org **www:** <http://www.preventionweb.net/globalplatform/2011/>

**World Renewable Energy Congress 2011 (WREC 2011):** Organized in affiliation with UNESCO, WREC 2011 will focus on future trends and applications in renewable energy technologies and sustainable development. **dates:** 8-13 May 2011 **location:** Linköping, Sweden **contact:** Tina Malmström, WREC 2011 Secretariat **email:** [info@wrec2011.com](mailto:info@wrec2011.com) **www:** <http://www.wrec2011.com/index.html>

**IPCC-33:** The 33rd session of the IPCC and approval of the Special Report on Renewable Energy Sources and Climate Change (SRREN Report) will take place in May 2011. The meeting is expected to address ongoing work related to addressing issues raised in the InterAcademy Review. **dates:** 10-13 May 2011 **location:** Abu Dhabi, United Arab Emirates **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025/13 **email:** [IPCC-Sec@wmo.int](mailto:IPCC-Sec@wmo.int) **www:** <http://www.ipcc.ch/>

**UNFCCC Subsidiary Bodies:** The 34th sessions of the SBSTA and SBI will take place in June, along with meetings of the AWG-KP and AWG-LCA. **dates:** 6-17 June 2011 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** [secretariat@unfccc.int](mailto:secretariat@unfccc.int) **www:** <http://unfccc.int>

**Climate Investment Funds (CIF) Partnership Forum 2011:** The CIF Partnership provides an opportunity for stakeholders—governments, civil society, indigenous peoples, private sector and others—to contribute to deepening global understanding of climate change and development in the CIF context. **dates:** 24-25 June 2011 **location:** Cape Town, South Africa **contact:** CIF Admin Unit, World Bank **phone:** +1-202-458-1801 **email:** [CIFAdminUnit@worldbank.org](mailto:CIFAdminUnit@worldbank.org) **www:** [http://www.climateinvestmentfunds.org/cif/partnership\\_forum\\_2011\\_home](http://www.climateinvestmentfunds.org/cif/partnership_forum_2011_home)

**World Climate Research Programme's (WCRP) Open Science Conference:** The World Climate Research Programme's conference will gather the international scientific community working to advance understanding and prediction of variability and change of the Earth's physical climate system on all spatial and temporal scales. The Programme is sponsored by the International Council for Science, the WMO and the UNESCO Intergovernmental Oceanographic Commission (IOC). **dates:** 24-28 October 2011 **location:** Denver, US **contact:** WCRP Joint Planning Staff **phone:** +41-22-730-8111 **fax:** +41-22-730-8036 **email:** [wcrp@wmo.int](mailto:wcrp@wmo.int) **www:** <http://conference2011.wcrp-climate.org/>

**UNFCCC COP 17 & COP/MOP 7:** The 17th meeting of the COP and the 7th meeting of the COP/MOP will take place in Durban, South Africa. **dates:** 28 November - 9 December 2011 **location:** Durban, South Africa **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** [secretariat@unfccc.int](mailto:secretariat@unfccc.int) **www:** <http://unfccc.int/>

## GLOSSARY

AAUs	Assigned Amount Units
ALBA	Bolivarian Alliance for the Peoples of Our America
AOSIS	Alliance of Small Island States
AWG-KP	<i>Ad hoc</i> Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
AWG-LCA	<i>Ad hoc</i> Working Group on Long-Term Cooperative Action
BAP	Bali Action Plan
BAU	Business as usual
COP	Conference of the Parties
CTC	Climate Technology Centre
CTCN	Climate Technology Centre and Network
EGTT	Expert Group on Technology Transfer
ENGOS	Environmental non-governmental organizations
GHG	Greenhouse gas
IPRs	Intellectual property rights
LDCs	Least developed countries
LULUCF	Land use, land-use change and forestry
MRV	Monitoring, reporting, verification
NAMA	Nationally Appropriate Mitigation Action
Ppm	Parts per million
QELROs	Quantified emission limitation and reduction objectives
REDD+	Reducing Emissions from Deforestation and Forest Degradation, plus conservation, sustainable management of forests and enhancement of forest carbon stocks
SBI	Subsidiary Body for Implementation
TEC	Technology Executive Committee
UNFCCC	United Nations Framework Convention on Climate Change