

## SUMMARY OF THE BONN CLIMATE CHANGE CONFERENCE: 6-17 JUNE 2011

The UN Climate Change Conference in Bonn, Germany took place from 6-17 June 2011. The conference included the 34th sessions of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA). It also comprised the second part of the 16th session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) and the second part of the 14th session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA). The conference drew around 3,500 participants.

The first week of the conference centered on the agendas of the SBI and SBSTA. The provisional agendas of both bodies included new items based on parties' proposals and Decision 1/CP.16 (outcome of the AWG-LCA's work). Many of the proposals proved controversial and parties spent the first three days discussing the agendas and organization of work. They eventually agreed to launch work on some agenda items while holding most of the proposed new agenda items in abeyance, pending further consultations. In the end, the SBSTA's closing plenary agreed to consider, at its next session, the proposed new item on impacts of climate change on water and integrated water resources management under the Nairobi work programme on impacts, vulnerability and adaptation. No agreement was reached on other proposed new items, such as blue carbon and rights of nature and the integrity of ecosystems, and a work programme on agriculture.

Under the SBI, work was launched on new items on national adaptation plans, and loss and damage, the consideration of which was mandated by the Cancun Agreements. Proposed new agenda items relating to measuring, reporting and verification (MRV) remained in abeyance, but related work was undertaken under the AWG-LCA. Proposed new items related to the impacts of the implementation of response measures also featured prominently in the agenda discussions. As a result, the SBI and SBSTA Chairs convened a forum on the impact of the implementation of response measures organized as a contact group.

The focus of the AWG-KP was on a second commitment period under the Kyoto Protocol, after the first commitment

period expires at the end of 2012. Parties concentrated on outstanding political issues and conditionalities set by various Annex I countries for taking on new commitments during a second commitment period. Despite initial opposition from developing countries, parties also undertook technical work on issues, including land use, land-use change and forestry (LULUCF), the flexibility mechanisms and methodological issues. Progress made was captured in a revised proposal by the AWG-KP Chair (FCCC/KP/AWG/2011/CRP.1). Parties also agreed to suspend AWG-KP 16 and resume it during an intersessional meeting to be scheduled in September/October.

Under the AWG-LCA, substantive work began, for the first time, based on Decision 1/CP.16. Parties worked in a single contact group and informal groups on adaptation, finance, technology, capacity building, shared vision, review of the global long-term goal, legal options, and diverse issues related to mitigation. While progress was made on some issues, many felt that the outcomes were relatively modest and a lot of work remains to be done before COP 17 in Durban, South Africa.

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## 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 the third session of the Conference of the Parties (COP) 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 period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005 and now has 193 parties.

At the end of 2005, the first steps were taken to consider long-term issues. Convening in Montreal, Canada, the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP 1) decided to establish the 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. COP 11 agreed 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). Parties established the AWG-LCA with a mandate to focus on key elements of long-term cooperation identified during the Convention Dialogue: mitigation, adaptation, finance, technology and a shared vision for long-term cooperative action. The Bali conference also resulted in agreement on the Bali Roadmap, based on 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 in December 2009.

**COPENHAGEN CLIMATE CHANGE CONFERENCE:** The UN Climate Change Conference in Copenhagen, Denmark, took place from 7-19 December 2009, and included COP 15 and COP/MOP 5, the 31st sessions of the SBI and the SBSTA, as well as AWG-KP 10 and AWG-LCA 8. 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 presented to the COP plenary for adoption. Over the next 13 hours, delegates debated the Accord. Many supported adopting it as a step towards securing a “better” future agreement.

However, some developing countries opposed the Accord, which they felt had been reached through an “untransparent” and “undemocratic” negotiating process. Ultimately, the COP agreed to “take note” of the Copenhagen Accord. It established a process for parties to indicate their support for the Accord and, during 2010, over 140 countries did so. More than 80 countries also provided information on their national emission reduction targets and other mitigation actions.

On the last day of the Copenhagen Climate Change Conference, the COP and COP/MOP also agreed 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.

### CANCUN CLIMATE CHANGE CONFERENCE:

Following four preparatory meetings in 2010, the UN Climate Change Conference in Cancun took place from 29 November to 11 December 2010. Expectations for Cancun were more modest than for Copenhagen a year earlier. Most were hoping to see agreement on a “balanced package” of decisions and few expected a legally-binding outcome. By the end of the conference, parties finalized the Cancun Agreements, which include decisions under both negotiating tracks.

Under the Convention track, Decision 1/CP.16 recognized the need for deep cuts in global emissions to achieve the 2°C target. Parties also agreed to consider strengthening the global long-term goal during a review by 2015, including in relation to the 1.5°C target. They took note of emission reduction targets and nationally appropriate mitigation actions (NAMAs) communicated by developed and developing countries, respectively (FCCC/SB/2011/INF.1 and FCCC/AWGLCA/2011/INF.1, both issued after Cancun), and agreed to discuss them during workshops. Decision 1/CP.16 also addressed other aspects of mitigation, such as MRV; and reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+).

Parties also agreed to establish several new institutions and processes. These included the Cancun Adaptation Framework and the Adaptation Committee, as well as the Technology Mechanism, which includes the Technology Executive Committee and the Climate Technology Centre and Network (CTCN). On finance, Decision 1/CP.16 created the Green Climate Fund, which was designated as the new operating entity of the Convention’s financial mechanisms and is to be governed by a Board of 24 members. Parties agreed to set up a Transitional Committee tasked with the Fund’s detailed design, and established a Standing Committee to assist the COP with respect to the financial mechanism. They also recognized the commitments by developed countries to provide US\$30 billion of fast-start finance in 2010-2012, and to jointly mobilize US\$100 billion per year by 2020.

Under the Protocol track, Decision 1/CMP.6, which is also part of the Cancun Agreements, included agreement to complete the work of the AWG-KP and have the results adopted by the COP/MOP as soon as possible, and in time to ensure there will be no gap between the first and second commitment periods. They urged Annex I parties to raise the level of ambition of their

emission reduction targets with a view to achieving aggregate emission reductions consistent with the range identified in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change. They also adopted Decision 2/CMP.6 on LULUCF.

The mandates of the two AWGs were also extended until the UN Climate Change Conference to be held in Durban, South Africa, from 28 November to 9 December 2011.

**UN CLIMATE CHANGE TALKS IN BANGKOK:** The two AWGs resumed their work in Bangkok from 3-8 April 2011. Two pre-session workshops took place, addressing quantified economy-wide emission reduction targets by developed country parties, and mitigation actions submitted by developing country parties. During the meeting, an expert workshop on the new Technology Mechanism also convened. The AWG-LCA spent the Bangkok session engaged in procedural discussions on its agenda after Cancun. Following a week of negotiations, agreement was reached on the agenda that formed the basis of work for the resumed AWG-LCA 14 in Bonn. Under the AWG-KP, parties focused on key policy issues hindering progress under the Protocol track.

### REPORT OF THE BONN CLIMATE CHANGE CONFERENCE

The UN Climate Change Conference in Bonn opened on Monday morning, 6 June 2011. This report summarizes the discussions of the four bodies, based on their respective agendas:

- 34th session of the Subsidiary Body for Scientific and Technological Advice (SBSTA);
- 34th session of the Subsidiary Body for Implementation (SBI);
- resumed 16th session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP); and
- resumed 14th session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA).

#### SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

The SBSTA opening plenary took place on Monday, 6 June, with Mama Konaté (Mali) continuing as Chair. In their opening statements, Argentina, for the Group of 77 and China (G-77/China), warned against “transferring unresolved issues” from the AWG-LCA to the SBSTA, saying the AWG-LCA should maintain an overview of specific issues that were mandated for consideration by the SBSTA. The G-77/China also called for another meeting of the Subsidiary Bodies (SB) before Durban.

The Democratic Republic of the Congo, for the African Group, with Grenada, for the Alliance of Small Island States (AOSIS), recommended that parties commence work on the items traditionally included in the SBSTA agenda while consulting on the proposed new items. Australia, for the Umbrella Group, highlighted the importance of the SBSTA’s work on reducing emissions from deforestation and forest degradation in developing countries (REDD) and the Nairobi Work Programme on impacts, vulnerability and adaptation (NWP).

The Gambia, for the least developed countries (LDCs), highlighted research and systematic observation and enhancement of the NWP to support adaptation implementation in LDCs. AOSIS stressed the need for accelerating work under the NWP. Switzerland, for the Environmental Integrity Group (EIG), underscored the need for methodological work on reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+). Papua New Guinea, for the Coalition of Rainforest Nations, highlighted the progress made in Decision 1/CP.16 on REDD+, but noted the importance of guidance on safeguards.

**ORGANIZATIONAL MATTERS:** Parties explained their proposals for new items on the provisional agenda (FCCC/SBSTA/2011/1). A number of proposals were introduced:

- a work programme on agriculture (New Zealand and Canada);
- blue carbon: coastal marine ecosystems (Papua New Guinea);
- rights of nature and the integrity of ecosystems (Bolivia);
- forum on the impact of the implementation of response measures (Saudi Arabia); and
- the impacts of climate change on water resources and integrated water resource management (Ecuador).

Parties disagreed on which, if any, new items to include in the agenda. SBSTA Chair Konaté proposed that parties hold the new items in abeyance while consulting on whether to include them on the agenda, allowing work on other agenda items to proceed, as proposed by the African Group and AOSIS. He explained that SBI Chair Robert Owen-Jones (Australia) was conducting consultations on the proposal to replace the item on economic and social consequences of response measures with an item on the forum on the impact of the implementation of response measures, saying the solution reached there could be imported to the SBSTA. Many parties supported this approach.

Bolivia requested that the agenda item on REDD be held in abeyance as well and proposed broadening the title of the agenda item to “measures with regard to forests.” This was opposed by Colombia, Malaysia, Guyana, Suriname, Australia and Costa Rica. Papua New Guinea, Guyana and Costa Rica objected to changing the name of the agenda item. In response, Bolivia proposed naming the item “REDD and forest-related actions.” Bolivia noted that including items on the agenda stemming from the Cancun Agreements, which were not adopted by consensus, was not acceptable.

The SBSTA opening plenary remained suspended for the rest of the day, and throughout the day on 7 and 8 June, as parties were unable to resolve their differences on REDD and how to carry forward work on response measures under the SBI and SBSTA.

On Thursday morning, 9 June, the SBSTA plenary reconvened with SBSTA Chair Konaté presenting a revised provisional agenda (FCCC/SBSTA/2011/L.1). He reported agreement to amend the title of the agenda item on REDD to “methodological guidance for activities relating to REDD+.” He also announced that the SBI and SBSTA Chairs would convene a special event and a forum on the impact of implementation of response measures at SB 34 and 35, and the forum would be in

the form of a contact group. Parties agreed to commence work on other agenda items, while holding in abeyance the proposed new agenda items on water resources, blue carbon, agriculture, and the rights of nature and ecosystems, pending the outcome of further informal consultations facilitated by Zitouni Ould-Dada (UK).

On Thursday, 16 June, Facilitator Ould-Dada reported to the SBSTA closing plenary that parties had agreed to discuss the impacts of climate change on water resources and integrated water resources management under the agenda item on the NWP. While no agreement had been reached on the work programme on agriculture, or the rights of nature and the integrity of ecosystems, he reported broad agreement on inclusion of issues related to blue carbon under the agenda item on research and systematic observation, with a single party objecting.

Following brief informal consultations to clarify how the issue of impacts on water resources would be taken forward, agreement was reached to reflect in the meeting's report that parties had agreed during informal consultations to discuss the impacts of climate change on water resources and integrated water resource management under the NWP at SBSTA 35.

On the issue of blue carbon, Papua New Guinea, supported by a number of developing country parties, called for including mangroves, tidal salt marshes and seagrass meadows under the agenda item on research and systematic observation. Noting broad agreement, SBSTA Chair Konaté asked if parties were willing to include coastal marine ecosystems on the SBSTA agenda. Bolivia, with Venezuela, opposed this, calling the proposal an "underhanded" way to include new market mechanisms on the agenda under the guise of a research item. Following further informal consultations, Facilitator Ould-Dada reported that parties had been unable to reach agreement and mangroves, tidal salt marshes and seagrass meadows were not included under the agenda item on research and systematic observation.

The SBSTA adopted the agenda (FCCC/SBSTA/2011/L.1) as amended.

Parties also agreed to elect Collin Beck (Solomon Islands) as the SBSTA Rapporteur.

**NAIROBI WORK PROGRAMME:** This issue (FCCC/SBSTA/2011/INF.2 and MISC.3) was first considered by the SBSTA plenary on Thursday, 9 June. It was subsequently taken up in a contact group and informal consultations co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Donald Lemmen (Canada).

During a series of eight meetings, parties discussed the future of the NWP and its ongoing review, considered the provision of information and advice to the SBI based on the outcome of activities, and defining activities for the future work programme. The SBSTA plenary adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.13), the SBSTA acknowledges that it undertook the review of the NWP as required by Decision 2/CP.11 (five-year programme of work of the SBSTA on impacts, vulnerability and adaptation). The SBSTA also, *inter alia*:

- encourages further efforts, including through action pledges by organizations and the provision of information to the SBSTA on the implementation of pledges, to assist parties

in improving their understanding, assessment, and decision-making;

- recognizes the need to provide scientific and technical information on impacts, vulnerability and adaptation to support the work of the SBI and possible future work of the Adaptation Committee;
- requests the Secretariat to: undertake a survey identifying the priority needs for the dissemination of products related to impacts, vulnerability and adaptation; compile information on ecosystem-based approaches to adaptation; prepare a technical paper on water and climate change impacts and adaptation strategies; and organize a joint SBSTA/SBI workshop to consider outcomes of the NWP most relevant to the SBI;
- agrees to consider possible areas of further work with a view to defining the duration and activities for its next phase; and
- invites parties to submit proposals to the Secretariat for upcoming activities under the NWP by 19 September 2011.

**METHODOLOGICAL GUIDANCE ON REDD+:** This issue was first addressed in the SBSTA plenary on Thursday, 9 June. It was further addressed in a contact group and informal consultations co-chaired by Peter Graham (Canada) and Victoria Tauli-Corpuz (the Philippines). Discussions focused on: the issues to be addressed by COP 17; forest reference levels and forest reference emission levels; MRV; and a system for providing information on how the safeguards included in Appendix I to Decision 1/CP.16 are addressed and respected in the implementation of REDD+ activities.

On the issues to be addressed by COP 17, Papua New Guinea, with the US, Ghana, Australia, Indonesia, the European Union (EU), Guyana and Switzerland, said Appendix II of Decision 1/CP.16 on the work programme should form the basis for discussions. Bolivia underscored the need for an integrated vision of forests and including indigenous peoples in the discussions. The EU, Papua New Guinea and others supported a workshop before Durban, while Brazil, supported by Suriname and others, suggested a technical expert group, given the technical expertise required for certain issues to be addressed. Eventually, delegates decided to address in Bonn the issues identified in Decision 1/CP.16 and to organize meetings for technical experts, including one before Durban. Bolivia specified these meetings should enable the participation of relevant stakeholders.

On the information system on safeguards, parties identified principles for the system, including transparency, accuracy, adaptability to national circumstances, regularity, predictability, consistency and comparability. Some parties supported using national communications to report on safeguards.

Parties also addressed national forest reference emission levels and forest reference levels. One party suggested, and others supported, that the reference levels should be used as a benchmark to assess the changes in forest cover and carbon stocks. However, many parties called for clarification on, *inter alia*: definitions, including of forests and the differences between reference emission levels and reference levels; adjusting reference levels to national circumstances and how to define these; ensuring consistency between subnational and national reference levels; and forests included under the scope.

On MRV, several parties highlighted that elements of MRV for REDD+ had already been agreed in Copenhagen and Cancun. Parties underscored that MRV for REDD+ should be, *inter alia*: consistent with any guidance on MRV for NAMAs; non-intrusive and respect national sovereignty, circumstances and capabilities; simple; transparent; flexible; and cost-effective. One party called for clarification on MRV in the context of conservation activities that are under the scope of REDD+ but do not necessarily result in emission reductions. Another party said clarification on the mandatory carbon pools and gases is key. A party supported MRV at the national level, to avoid subnational leakage. One suggested considering safeguards within an MRV system, but this was opposed by another. One party suggested that the objective of MRV should be to measure the forest-covered area.

The Co-Chairs presented draft conclusions containing an annex with possible elements for modalities relating to safeguards, forest reference levels and forest reference emission levels, and MRV, which reflected the discussions. Several parties supported eliminating the annex, stating that the annex does not reflect parties' common views. A number of parties however, indicated that the annex constituted a good basis for moving forward and suggested clarifying in the draft conclusion that it incorporated views expressed by parties. One party suggested treating the text as the Co-Chairs' text. Parties eventually agreed to retain the annex but to change the content to include general guidance for submissions and future work, identifying key elements to be considered when addressing the issues described. On 16 June, the SBSTA adopted conclusions.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.14), the SBSTA:

- invites submissions from parties and accredited observers on issues identified for consideration at SBSTA 35; and
- requests the Secretariat to organize, subject to funding, meetings of technical experts on meta guidance for REDD+ activities, including a meeting before SBSTA 35.

The conclusions include an annex on general guidance for submissions and future work regarding: guidance on systems for providing information on how safeguards referred to in Appendix I to Decision 1/CP.16 are addressed and respected; modalities relating to forest reference emission levels and forest reference levels; and modalities for MRV as referred to in Appendix II to Decision 1/CP.16.

#### DEVELOPMENT AND TRANSFER OF

**TECHNOLOGIES:** This issue was first taken up by the SBSTA plenary on Friday, 10 June 2011. SBSTA Chair Konaté noted agreement in Decision 1/CP.16 to establish a Technology Mechanism and terminate the Expert Group on Technology Transfer. Informal consultations on the issue were subsequently conducted by Carlos Fuller (Belize) and Zitouni Ould-Dada (UK). The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.10), the SBSTA notes that in order to enhance the near-term prospect of the implementation of the projects identified through the technology needs assessment (TNA) process, projects should be presented as broadly as possible, through existing and enhanced means, to potential sources of financing. It further notes that TNAs could provide useful information to parties for activities under the new Technology Mechanism.

Recalling its request at SBSTA 33 for the Secretariat to organize two training workshops on preparing technology transfer projects for financing for non-Annex I parties and to report on progress in the implementation of a pilot online training course on this matter, the SBSTA further invites parties and relevant organizations to provide financial support to ensure the timely and effective organization of these activities

**RESEARCH AND SYSTEMATIC OBSERVATION:** The SBSTA took up this item in plenary on Friday, 10 June 2011 (FCCC/SBSTA/2010/MISC.12, FCCC/SBSTA/2011/MISC.1, MISC.4, INF.1 and INF.6). It was subsequently considered in informal consultations facilitated by Sergio Castellari (Italy) and David Lesolle (Botswana).

Two special SBSTA events were organized in connection with this agenda item: the pre-session workshop on the research dialogue on recent climate change findings and on-going activities, held on 2-3 June 2011 in Bonn (FCCC/SBSTA/2011/INF.6); and the in-session dialogue on relevant research activities. For a summary of the dialogue, see: <http://www.iisd.ca/vol12/enb12505e.html>

On 16 June, the SBSTA adopted conclusions.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.4), the SBSTA, *inter alia*:

- notes the progress made on research needs relating to the Convention (Decision 9/CP.11);
- appreciates the broadened participation by organizations, programmes and agencies in climate change research;
- emphasizes the need for improved communication and interaction between the scientific community and users of climate information;
- emphasizes the value of promoting outputs and research through activities undertaken under Convention Article 6;
- stresses the need to enhance the availability of research findings from developing countries;
- requests the Secretariat, *inter alia*, to organize further workshops; and
- invites parties to provide their views on the research dialogue by 19 September 2011.

**FORUM ON THE IMPACT OF IMPLEMENTATION OF RESPONSE MEASURES:** Following informal consultations on proposed new agenda items, parties agreed to include this issue (FCCC/SB/2011/MISC.2) on the SBSTA agenda with a title that mirrors wording from Decision 1/CP.16, paragraph 93. SBSTA Chair Konaté noted that the SBI and SBSTA Chairs would first convene a special event on the forum on the impact on the impact of the implementation of response measures. He said following the event, the Chairs would convene a joint SBI/SBSTA forum that would meet as a contact group at SB 34 and SB 35.

On Monday, 13 June, the special event on the SBI/SBSTA forum on the impact of the implementation of response measures took place. The forum opened with parties' technical presentations on the negative and positive impacts of climate mitigation policies, a potential work programme on response measures and modalities for operationalization of that work programme. For more information, see <http://www.iisd.ca/vol12/enb12509e.html>.

On 14 and 15 June, the SBI and SBSTA Chairs convened the forum. Parties first exchanged views on the status of the special event on 13 June and what would be reflected in the report. Argentina, for the G-77/China, stressed the need to reflect in the report that the “vast majority” of parties support the establishment of a forum on response measures. Saudi Arabia underscored that the special event should be characterized as more than an exchange of information among parties. Chair Konaté clarified that the special event was organized to deepen the understanding on the new concept of the forum on response measures.

The EU, the US and others stressed the need to work efficiently and take into account existing agenda items and work streams on response measures. The US, opposed by the G-77/China, identified the need to streamline discussions on response measures. The G-77/China urged for a platform for a direct exchange of views on the impact of developed countries’ response measures on developing countries. She said that the forum would, *inter alia*, address the design of specific response measures such as trade-related ones and consider technical input from experts. The G-77/China also emphasized that the existing channels, such as national communications, are not adequate for sharing information on the negative consequences of response measures.

On Friday, 17 June, the SBSTA closing plenary adopted conclusions. Australia emphasized that the time spent discussing response measures at this session was disproportionate.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.16), the SBSTA:

- takes note of submissions on the elements for the development of a work programme on response measures with a view to adopting modalities for its operationalization and on a possible forum;
- invites submissions from parties and relevant organizations to submit their views on the item by 19 September 2011;
- requests the Secretariat to prepare a report on the special event, made available to SB 35; and
- agrees to continue the forum at SB 35.

**PROTOCOL ARTICLE 2.3 (adverse impacts of policies and measures):** This issue (FCCC/SB/2011/1 and MISC.1) was considered by the SBSTA plenary on 9 June and through a joint SBI/SBSTA contact group and informal consultations co-chaired by Anastasia Theodorou (Hungary) and Eduardo Calvo Buendía (Peru). The SBSTA adopted conclusions on 16 June.

The relevant discussions have been summarized under the SBI agenda item on Protocol Article 3.14 (adverse effects and impacts of response measures). (See page 11.)

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.12), the SBSTA recalls the request to the Secretariat to organize the joint workshop and identifies issues that will be addressed at this workshop, *inter alia*, sharing information to enhance understanding of adverse effects and minimizing adverse effects through a process to implement Protocol Articles 2.3 and 3.14.

**METHODOLOGICAL ISSUES UNDER THE CONVENTION: Emissions from international aviation and maritime transport:** This issue (FCCC/SBSTA/2011/MISC.5) was first taken up by the SBSTA plenary on 10 June.

Parties heard reports from the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO). Cuba, for a number of developing countries, with Bolivia, Iran and Kenya, for the African Group, emphasized that actions to address bunker fuels should be guided by the principle of common but differentiated responsibilities and that any market mechanisms in these sectors contradicting this principle would increase costs and affect trade. He expressed concern with the IMO’s proposal to develop revenue streams for addressing climate change, while Japan, the US, Australia, the Russian Federation, South Africa, the Cook Islands and Panama supported the work of the IMO and ICAO to reduce emissions. The EU supported discussing the issue under the AWG-LCA.

The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.2), the SBSTA notes the information provided by the ICAO and IMO and parties’ views, and invites ICAO and IMO to report on relevant work on this issue at future sessions of the SBSTA.

**Revision of the UNFCCC reporting guidelines on annual inventories for Annex I parties:** This issue (FCCC/SBSTA/2011/INF.4-5) was first considered by the SBSTA plenary on 10 June. This item was further considered in informal consultations facilitated by Riitta Pipatti (Finland) and Nagmeldin Gootbi Elhassan (Sudan). The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.3), the SBSTA: acknowledges that the Intergovernmental Panel on Climate Change (IPCC) responded to the invitation to develop supplementary methodological guidance on wetlands; requests the Secretariat to prepare a new version of the annotated draft of the revised UN Framework Convention on Climate Change (UNFCCC) Annex I reporting guidelines in time for the fourth workshop on the work programme on guidelines for preparation of Annex I national communications; and agrees to continue its consideration of the annotated draft of the revised UNFCCC Annex I reporting guidelines with a view to preparing a draft decision at COP 17.

**Greenhouse gas (GHG) data interface:** This issue was first considered by the SBSTA on 10 June. It was then considered in informal consultations facilitated by Erasmia Kitou (EU). The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.7), the SBSTA notes the improvements made on the GHG data interface and requests the Secretariat to complete the development of the facility to calculate user-defined indicators, and to provide access to information from the compilation and accounting database by SBSTA 35. It also requests the Secretariat to include in the data interface modules, where applicable, the possibility of presenting GHG emissions/removals in physical units, in addition to carbon dioxide (CO<sub>2</sub>) equivalent.

**METHODOLOGICAL ISSUES UNDER THE PROTOCOL: HCFC-22/HFC-23:** This issue (FCCC/TP/2011/2) was first considered by the SBSTA plenary on 10 June, and subsequently in informal consultations facilitated by Samuel Adejuwon (Nigeria). The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.6), the SBSTA takes note of the technical paper prepared by the Secretariat, its previous conclusions under this issue, and the views expressed by parties during this session. It agrees to continue considering the matter at SBSTA 35.

**Materiality standard under the Clean Development Mechanism (CDM):** This new issue (FCCC/SBSTA/MISC.2 and Add.1; FCCC/TP/2011/4) concerns the possible introduction and use of the concepts of materiality and level of assurance in the CDM. It was considered by the SBSTA plenary on 10 June and subsequently taken up in informal consultations facilitated by Peer Stiansen (Norway).

Discussions focused on the definition of material information in the context of the CDM, as well as the possible scope and application of a materiality standard under the CDM. Parties considered whether a materiality standard should be applied in the validation or verification stage, or both, and also addressed who should apply the standard, whether the CDM Executive Board, Designated Operational Entities (DOEs) or both, but could not reach agreement on any of these issues. The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.11), the SBSTA agrees to consider, at SBSTA 35, the draft text contained in the annex, with a view to making recommendations for adoption by seventh Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 7). The SBSTA also invites submissions from parties, intergovernmental organizations, admitted observer organizations and DOEs, by 19 September 2011, on issues including whether the concept of materiality could be applied in the context of the CDM, how it should be defined, and the relation and differences between uncertainty and materiality. The annex contains draft bracketed text on materiality, including options for its definition, scope and application in the context of the CDM.

**Common metrics to calculate the CO<sub>2</sub> equivalence of greenhouse gases:** This issue was first taken up by the SBSTA plenary on 10 June. It was subsequently considered through informal consultations facilitated by Mikhail Ginarski (Russian Federation). The SBSTA adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.8), the SBSTA acknowledges that alternative common metrics and shortcomings in the use of global warming potentials (GWPs) are still being assessed by the IPCC, and that although GWPs are a well-defined and useful metric, they were not designed with a particular policy goal in mind and that, depending on the specific policy goals, alternative metrics may be preferable. It also acknowledges the limitations in the use of GWPs in certain situations. The SBSTA further requests the Secretariat to organize, subject to the availability of resources, a workshop on common metrics and agrees to continue its consideration of this issue at SBSTA 36.

**Carbon capture and storage under the CDM:** This issue was considered by the SBSTA plenary on 10 June, when the Secretariat reported on activities undertaken based on the request by COP/MOP 6 and parties took note of the report.

**SCIENTIFIC, TECHNICAL AND SOCIO-ECONOMIC ASPECTS OF MITIGATION:** The SBSTA took up this matter on 10 June. The issue was then considered in informal consultations facilitated by Frank McGovern (Ireland) and Andres Flores (Mexico). Conclusions were adopted on 16 June by the SBSTA plenary.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.9), the SBSTA welcomes the synthesis report on work already undertaken and the *Special Report on Renewable Energy Sources and Climate Change Mitigation* by the IPCC, and agrees to consider the issue at SBSTA 36.

**COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS:** This issue (FCCC/SBSTA/2011/INF.3) was first addressed on 10 June by the SBSTA plenary. The Secretariat reported on cooperation within the UN system, including with the other Rio Conventions and through the NWP. The Convention on Biological Diversity (CBD) reported on relevant activities, including the new Strategic Plan for Biodiversity 2011-2020, the Aichi Biodiversity Targets and the proposal by the CBD COP for a joint meeting of the Rio Conventions. The Convention to Combat Desertification (UNCCD) highlighted linkages between the UNCCD and the UNFCCC on adaptation, mitigation, REDD+, finance and capacity building. The SBSTA plenary adopted conclusions on 16 June.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.5), the SBSTA notes: the information paper prepared by the Secretariat summarizing activities of the UN and other intergovernmental organizations contributing to the Convention; the focus of the Secretariat's cooperative activities and initiatives; and statements by the CBD and UNCCD on their efforts to address climate change.

**CLOSING PLENARY:** The SBSTA closing plenary convened on Thursday evening, 16 June. Parties adopted the meeting's report. (FCCC/SBSTA/2011/L.15).

Argentina, for the G-77/China, *inter alia*, called for an action-oriented NWP and identified the need to strengthen linkages between the NWP and SBI. Switzerland, for the EIG, and the EU regretted lack of agreement on including agriculture on the SBSTA agenda. Australia, for the Umbrella Group, called for building on the Cancun Agreements, including developing strong outcomes on REDD+.

Grenada, for AOSIS, the Gambia, for the LDCs, and Egypt, for the African Group, highlighted progress on, *inter alia*: the NWP; development and transfer of technology; research and systematic observation; and the forum on the impact of the implementation of response measures. India underscored that unilateral trade measures should not be taken by developed countries in the guise of climate change mitigation actions. SBSTA Chair Konaté declared SBSTA 34 closed at 11:50 pm.

#### **SUBSIDIARY BODY FOR IMPLEMENTATION**

The opening plenary of the 34th session of the SBI took place on Tuesday, 7 June, with Robert Owen-Jones (Australia) continuing as the Chair.

**ORGANIZATIONAL MATTERS:** The SBI opening plenary was originally scheduled for 6 June but was postponed until the afternoon of 7 June, pending consultations on the agenda. SBI Chair Owen-Jones explained that a revised provisional agenda

(FCCC/SBI/2011/1/Rev.1) had been issued based on extensive consultations with parties, but parties were not yet ready to adopt the agenda in its entirety. He proposed that parties commence work on:

- the financial mechanism;
- Convention Article 6 (education, training and public awareness);
- Convention Articles 4.8 and 4.9 (Decision 1/CP.10 on the Buenos Aires programme of work and matters related to LDCs);
- Protocol Article 3.14 (adverse impacts of response measures);
- technology;
- capacity building under the Convention and the Protocol;
- amendment to the Protocol with regard to compliance;
- appeals against decisions of the CDM Executive Board;
- arrangements for intergovernmental meetings; and
- administrative, financial and institutional matters.

SBI Chair Owen-Jones said that consultations would then continue on the outstanding items, such as national communications for Annex I and non-Annex I Parties, national adaptation plans, loss and damage and the forum on the implementation of response measures.

The Gambia, for the LDCs, supported by the Democratic Republic of the Congo, for the African Group, and Nicaragua, opposed adoption of the agenda without the item on national adaptation plans for LDCs, as provided for in Decision 1/CP.16. Saudi Arabia said that the item on the forum on the implementation of response measures should also be included. The EU said all items should be considered as “one comprehensive package” and cautioned against “isolating” certain items. Colombia, Grenada, for AOSIS, and Australia supported the Chair’s proposal. Australia stressed that “governments cannot afford another six million dollar agenda.”

Following further informal consultations, the SBI plenary reconvened on 9 June. Chair Robert Owen-Jones informed parties of revisions to the provisional agenda (FCCC/SBI/2011/L.1) as follows: the sub-item on information contained in non-Annex I national communications would be held in abeyance; and sub-items 3(e) and 4(e) on revision of guidelines on the reporting of national communications, including the biennial reports for Annex I parties, and development of guidelines for biennial reports as part of non-Annex I national communications, respectively, together with the relevant footnotes, would be deleted from the agenda. He further clarified that regarding the item on a forum on the impact of the implementation of response measures, the SBI would proceed in the same manner as the SBSTA, and the SBI and SBSTA Chairs, would convene the forum organized as a contact group, at SB 34 and 35.

Parties adopted the agenda as revised and agreed to the organization of work (FCCC/SBI/2011/L.1/Rev.1). Bolivia requested a footnote in the adopted provisional agenda stating that Decision 1/CP.16 had been adopted despite the explicit objection of a Convention party. Chair Owen-Jones said this would be reflected in the meeting’s report. Tuvalu and Barbados expressed disappointment at the deletion of items 3(e) and 4(e) and sought reassurance that these items would be taken up by the AWG-LCA.

**OPENING STATEMENTS:** Argentina, for the G-77/China, emphasized that new processes requiring further political development, as well as unresolved issues, should continue to be considered by the AWG-LCA. The EU expressed disappointment that the agenda item on MRV had failed to move forward under the SBI and looked forward to substantive discussions on related issues under the AWG-LCA. Australia, for the Umbrella Group, emphasized the importance of considering the headquarters agreement and budgetary austerity. The Republic of Korea, for the EIG, supported a consistent approach to the work of the Subsidiary Bodies in order to make meaningful progress on related agenda items such as adaptation, technology, MRV, and national communications.

AOSIS called for urgent focus on loss and damage. She urged not using the SBI as a substitute for avoiding the “hard decisions” that have to be made under the AWG-LCA. On adaptation, the Democratic Republic of the Congo, for the African Group, highlighted the importance of considering the process for LDCs to formulate and implement national adaptation plans, and concluding the work programme on loss and damage. Guatemala, for the Central American Integration System, stressed that adaptation continues to be a priority for the region and also highlighted the importance of measuring loss and damage. The LDCs expressed concern regarding the challenges impeding expedited implementation of projects identified in national adaptation programmes of action (NAPAs), particularly the requirement for co-financing, saying this is inappropriate for the implementation of the urgent activities identified in NAPAs.

**ANNEX I NATIONAL COMMUNICATIONS: Fifth national communications:** This agenda sub-item (FCCC/SBI/2011/INF.6/Rev.1) was first addressed by the SBI plenary on 10 June. It was further considered in a contact group and informal consultations co-chaired by Helen Plume (New Zealand) and Diann Black Layne (Antigua and Barbuda). Key issues raised in the contact group included the status of submission of the fifth national communications. On 16 June, the SBI adopted conclusions.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.2), the SBI: welcomes the report on the status of submission and review of fifth national communications; notes that 16 parties submitted their fifth national communication before the due date and that 24 submitted after that date; and urges parties to submit by the relevant due date in the future.

**Compilation and synthesis of fifth national communications:** This agenda sub-item (FCCC/SBI/2011/INF.1, FCCC/SBI/2011/INF.1/Add.1-2) was first addressed in the SBI plenary on 10 June. It was further considered in a contact group co-chaired by Helen Plume and Diann Black Layne. During the closing plenary on 16 June, the SBI agreed to continue consideration of the issue at SBI 35.

**Compilation and synthesis of supplementary information in fifth national communications of Annex I parties that are also parties to the Kyoto Protocol:** This agenda sub-item (FCCC/SBI/2011/INF.2) was first addressed in the SBI plenary on 10 June. It was considered in a contact group and informal consultations co-chaired by Helen Plume and Diann Black Layne. During the closing plenary on 16 June, the SBI agreed to continue consideration of the issue at SBI 35.

**Convention Article 12.5 (frequency of national communications):** This issue was considered in a joint contact group and informal consultations co-chaired by Helen Plume and Diann Black Layne. On 16 June, the SBI adopted conclusions.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.3), the SBI recalls that, in Decision 9/CP.16, paragraph 5, Annex I parties are requested to submit, by 1 January 2014, a sixth national communication, with a view to submitting a seventh national communication no later than four years after this date.

**NON-ANNEX I NATIONAL COMMUNICATIONS: Consultative Group of Experts on Non-Annex I national communications (CGE):** This agenda sub-item (FCCC/SBI/2011/5/Add.1-2, FCCC/SBI/2011/5/Rev.1) was first addressed by the SBI plenary on 10 June. CGE Chair Sangchan Limjirakan (Thailand) presented on progress in implementing the CGE's work programme and organization of work for 2011-2012. The issue was further considered in a joint contact group and informal consultations on all the agenda items on non-Annex I national communications, co-chaired by Helen Plume and Diann Black Layne.

Key issues discussed included the need to provide resources for the CGE work programme. Brazil, for the G-77/China, called for full implementation of the CGE work programme, expressing concern over the lack of funding for regional workshops. The EU underscored the role of the CGE in more frequent reporting by non-Annex I countries, as mandated by Decision 1/CP.16. She also recalled that the mandate of the CGE will be reviewed in Durban.

On 16 June, the SBI adopted conclusions.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.8), the SBI, *inter alia*: highlights the importance of the training activities to be organized by the CGE, which remain unfunded; invites the CGE to take into account the current and future needs of non-Annex I parties; invites Annex II parties to the Convention, and other parties in a position to do so, to provide financial resources, to enable the CGE to plan any future activities; and notes that the continuation and mandate of the CGE shall be reviewed by COP 17.

**Convention Article 12.5 (frequency of national communications):** This agenda sub-item was first addressed by the SBI in plenary on 10 June. It was further considered in a joint contact group and informal consultations co-chaired by Helen Plume and Diann Black Layne.

The G-77/China highlighted the need for further support for national communications, saying this should cover their agreed full cost. The EU emphasized text in the Cancun Agreements identifying a connection between the provision of funds and the increased frequency of non-Annex I national communications. The US called for defining countries that would submit biennial reports. At the closing plenary on 16 June, the SBI agreed to continue consideration of this issue at SBI 35.

**Financial and technical support:** This agenda sub-item (FCCC/SBI/2011/INF.4) was first addressed in SBI in plenary on 10 June. It was further considered in a joint contact group co-chaired by Helen Plume and Diann Black Layne. The EU commented on discussions with the Global Environment Facility (GEF) concerning the provision of adequate funding based on the Cancun mandate. Norway highlighted the need to provide a

clear message to the GEF on the need to support non-Annex I national communications in a more systematic way. The G-77/China underscored that non-Annex I countries' divergent needs for preparation of national communications are not adequately recognized, saying this is inconsistent with the requirement in the Convention to provide resources to meet the agreed full costs. On 16 June, the SBI adopted conclusions.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.9), the SBI: notes the concern by some parties that the funding provided for national communications may not be adequate for some non-Annex I parties to implement activities as part of the national communications preparation process; invites non-Annex I parties to submit, by 19 September 2011, the detailed costs incurred in the preparation of their recent national communications, to be considered at SBI 35; and notes that, as of 15 May 2011, 140 initial, 44 second, two third and one fourth national communications from non-Annex I Parties have been submitted.

**FINANCIAL MECHANISM:** This issue (FCCC/SBI/2011/MISC.3 and MISC.9, FCCC/SBI/2010/INF.7) was introduced in the SBI plenary on 9 June. Ana Fornells de Frutos (Spain) and Alexa Kleysteuber (Chile) co-chaired a contact group. The main issues considered were the synthesis report of the National Economic, Environment and Development Study (NEEDS) for the Climate Change Project, and the global climate observations under the Convention. Parties also addressed the implementation of the remaining elements of the LDC work programme and guidance to the GEF. During the closing SBI plenary, the Philippines, for the G-77/China, expressed disappointment that the benefits of the NEEDS for Climate Change Project could not be extended. She also lamented unpredictability of funds for the Global Observing Systems (GCOS) for Climate in Support of the UNFCCC, and lamented the lack of funding for the LDC work programme. With the Gambia, for the LDCs, she called for the issue to be included on the SBI 35 agenda under the item on further guidance to the GEF. The SBI adopted conclusions on 16 June 2011.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.17), the SBI takes note of the views submitted by parties on the NEEDS synthesis report and invites UN agencies to continue supporting developing countries in assessing their financial needs to implement mitigation and adaptation actions in collaboration with the Secretariat. The SBI notes the information related to additional funds needs identified in the 2010 updated GCOS implementation plan and emphasizes the importance of ensuring that these needs are taken into account in the future financial architecture of the Convention.

**CONVENTION ARTICLE 6 (education, training and public awareness):** The SBI considered this issue in plenary on 10 June. It was subsequently taken up in a contact group chaired by Mohammed Chowdhury (Bangladesh). Discussions focused on developing terms of reference for a review of implementation of the amended New Delhi work programme on Article 6 of the Convention. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.6), the SBI, *inter alia*:

- endorses the terms of reference for the review of the implementation of the amended New Delhi work programme on Convention Article 6;
- invites parties to submit information and views relevant to the completion of the review and on elements of a successor work programme;
- invites the GEF to provide SBI 35 information on resources made available for implementation of Article 6 related activities, for consideration at SBI 36;
- requests the Secretariat, *inter alia*, to organize a workshop on the implementation of Article 6 and to develop broad guidelines for the development of national strategies and action plans on Article 6; and
- encourages parties and the GEF and its implementing agencies to provide financial and technical assistance to developing countries to enhance their use and access to the Climate Change Information Network (CC:iNet).

**CONVENTION ARTICLES 4.8 AND 4.9: Progress on the implementation of decision 1/CP.10 (Buenos Aires programme of work):** This issue was considered by the SBI plenary on 10 June. SBI Vice-Chair Samuel Ortiz Basualdo (Argentina) chaired a contact group. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.14), the SBI agrees to continue consideration of this matter at SBI 35, on the basis of the draft decision text contained in FCCC/SBI/2010/10, Annex IV, taking into account relevant decisions by COP 16.

**Matters relating to LDCs:** This issue was first addressed by the SBI plenary on 10 June. The LDCs Expert Group (LEG) Vice-Chair Pepetua Latasi (Tuvalu) presented a report on the development of the LEG work programme for 2011-2012 (FCCC/SBI/2011/4). The issue was further considered in a contact group chaired by Rence Sore (Solomon Islands). Discussions focused on the LEG and guidance to the GEF.

On the LEG work programme, Australia: highlighted the need to prioritize issues; proposed undertaking case studies to create a technical paper; suggested that the LEG focus on updating NAPAs and incorporating them into development planning; and encouraged collaboration with other expert bodies. The EU suggested the LEG undertake work based on an annual planning cycle and that guidance to the GEF be considered under the agenda item on the financial mechanism.

On guidance to the GEF for implementation of the remaining elements of the LDC work programme, Malawi said the SBI should mandate the GEF to consider making resources available for the full work programme. Norway recommended that guidance to the GEF be clarified before Durban; otherwise, action would be delayed until COP 18. This question was eventually referred to the SBI group on the financial mechanism. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.4), the SBI: welcomes the submission of 45 NAPAs from LDCs; invites the LEG, in collaboration with the GEF, to continue assisting the LDCs that have not yet completed their NAPAs; endorses the LEG work programme for 2011-2012; and invites parties to continue to provide resources in support of the LEG work programme.

**NATIONAL ADAPTATION PLANS:** This new issue was first considered by the SBI plenary on 10 June. Andrew Ure (Australia) and Balisi Justice Gopolang (Botswana) co-chaired a contact group and informal consultations, focusing on the process to enable LDCs to formulate and implement national adaptation plans, and modalities and guidelines for LDCs and other developing countries. Informal consultations were open to observers beginning on 13 June.

During the meeting, it was noted that the acronym “NAPs” should not be used for “national adaptation plans” as the same acronym is used under the UNCCD for “national action programmes.”

Parties considered the scope of the issue and the way forward at length, facilitated by the Co-Chairs’ guiding topics: the difference between national adaptation plans and NAPAs; appropriate elements to be included in the plans; expertise/guidance that can be tapped to define the plans; expectations for the Durban outcome; and the way forward.

Parties agreed that NAPAs are tools to identify and prioritize urgent, short-term adaptation needs, whereas national adaptation plans are broader and cross-cutting, cover medium- and long-term needs, integrate into development plans, and consist of the multiple tools a country uses in its planning process. Both developing and developed countries underlined the importance of using guidance from the LEG. Parties suggested that organizing a workshop or preparing a technical paper on modalities or guidelines could be useful.

Several parties stressed the need for the plans to be supported. The need for progress in discussions on finance under the AWG-LCA was also highlighted as well as the Green Climate Fund’s potential role in supporting national adaptation plans.

The SBI adopted conclusions on 16 June,

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.16), the SBI, *inter alia*:

- notes that the process enabling LDCs to formulate and implement national adaptation plans should benefit from engagement with the LEG;
- notes that the efforts of the LDCs in enhancing these plans would benefit from the exchange of information;
- recalls the importance of the provisions on support in Decision 1/CP.16 paragraph 18;
- requests the Secretariat to explore the possibility of convening an expert meeting to discuss the process and elaborate draft modalities and guidelines prior to COP 17, and to prepare a report on the meeting; and
- invites parties to submit input on the process, modalities and guidelines, and requests the Secretariat to compile these submissions to make recommendations to COP 17.

**LOSS AND DAMAGE:** This issue (FCCC/SBI/2011/3 and MISC.1) was first considered by the SBI on 10 June. Tonga, for AOSIS, called for a decision at COP 17 on activities under the work programme on loss and damage and agreement on the goal of establishing an international mechanism on loss and damage at COP 18. Mark Berman (Canada) chaired a contact group.

On 11 June, the group discussed the work programme on loss and damage and heard a report on a seminar on innovative approaches to loss and damage held in Bonn on 5 June.

AOSIS proposed organizing workshops between SB 35 and 37 on: impacts of severe weather events; risk management; and rehabilitation associated with slow onset events. On the way forward, Bangladesh called for establishing a mechanism to address loss and damage by COP 18, while the US supported country-driven risk reduction activities, saying, with Australia and Canada, that a discussion on institutional mechanisms is premature. Saudi Arabia stated that parties lacked a mandate to adopt or undertake activities until a decision at COP 18 and that the seminar remains outside of the formal UNFCCC process.

Parties also debated whether to consider response measures in the context of loss and damage, as proposed by Saudi Arabia, or whether response measures are adequately addressed under other agenda items. During the SBI closing plenary late on 16 June, SBI Chair Owen-Jones tabled his draft conclusions, stressing that the text does not include issues from under other agenda items. Saudi Arabia and Qatar opposed the adoption of the conclusions. Saudi Arabia highlighted that their views on the consideration of response measures along with the adverse effects of climate change were not reflected. A number of parties, including AOSIS, the EU, Mexico, New Zealand, Colombia, Japan and the US, stressed the need to consider loss and damage and response measures under separate agenda items. Intense debate ensued. Tuvalu suggested that support for the forum on response measures would be contingent on agreement on loss and damage.

After further informal consultations, parties finally agreed to change wording in a paragraph indicating that the SBI agreed to further elaborate the details of the broad thematic areas relating to loss and damage with a view to generating a knowledge base for making recommendations on loss and damage to COP 18. The agreed language refers to “including elaborating,” instead of “taking into consideration,” the elements set out in Decision 1/CP.16, paragraph 28 (a, b, c and d), and “drawing upon” party submissions. The SBI adopted the conclusions as amended.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.20), the SBI, *inter alia*:

- decides to form a work programme to address the loss and damage resulting from climate change;
- reaffirms the need to strengthen international cooperation and expertise in order to understand and reduce loss and damage;
- agrees to address the risks, a range of approaches for, and the role of the Convention in addressing loss and damage;
- invites parties to submit further views and information on the themes for addressing loss and damage by 15 August 2011;
- requests the Secretariat to explore the idea of convening an expert meeting at SBI 36;
- agrees to further elaborate on the themes with a view to generating a knowledge base for making recommendations on loss and damage to COP 18, including elaborating on the elements mentioned in Decision 1/CP.16, paragraph 28 b, c and d; and
- requests the Secretariat to engage a wide range of stakeholders in implementation of activities.

**PROTOCOL ARTICLE 3.14 (adverse impacts of response measures):** This issue (FCCC/SB/2011/1, FCCC/SB/2011/MISC.1) was first taken up by the SBI plenary on 9 June. It was subsequently considered in a joint SBI/SBSTA contact group and informal consultations co-chaired by Anastasia Theodorou

and Eduardo Calvo Buendía. The key issues discussed included synthesis of information and views on issues that will be addressed at the joint workshop on matters related to Protocol Articles 2.3 (adverse impacts of policies and measures) and 3.14. The SBI plenary adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.12), the SBI recalls the request to the Secretariat to organize a joint workshop and identifies issues that will be addressed at the joint workshop, including sharing information to enhance understanding of adverse effects and minimizing adverse effects through a process to implement Protocol Articles 2.3 and 3.14.

**FORUM ON THE IMPACT OF IMPLEMENTATION OF RESPONSE MEASURES:** A special event and a joint SBI/SBSTA forum on the impact of implementation of response measures convened from 13-15 June. For more details on this issue (FCCC/SB/2011/MISC.2), see page 5-6 of the SBSTA summary. The SBI adopted conclusions (FCCC/SBI/2011/L.18) on 16 June, which are summarized as FCCC/SBSTA/2011/L.16 on page 6.

**DEVELOPMENT AND TRANSFER OF TECHNOLOGY:** This issue was first considered by the SBI plenary on 9 June and subsequently in informal consultations facilitated by Carlos Fuller and Zitouni Ould-Dada. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.10), the SBI welcomes the progress made in providing technical and financial support to assist 36 non-Annex I parties in developing and updating their TNAs, and recommends that COP 17 invite the GEF to continue to provide financial support to other non-Annex I parties to conduct or update their TNAs. Further, noting that the pilot project proposals submitted by non-Annex I parties and supported by the GEF as part of the Poznan strategic programme on technology transfer included only one project on adaptation technologies, the SBI requests the GEF, parties and relevant organizations in a position to do so to provide financial support for project proposals related to adaptation technologies.

**CAPACITY BUILDING UNDER THE CONVENTION:** This issue (FCCC/CP/2010/5, FCCC/SBI/2010/20 and MISC.6, FCCC/SBI/2009/4-5, MISC. 1-2 and MISC.12/Rev.1) was considered by the SBI plenary on 10 June. It was further addressed in a contact group chaired by Paula Caballero Gómez (Colombia) and Yuka Greiler (Switzerland).

Parties based their discussions on the Annex to Decision 10/CP.16 (capacity building under the Convention for developing countries). Pursuant to Decision 6/CP.14, the SBI considered the second comprehensive review of the implementation of the framework for capacity building in developing countries, which was due to be completed at COP 15. The issue was considered in SBI 30, 32 and 33 and, as parties did not reach agreement, they continued consideration of the issue at SBI 34. Discussions addressed, *inter alia*: the synthesis report on the implementation of the framework for capacity building; the establishment of an expert group on capacity building; the use of performance indicators for the review of capacity building in developing countries; availability and sources of funding; and the possible role of the private sector. Divergent views remained. This issue will be considered at SBI 35.

**CAPACITY BUILDING UNDER THE PROTOCOL:**

This issue (FCCC/KP/CMP/2010/10, FCCC/SBI/2010/20, FCCC/SBI/2010/MISC.6, FCCC/SBI/2009/4-5, MISC. 1-2 and MISC.12/Rev.1) was first considered by the SBI plenary on 10 June. It was further addressed in a contact group chaired by Paula Caballero Gómez and Yuka Greiler. Parties addressed discussions based on the Annex to Decision 11/CMP.6 (capacity building under the Kyoto Protocol for developing countries). Discussions addressed, *inter alia*, financing and sources of funding for supporting capacity building and challenges to providing technical and financial resources to support capacity-building activities. No agreement was reached and consideration of the issue will continue at SBI 35.

**PROTOCOL AMENDMENT WITH RESPECT TO COMPLIANCE:**

This issue was taken up briefly by the SBI plenary on 10 and 16 June. No substantive discussions took place and consideration of the issue will continue at SBI 35.

**APPEALS AGAINST DECISIONS OF THE CDM EXECUTIVE BOARD:**

This new issue (FCCC/SBI/2011/MISC.2 and FCCC/TP/2011/3) was first considered by the SBI plenary on 10 June. Bolivia supported the introduction of an appeals procedure in the CDM project approval process and urged defining the class of stakeholders who would have the right of appeal as widely as possible, stressing this should include project-affected peoples and communities, and relevant civil society groups. The issue was subsequently considered in a contact group and informal consultations co-chaired by Tredene Dobson (New Zealand) and Yaw Bediako Osafo (Ghana).

Discussions focused on: the type, form and main features of an appeal mechanism against decisions of the CDM Executive Board; essential elements and level of detail to be included in a draft COP/MOP decision; and preparation of a draft COP/MOP decision establishing the appeal mechanism. During the session, the Co-Chairs prepared and revised draft text on a CDM appeals mechanism.

Regarding the institutional framework, parties discussed, among other things, the form of the appeals body, the number of experts and the expertise required, and who should be responsible for selecting a panel. On the form, parties suggested: an *ad hoc* panel, with a chair or chairs that would be responsible for selecting experts from a roster of experts; or using an existing body, such as the Enforcement Branch of the Compliance Committee. On expertise, most parties said experts should have legal or regulatory expertise, and while some said experts should also have CDM experience, others considered this unnecessary.

Regarding the scope of appeals, parties discussed whether this should be limited to CDM Executive Board decisions rejecting project registration or requests for issuance of Certified Emission Reductions (CERs), or whether it should also cover decisions to approve project registration or CER issuance requests. Several parties underscored that the focus of the group's work, as mandated by the COP/MOP, is on a procedure for appeals against decisions to reject project registration or CER issuance requests. Some parties noted that certain projects are registered automatically, as reviews are only undertaken if requested by three members of the Executive Board or a party involved in the proposed project. They said that, in such cases, it might be appropriate to allow appeals against CDM Executive Board

decisions to approve such project registration requests. One party highlighted that if parties decide to allow appeals against CDM Executive Board decisions to approve projects, this decision should not apply retroactively, but should only apply to new projects approved after the appeals procedure has been established. Parties were unable to reach agreement on these issues.

During the closing plenary, Co-Chair Osafo noted that divergent views remain, in particular, on the scope of the appeals procedure. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.11), the SBI, among other things, takes note of the initial draft text proposed by the contact group Co-Chairs, which is contained in the annex, and agrees to continue consideration of the matter at SBI 35.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:**

This item (FCCC/SBI/2011/6 and Add.1) was first considered by the SBI plenary on 9 June. It includes agenda sub-items on COP 17, COP/MOP 7, future sessional periods, organization of the intergovernmental process and observer organizations in the intergovernmental process. It was subsequently considered in a contact group chaired by SBI Chair Owen-Jones. Discussion focused on: organization of the intergovernmental process for COP 17; the possibility of convening an intersessional meeting between Bonn and Durban; and enhancing the engagement of observers.

On convening an intersessional meeting between Bonn and Durban, views were divided on the utility and format of such a meeting. Some parties maintained that holding this meeting would be contingent on progress in Bonn. Bangladesh, for the G-77/China, supported a short meeting of only the AWGs. Australia, Switzerland, the US and the EU proposed considering "creative ways" of ensuring that work progresses productively, including meetings of expert groups, which could focus on issues that require more substantive work. The US called for considering the costs and benefits of an additional session.

On enhancing observer participation, parties reflected on the views and recommendations expressed in the in-session workshop on observer participation. Australia noted a clear sense that the UNFCCC process benefits from the participation of observers and could benefit from enhanced observer engagement. He urged parties to consider the conclusions outlined in the workshop report. For a summary of the workshop, see: <http://www.iisd.ca/vol12/enb12505e.html>.

During consideration of draft conclusions on the means of enhancing observer organizations' engagement, views were divided on guidance to the facilitators of informal consultations to propose that the meetings be open to observers when they consider that this would not impede negotiations. Saudi Arabia, India, and Antigua and Barbuda suggested deleting the text or revising the language, noting that this is the current practice and there is no need to reflect it in SBI conclusions. Australia supported retaining the reference, saying its inclusion would not imply changing the current rules, but rather, provide guidance to facilitators. He proposed alternative text recognizing the existing rule to close the meetings to observers when required.

On a request to the Secretariat to facilitate interventions by observer organizations without advance submission of written copies, Saudi Arabia objected, noting this should be possible only in exceptional circumstances. On a request to the Secretariat to enable the replacement of names of nominated representatives of admitted observer organizations during the meeting in the online registration system, Saudi Arabia opposed, underscoring the need to maintain the current six-day time requirement, except for exceptional circumstances.

During the SBI closing plenary on 16 June, the meeting was suspended when Saudi Arabia and the US identified the need for further work on language on observer participation. After further consultations, parties agreed to recommend that, in cases where there is no contact group on an agenda item, at least the first and last informal meetings can be open to observers, while recognizing the right of parties to keep informal meetings closed. Saudi Arabia and Antigua and Barbuda, opposed by Mexico, Australia and Colombia, proposed that examination of options for new channels for observer organizations to provide inputs to the COP and COP/MOP be deferred to SBI 36 instead of SBI 35. Parties eventually agreed to defer the consideration of the issue to SBI 36 and the SBI adopted the conclusions as amended. Many parties expressed support for the enhanced engagement of observers. Australia, the Cook Islands and Grenada also welcomed the upcoming UNFCCC special event on observer participation at COP 17. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.19), the SBI, *inter alia*, recommends that arrangements for the high-level segment of COP 17 and COP/MOP 7 build upon the positive experiences of previous COP and COP/MOP sessions. The SBI notes agreement of parties on the necessity for an additional intersessional resumed meeting of the *ad hoc* working groups and notes the statement by the Executive Secretary on the critical and urgent need for financial contributions in order for the Secretariat to make the necessary arrangements.

On organization of the intergovernmental process, the SBI notes the existing practices with regard to informals. In the event that there is no contact group for the agenda item, the SBI recommends that at least the first and last informal meetings be open to observer organizations unless parties object, recognizing the right of parties to keep meetings closed.

On observer organizations, the SBI takes note of the report of the in-session workshop to further develop ways to enhance the engagement of observer organizations in the UNFCCC process. The SBI welcomes the initiatives by the Secretariat to improve the participation of observer organizations and requests the Secretariat to continue its efforts in this regard. The SBI agrees that the existing means of engagement of observer organizations could be further enhanced, in the spirit of fostering openness, transparency and inclusiveness through, *inter alia*: inviting the presiding officers of various bodies, as relevant, subject to the availability of funding, time and space, among other things to:

- seek opportunities for observer organizations to make interventions;
- make greater use of observer inputs in workshops and technical meetings in accordance with the conclusions of the SBI 17; and

- increase opportunities for regular briefings and debriefings as a means for dialogue for observer organizations with presiding officers and parties.

**ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Budget performance for the biennium 2010-2011:** The Secretariat introduced the issues (FCCC/SBI/2011/INF.3 and INF.5) in SBI plenary on 9 June. Parties agreed that the SBI Chair would draft conclusions, which the SBI adopted on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.5), the SBI, *inter alia*, urges parties that have not yet made their contributions, to do so as soon as possible. It also urges parties to provide contributions to the Trust Fund for Participation in the UNFCCC Process and to the Trust Fund for Supplementary Activities.

**Budget performance in 2012-2013:** UNFCCC Executive Secretary Christiana Figueres introduced the item (FCCC/SBI/2011/2 and Add. 1-3) in plenary on 9 June. She highlighted increased demands and budgetary constraints as a major challenge. Australia expressed support for the proposed budget. Parties agreed that the SBI Chair would chair a contact group. Toshiaki Nagata (Japan) facilitated a spin-off group on the international transaction log (ITL) budget.

During the SBI closing plenary on 17 June, parties amended conclusions to reflect “disasters” rather than “natural disasters.” SBI Chair Owen-Jones underscored the need to achieve productivity gains where possible during the current economic climate. Japan expressed hope that the budget would make the implementation of the Cancun Agreements possible. Egypt, with Bangladesh, commented on an imbalance between adaptation and mitigation in budgetary allocations, expressing hope that this would be addressed in the supplementary budget and voluntary contributions by parties.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.21 and Add.1), the SBI recommends that COP 17 approve a core programme budget of €48,511,181 for the biennium 2012-2013. It also recognizes the possible need for additional resources to cover the costs of activities resulting from decisions that may be taken by COP 17 and urges parties to make voluntary contributions necessary for the timely implementation of these activities. The SBI recommends that the COP authorize the Executive Secretary to implement decisions that may be taken at COP 17 for which provisions are not made under the approved budget by using voluntary contributions and resources available under the core budget. It further takes note of the presentation by the Secretariat on the details of the budget for the ITL and requests the Executive Secretary to continue to improve transparency for the items reported in the ITL programme budget proposal by further clarifying expenditures related to the budget.

**Implementation of the Headquarters Agreement:** This item was first introduced in the SBI plenary on 9 June. Parties agreed that the SBI Chair would facilitate informal consultations. The SBI adopted conclusions on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.13), the SBI takes note of the information provided by the representative of the Host Government of the Secretariat that the completion of the new conference facilities in Bonn, Germany, has been further delayed due to circumstances beyond the

control of the German Government. The completion of the conference facilities is now expected by the first half of 2013. The SBI appreciates the efforts and investments made by the Host Government and city, in response to its request to seek practical interim solutions to accommodate the growing number of participants, and to address relevant logistical arrangements. It requests the Host Government to redouble its efforts to provide sufficient and adequate meeting space.

The SBI takes note of the statement by the Executive Secretary, in which she expressed her satisfaction with many aspects of the implementation of the Headquarters Agreement, but which also notes her areas of concern.

**Privileges and immunities:** This was introduced in SBI plenary on 9 June. Kunihiro Shimada (Japan) chaired a contact group and informal discussions. During the discussions, parties considered draft text on treaty arrangements. Australia, Canada, the EU, New Zealand and Singapore preferred specifying arrangements for individuals serving on constituted bodies and other entities established under the UNFCCC and not only under the Kyoto Protocol. Japan said discussions were premature since the issue would be contingent on the outcome of the AWGs and observed that it would reserve the right to confer privileges and immunities on constituted bodies, on a case-by-case basis as necessary. During the SBI closing plenary Chair Shimada reported that progress had been made to refine treaty arrangements on privileges and immunities, but that unresolved issues remained. Tuvalu expressed disappointment with the lack of progress on this issue. The SBI adopted conclusions in the closing plenary on 16 June.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2010/L.7), the SBI notes the progress made in developing the draft treaty arrangements contained in the annex and agrees to continue its consideration of this issue at SBI 36 on the basis of the text contained in the annex, with a view to concluding these arrangements as soon as possible.

**CLOSING PLENARY:** The SBI closing plenary took place on Friday, 17 June. Parties adopted the meeting's report (FCCC/SBI/2011/L.15).

Argentina, for the G-77/China, *inter alia*: underlined the importance of annual reports on the technical review of greenhouse gas inventories; called on Annex II parties to intensify efforts to fulfill commitments on the provision of support; called for greater contribution to adaptation, without conditions; and expressed regret that the NEEDS project would not continue.

Mexico, for the EIG, regretted the time wasted on adopting agendas; welcomed progress on the participation of observer organizations; called for avoiding overlapping agenda items; and expressed concern that the lengthy debate on loss and damage "reinterprets and overstretches" "clear" Cancun Agreements.

Australia, for the Umbrella Group, *inter alia*, called for building on the work on the national adaptation plans and the work programme on loss and damage and said too much time was spent on response measures. She said the workshop on observer engagement was a highlight of the Bonn session.

The EU, *inter alia*: lamented Bonn's lengthy agenda discussion; praised efforts to enable LDCs to prepare, plan and implement adaptation actions; welcomed proposals to enhance

the participation of observer organizations; welcomed progress on the work programme on loss and damage; and noted that response measures is a mitigation issue and should not be addressed under adaptation.

Guatemala, for the Central American Integration System, acknowledged the work on Convention Article 6 and on development and transfer of technology, and called for the pace of the negotiations to quicken.

Grenada, for AOSIS, noted the progress made on loss and damage, on Convention Article 6, and on non-Annex I parties national communications and praised the utility of the forum on the impact of implementation of response measures and the efforts of the GEF towards national communications. He expressed concern that agenda item 4b on the information contained in non-Annex I parties national communications was held in abeyance.

The Democratic Republic of the Congo, for the African Group, said that the work programme on loss and damage should be linked to the Cancun Adaptation Framework, and called for non-LDC African countries to be supported consistent with paragraph 18 of Decision 1/CP.16, and lamented the slow progress made on capacity building in recent SBI sessions.

The Gambia, for the LDCs, welcomed: the progress on national adaptation plans for LDCs and called for launching the plans as soon as possible after COP 17; the draft conclusions on matters related to LDCs, particularly on the 2011 LEG work programme; the guidance to the GEF to provide support to developing countries in preparing TNAs; and, with the Solomon Islands, the forthcoming workshop on Convention Article 6.

The Philippines underscored issues including the need to intensify efforts on the provision of financial resources by developed countries. He said biennial reports for developing countries are not an obligation and require capacity building and financial support.

India said discussions should be focused on achieving a balanced outcome in Durban and underscored that fulfillment of commitments by developed country parties must include enhanced reporting, including on support provided to developing countries.

SBI Chair Owen-Jones closed SBI 34 at 2:32 pm.

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

The resumed 16th session of the AWG-KP opened on Tuesday, 7 June, with Adrian Macey (New Zealand) continuing as Chair and Madeleine Diouf Sarr (Senegal) as Vice-Chair.

AWG-KP Chair Macey recalled the adopted agenda and scenario note from Bangkok, and the scenario note for this meeting (FCCC/KP/AWG/2011/1-3). He underscored the need to resolve key political issues and make progress on technical issues.

During opening statements, Argentina, for the G-77/China, reiterated concern with the slow progress towards a second commitment period under the Kyoto Protocol. Australia, for the Umbrella Group, called for a new and effective global climate regime and a conversation on the contribution of the Kyoto Protocol to that system. The EU reiterated willingness to

consider a second commitment period in line with its previously stated conditions, including an overall level of ambition sufficient to achieve the 2°C target.

Grenada, for AOSIS, called for focusing on parties willing to enter into a second Kyoto Protocol commitment period and exploring whether and how their conditionalities have or can be met. The Democratic Republic of the Congo, for the African Group, said agreement on a second commitment period in Durban is “absolutely essential.” Papua New Guinea, for the Coalition of Rainforest Nations, identified creating a new mechanism under the Protocol as the most effective way to implement REDD+.

Mexico, for the EIG, expressed commitment to avoid a gap between commitment periods, while highlighting links between the two negotiating tracks. The Gambia, for the LDCs, reminded parties distancing themselves from the Protocol that the flexibility mechanisms are an integral part of it, and emphasized the need to continue the CDM and the Adaptation Fund. Egypt, for the Arab Group, highlighted the Protocol as the most important legal instrument addressing climate change and called on Annex I countries to respect their legal commitment to a second commitment period. Bolivia, for the Bolivarian Alliance for the Peoples of Our America (ALBA), identified Cancun as a step back for the AWG-KP and called for agreement on a second commitment period in Durban.

**ANNEX I FURTHER COMMITMENTS:** This issue was first addressed by the AWG-KP in plenary on 7 June. Parties decided to work in a single contact group focusing on political elements of Annex I parties’ further commitments. However, they held divergent views on whether to establish parallel spin-off groups to address technical issues in the Chair’s revised proposal (FCCC/KP/AWG/2010/18/Add.1), namely: numbers and Protocol amendments (Chapter I); LULUCF (Chapter II); the flexibility mechanisms (Chapter III); basket of methodological issues (Chapter IV); and potential consequences of response measures (Chapter V). Following informal consultations, the contact group agreed to the establishment of spin-off groups to address technical issues.

The contact group addressed, *inter alia*: parties to the Kyoto Protocol not intending to take commitments during a second commitment period; the flexibility mechanisms; conditionalities attached to undertaking commitments during a second commitment period and the “Durban package;” and how to move issues forward in the lead-up to Durban.

On *parties to the Kyoto Protocol not intending to take commitments during a second commitment period*, Saint Lucia, supported by Bolivia, Brazil, Senegal, the Democratic Republic of the Congo, Argentina, Cuba, Zambia and China, proposed focusing on conditionalities set by Annex I parties that are interested in a second commitment period, while taking note of those parties that are not. The Russian Federation, Japan and Canada reiterated that they will not inscribe targets under a second commitment period of the Kyoto Protocol. New Zealand, with the Russian Federation and Japan, opposed excluding certain parties from the discussions. Japan and Canada underscored the value they contribute to discussions given their experience implementing the Kyoto Protocol.

On the *flexibility mechanisms*, the EU and New Zealand emphasized that even in the absence of a second commitment period, demand for carbon credits will continue, with the EU highlighting its legislation to ensure the continuity of the EU Emissions Trading Scheme beyond 2012. The EU worried that if access to CDM credits is made conditional on second commitment period targets, parties will be forced to create their own rules through bilateral deals, while New Zealand emphasized the role of the CDM in promoting sustainable development and technology transfer in non-Annex I countries. Canada and Japan highlighted parallel discussions on market mechanisms under the AWG-LCA.

Saint Lucia, Algeria, Tuvalu, Brazil, China, India and Bolivia underscored that access to the flexibility mechanisms, including Joint Implementation and the CDM, would be difficult to agree to in the absence of a second commitment period.

On a *Durban package*, the EU said it would be useful to define elements of the package, the role of the second commitment period in that package and what contributions non-Annex I parties would make to the package. Saint Lucia called for confirmation that Annex I parties’ mitigation commitments will be taken in the context of the Kyoto Protocol. During discussions, parties highlighted various conditions, including: resolving technical rules, such as on LULUCF, market mechanisms, the basket of methodological issues and the carryover of surplus Assigned Amount Units (AAUs); comparability of efforts; deeper and broader access to international carbon markets; operationalizing the Cancun Agreements, including the MRV framework and international consultation and analysis (ICA); progress towards a global, comprehensive legally-binding agreement including all major emitters; and coherence with the AWG-LCA track.

On *moving issues forward*, a number of parties disagreed on whether or how to discuss consequential amendments to the Kyoto Protocol. The EU said the fact that large portions of the text, including on new market mechanisms and consequential Protocol amendments, have not yet been discussed was “very, very worrying.” Saint Lucia, for AOSIS, supported discussions of the text on consequential Protocol amendments.

During the final contact group meeting on 17 June, parties welcomed progress made during the technical spin-off groups and agreed to continue their negotiations on the basis of the Chair’s new revised proposal (FCCC/KP/AWG/2011/CRP.1), which captures progress made during this session in streamlining the text, particularly in the areas of LULUCF and the basket of methodological issues.

**Protocol Amendments/Numbers:** The spin-off group on Protocol amendments and numbers considered outstanding issues in Chapter I of the Chair’s revised proposal (FCCC/KP/AWG/2010/18/Add.1). During discussions, parties addressed the following issues: aggregate and individual emission reduction targets; carryover of surplus AAUs; and how to address consequential amendments to the Kyoto Protocol.

On *Annex I aggregate and individual targets*, it was noted that this issue is primarily political in nature, but that technical issues, including the length of commitment period, remain unresolved. Divergent issues on the length of the commitment period remained and discussions on this issue will continue.

On *carryover of surplus AAUs*, parties discussed various options, based on a presentation by the Secretariat, including: leaving provisions on carryover unchanged; capping carryover to a specific percentage, restricting use of surplus AAUs to domestic compliance, and/or using high-trend adjustment; and abolishing carryover. Discussions on this issue will continue.

On addressing *consequential amendments to the Kyoto Protocol* (contained in option B of the text), widespread disagreement persisted on whether discussion of these issues is within the mandate of the AWG-KP. A number of parties emphasized that a second commitment period is contingent on consideration of these issues.

**Flexibility mechanisms:** Discussions in the informal group on the flexibility mechanisms were based on Chapter III (emissions trading and the project-based mechanisms) of the Chair's revised proposal (FCCC/KP/AWG/2010/18/Add.1). The discussions focused on three main issues: the essential things parties want to achieve; how work on the text should progress; and whether some of the existing proposals can be removed.

Regarding the use of CERs from project activities in certain host countries and co-benefits of CDM projects, parties considered whether these issues could be transferred to the COP/MOP for its consideration under the agenda item on further guidance to the CDM Executive Board. Consultations were also undertaken to try to streamline the text on the use of CERs from project activities in certain host countries.

Parties also addressed all other issues in Chapter III, including discount factors, the share of proceeds for the Adaptation Fund, Joint Implementation, emissions trading, new market mechanisms and supplementarity. Parties were unable to reach agreement on any of the issues or streamline the text, and as no consensus was reached, discussions will continue based on the Chair's revised proposal.

**LULUCF:** Issues related to LULUCF were addressed in four meetings of the spin-off group. Discussions were based on Chapter II of the revised proposal by the Chair (FCCC/KP/AWG/2010/18/Add.1).

The main issues discussed included how to address harvested wood products and ensure clarity and consistency, and issues pertaining to *force majeure*. Parties also addressed technical questions, including a proposal for flexible land use for planted production forests, references to full land-based accounting and definitions related to forests.

On 14 June, the co-facilitators presented streamlined text, integrating various options and parties' concerns, and reducing the number of pages in Chapter II from 40 to 12. The text also included some paragraphs as a chapeau affirming that the implementation of LULUCF shall be consistent with the objectives and principles of, and any decisions taken under, the Convention and the Protocol. On 17 June, the co-facilitators reported to the AWG-KP contact group that "frank discussions" have taken place on the treatment of emissions and removals from disturbances/*force majeure*, including criteria that have to be met to apply it. They noted that several parties suggested revising the definition of *force majeure*. They noted that while there are no proposals for revised text on this issue, "some believe parties are closer to arriving at a common understanding."

**Basket of methodological issues:** The spin-off group on the basket of methodological issues considered outstanding technical issues in Chapter IV of the Chair's revised proposal (FCCC/KP/AWG/2010/18/Add.1). Following discussions on new GHGs and common metrics, a drafting group, facilitated by New Zealand, convened to streamline text on these issues. During the drafting group progress was made towards consensus on a proposed package, which could be reached if parties agree to include nitrogen trifluoride as a new GHG during the second commitment period. Consensus was reached on inclusion of species of hydrofluorocarbons and perfluorocarbons listed in the IPCC Fourth Assessment Report (AR4) and on sulphur hexafluoride. Progress was also made in streamlining the text on common metrics. Discussions on these issues will continue at the resumed AWG-KP 16.

**Legal issues:** This issue was addressed in informal consultations led by AWG-KP Vice-Chair Diouf Sarr and Gerhard Loibl (Austria), but no agreement was reached on whether to discuss consequential amendments under the Protocol in a legal options group.

**Response measures:** The spin-off group on potential consequences considered outstanding technical issues remaining in Chapter V of the Chair's revised proposal (FCCC/KP/AWG/2010/18/Add.1). Two options remain in the text on establishing a permanent forum or using existing channels to exchange information on potential consequences.

**CLOSING PLENARY:** The AWG-KP closing plenary took place in the afternoon of 17 June. Chair Adrian Macey introduced the Chair's revised proposal (FCCC/KP/AWG/2011/CRP.1). He reported: Chapter I (amendments and numbers) showed modest progress; Chapter II (LULUCF) made considerable progress, streamlining the text from 40 to 12 pages; Chapter III (flexibility mechanisms) showed little change; Chapter IV (basket of methodological issues) progressed with option A capturing constructive work on new GHGs and common metrics; and Chapter V (potential consequences) remains unchanged. Macey indicated that the format of having political discussions in a contact group with technical work in spin-off groups was successful. To achieve an outcome in Durban, he said clear progress must be made on: Annex I parties' aggregate and individual emission reductions; the nature, content and applicability of rules for a second commitment period; aspects of the AWG-KP's relationship with the AWG-LCA; and resolution of "wide disagreement" on whether to address consequential amendments to the Kyoto Protocol.

Parties agreed to suspend the session rather than close it, in order to expedite the process at the AWG-KP's next meeting. They also elected Erika Hasznos (Hungary) as Rapporteur. Presenting the draft report (FCCC/KP/AWG/2011/L.1), Macey noted that the document should be amended to reflect that this session was suspended and will resume at the next meeting. Parties adopted the report.

Argentina, for the G-77/China, reiterated the need for a second commitment period in time to ensure that there is no gap between the first and second commitment periods. She highlighted that a second commitment period under the Kyoto Protocol is a key element for a successful outcome in Durban, as the only legally-binding instrument to tackle emission reductions

in an effective way. She urged Annex I parties to bridge the gap between the current pledges and what is required by science to avoid exceeding the 2°C target.

The EU highlighted the value in the existing Kyoto Protocol architecture and instruments, describing the Protocol as the best basis for developing a common, rule-based framework for all major emitters. She said it is crucial to consider a second commitment period, and suggested further exploring how it would fit into the broader picture.

Australia, for the Umbrella Group, said the Kyoto Protocol is an important part of the work towards a comprehensive climate regime including all major economies. She highlighted positive steps achieved in Bonn on issues, such as the basket of methodological issues. She called for a more systematic approach to addressing the global context of mitigation.

Grenada, for AOSIS, said the 1.5°C target is at risk and urgent decisions must be taken. She said it is a comfort knowing that “many, many Annex I parties share AOSIS’s” goals and see the value and necessity of a second commitment period. She further implored parties to participate constructively in discussions and enable those Annex I parties willing to engage in a second commitment period to do so.

Switzerland, for the EIG, acknowledged the progress made in Bonn and expressed commitment to further progress towards a successful outcome in Durban.

Papua New Guinea, for the Coalition of Rainforest Nations, said: a second commitment period must be a part of the Durban outcome; new rules on LULUCF must cover all removals; “gamesmanship” with the current rules should not continue; and that direct engagement of ministers is needed to move the work of AWG-KP forward.

The Democratic Republic of the Congo, for the African Group, said a second commitment period is essential, and linking issues to the AWG-LCA should not be used to delay negotiations.

The Gambia, for the LDCs, reiterated their commitment to a second commitment period and stressed that the flexibility mechanisms are an integral part of the Kyoto Protocol.

China said, *inter alia*, that preconditions set by Annex I countries only block substantive progress and hoped that countries would express their political will and take on their historical responsibilities under a second commitment period.

India lamented lack of progress and called the linking of issues to the AWG-LCA a “delay tactic,” emphasizing that there are no links between decisions in the Protocol and Convention tracks, except their relevance to the “comparability and accountability” of Annex I parties.

Bangladesh called for the continuity of the Kyoto Protocol through a second commitment period and the flexibility mechanisms, and a fair, balanced, and legally-binding agreement “at some point in the future.”

Ecuador, for ALBA, proposed organizing a high-level meeting before Durban to push for increased ambition levels and said hosting the next intersessional in Panama would reflect the region’s efforts in this process. The Solomon Islands said there is no alternative to a Kyoto Protocol second commitment period and said “killing Kyoto will kill humanity.”

Brazil said a new regime is not needed, as the UNFCCC is already a regime that includes all countries, and that the Kyoto Protocol is an instrument and the AWG-LCA a process under this framework. He called for further work to strengthen and use the existing regime.

Carbon Markets and Investors Association, for Business and Industry NGOs, called for clarifying the future of the CDM in Durban, as a key to ensuring further private investment and participation in combating climate change.

Climate Action Network, for Environmental NGOs (ENGOs), highlighted relevant elements of the Kyoto Protocol to be conserved, including a long-term framework that can be adequately updated, its legally-binding nature, common accounting rules, MRV and a compliance system. She urged not throwing away the work done over the last 10 years.

Climate Justice Now, for ENGOs, said the current pledges will lead to at least a 5°C increase in temperature and the Kyoto Protocol is the only option and Durban the last opportunity to ensure the continuation of legally-binding commitments.

Youth NGOs urged ensuring no gap between the Kyoto Protocol commitment periods. She called for a legally-binding international regime enforcing emission reductions and noted that the “pledge and review” approach is not sufficient for matching the requirements of science.

AWG-KP Chair Macey suspended the AWG-KP at 5:22 pm.

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

The resumed 14th session of AWG-LCA opened on Tuesday, 7 June with Daniel Reifsnyder (US) continuing as the Chair and Margaret Mukahanana-Sangarwe (Zimbabwe) as the Vice-Chair.

Reifsnyder explained that the agenda adopted in Bangkok (FCCC/AWGLCA/2011/5) would provide the structure and scope of AWG-LCA’s work in Bonn and includes both work to implement Decision 1/CP.16 (outcome of the AWG-LCA’s work) and issues that remain unresolved. Parties also agreed to the organization of work proposed by the Chair (FCCC/AWGLCA/2011/6).

On intersessional activities, Mexico, as the COP Presidency, reported on activities to facilitate further negotiations, including: a ministerial meeting in March on implementing the Cancun Agreements; informal meetings with observer groups; the first meeting of the Transitional Committee for the Design of the Green Climate Fund in April; and a Ministerial dialogue on adaptation, co-hosted with South Africa, in May. She noted that Mexico would hold further consultations in the coming months in cooperation with South Africa as the incoming COP President. South Africa announced that the incoming COP and COP/MOP President would convene consultations in Bonn on parties’ expectations concerning outcomes from COP 17 and COP/MOP 7. For more information on these open-ended informal consultations, see: <http://www.iisd.ca/vol12/enb12508e.html> and <http://www.iisd.ca/vol12/enb12509e.html>.

The Secretariat outlined activities by the Transitional Committee for the Design of the Green Climate Fund, including its first meeting in Mexico City in April and its first technical workshop in June in Bonn.

Argentina, for the G-77/China, warned against transferring issues from the AWG-LCA to the Subsidiary Bodies and said specific issues mandated for consideration by the SBI in Decision 1/CP.16 must feed into a balanced outcome from the AWG-LCA. The G-77/China also stressed the need for another negotiating session before Durban.

Australia, for the Umbrella Group, observed that building a new regime takes time, identifying Durban as the next step in the process that can move forward the Cancun undertakings. She stressed, *inter alia*, the importance of MRV by developed and developing countries for the review of the long-term global goal beginning in 2013. Noting that a new treaty is not a prospect in Durban, she called for putting in place institutions and processes that provide the basis for future legal action.

Noting that the window of opportunity to achieve the 2°C target is closing, the EU stressed the need to speed up work on implementation of the Cancun Agreements, especially concerning mitigation. He urged increasing the level of ambition, emphasized the importance of MRV and called for a comprehensive, legally-binding framework. Belarus, for countries with economies in transition, stressed the importance of technology transfer and capacity building. Switzerland, for the EIG, called for early establishment of a NAMA registry and the adoption of guidelines for NAMAs, both those seeking and those not seeking international support.

Grenada, for AOSIS, lamented the lack of urgency toward addressing the likely 3-4°C warming, and underlined that although the Cancun Agreements represent a step forward, they still lack scope, substance and ambition. Egypt, for the Arab Group, said success in Durban depends on achieving balanced results based on the Convention's principles, including common but differentiated responsibilities. The Gambia, for the LDCs, called for, *inter alia*: stricter targets; a comprehensive framework; short-, medium- and long-term adaptation programmes; and long-term finance.

The Democratic Republic of the Congo, for the African Group, called for, *inter alia*: strengthening international assessment and review (IAR) for developed countries; a COP 17 decision on long-term finance and operationalizing the Green Climate Fund; and urgent adaptation action, including through the Adaptation Committee established in Cancun. He said the scale of finance is not a fixed sum, but is dependent on mitigation actions taken.

Venezuela, for ALBA, underscored that the process is party-driven and called for increased efforts to rebuild trust and foster a spirit of cooperation through frank and inclusive consultations.

Papua New Guinea, for the Coalition of Rainforest Nations, highlighted that REDD+ offers cost-effective, early action to mitigate climate change. She called for disbursement of the funds pledged, particularly for REDD+, and suggested financing options for possible REDD+ related issues be addressed in the AWG-LCA, including but not limited to, market-based mechanisms.

**ITEMS 3, 4, 5 AND 6:** This issue covers the agenda items on: preparation of an outcome to be presented to COP 17; review of the long-term global goal; legal options; and other matters,

including Annex I parties undergoing the process of transition to a market economy and Annex I parties whose special circumstances have been recognized by the COP.

During the AWG-LCA opening plenary on 7 June, parties agreed to consider these items in a single contact group, chaired by AWG-LCA Chair Reifsnnyder. The first contact group meeting also took place on 7 June. Parties agreed to undertake the group's work through informal consultations on:

- a shared vision, facilitated by Vice-Chair Mukahanana-Sangarwe;
- developed country mitigation, facilitated by Christian Pilgaard (Denmark) and José Alberto Garibaldi Fernández (Peru);
- developing country NAMAs, facilitated by Pilgaard and Garibaldi Fernández;
- REDD+, facilitated by Antonio Gabriel La Viña (the Philippines);
- sectoral approaches and sector-specific actions, facilitated by George Mulama Wamukoya (Kenya);
- various approaches, including opportunities for using markets to enhance the cost-effectiveness of, and to promote, mitigation actions (market and non-market approaches), facilitated by Giza Gaspar Martins (Angola);
- response measures, facilitated by Alfred Ndungu Gichu (Kenya);
- adaptation, facilitated by Kishan Kumarsingh (Trinidad and Tobago);
- finance, facilitated by Georg Børsting (Norway);
- technology, facilitated by Jukka Uosukainen (Finland);
- capacity building, facilitated by Uosukainen;
- review of the long-term global goal, facilitated by Vice-Chair Mukahanana-Sangarwe;
- legal options for the agreed outcome, facilitated by María del Socorro Flores (Mexico); and
- other matters—economies in transition and countries whose special circumstances have been recognized by the COP, facilitated by Kunihiko Shimada (Japan).

Tuvalu, supported by Bolivia and Nicaragua, expressed concern over transparency in the REDD+ discussions. AWG-LCA Chair Reifsnnyder recalled that it is up to parties in each informal group to decide whether to open participation to observers. He proposed that parties convene in the informal group on REDD+ and decide whether to allow observers. The informal group on REDD+ subsequently agreed to open meetings to observers.

The AWG-LCA contact group convened five times during the meeting to take stock of progress and hear reports from the facilitators of the informal groups. During the last contact group meeting on Friday, 17 June, the contact group addressed the way forward. AWG-LCA Chair Reifsnnyder presented a list of proposals made by parties for submissions and technical work by the Secretariat in relation to work by the informal groups. He proposed forwarding the list to the AWG-LCA closing plenary. Many parties highlighted missing elements. During the AWG-LCA closing plenary in the evening of 17 June, Reifsnnyder reported that informal consultations had not led to an agreement on submissions and technical work before the resumed AWG-LCA 14. He explained that party submissions under Decision 1/

CP.16 (paragraphs 47 and 67) would continue to be welcome, and that parties may also take advantage of the open invitation to make submissions on any issue at any time.

Reifsnyder said party submissions made after the Bonn session would be compiled in a miscellaneous document before the resumed AWG-LCA 14. He proposed that party submissions made during the Bonn session be compiled in a separate miscellaneous document and that notes prepared by facilitators of the AWG-LCA informal groups, currently available online, be compiled in an information document with the understanding that the notes have no formal status.

The Philippines requested that all submissions by the G-77/China and its members during the Bonn session be reflected in conference room papers and taken forward to the resumed AWG-LCA. She highlighted that the texts proposed by the G-77/China should form the basis of the negotiations. China opposed compiling facilitators' notes into an information document, saying that the notes are already available online.

Reifsnyder confirmed that the G-77/China has the right to request that their submissions take the form of a conference room paper, noting that the same right applies to all parties. The Secretariat clarified that conference room papers are commonly used when parties present draft decisions, but they have also been used for broader purposes. The Secretariat also explained that the lifespan of a conference room paper is normally one negotiating session but since AWG-LCA 14 will resume in September/October, conference room papers from the Bonn session "get another lease on life."

Parties agreed that submissions made at the Bonn session will be included in a miscellaneous document unless parties indicate to the Secretariat that they wish to have particular submissions represented as conference room papers. Parties also agreed that the facilitators' work will be carried forward by making their notes available online, and that all technical work will be undertaken within the resumed AWG-LCA 14 rather than intersessionally.

**Mitigation: Mitigation by developed countries:** On 9 June, the AWG-LCA organized an in-session workshop on developed country mitigation. For a report on the discussions, see <http://www.iisd.ca/vol12/enb12506e.html>.

In the informal group on developed country mitigation, many parties highlighted the need to increase the *level of ambition* of developed countries' mitigation pledges in order to close "the ambition gap." Many developed countries underscored that the level of ambition must be considered in the context of both negotiating tracks and all countries that can help in closing the ambition gap.

On a *Durban outcome*, some parties called for a COP decision with an annex inscribing mitigation commitments. Others emphasized a second Kyoto Protocol commitment period for Annex I countries that are parties to the Protocol and comparable commitments by Annex I countries that are not Protocol parties. Parties also identified the need to reach agreement on: guidelines on MRV, including on biennial reporting and a timeline for the first report ahead of the 2013-2015 review of the adequacy of the long-term global

goal; guidelines on IAR; clear rules on LULUCF and the use of market mechanisms; and an *ad hoc* working group on compliance.

Parties also considered the *IAR process and associated accounting issues*. While some parties said a discussion of IAR should be preceded by a more detailed discussion of accounting rules, others called for more conceptual and methodological work on IAR. Parties suggested possible inputs to the IAR process, including: annual GHG inventories; biennial reports; reports of expert review teams; and national communications. A number of developing countries stressed that the frequency of IAR and its requirements must not be less onerous than those for ICA. They also emphasized that the IAR process is key to ensuring comparability of mitigation efforts by developed countries.

On *accounting rules*, many developing countries and several developed countries supported common rules on issues such as emission targets, base year, sectors, GHGs, banking and trading, and LULUCF. Several developed countries called for flexibility in expressing pledges.

On *compliance*, a number of developing countries called for elaboration of a compliance mechanism, while several developed countries said IAR should be facilitative and non-punitive. One developing country said a compliance mechanism should determine eligibility to participate in international carbon markets.

The co-facilitators prepared two notes to help facilitate further discussions on developed country mitigation. The first note is on possible elements of biennial reports by developed countries, and contains the broad elements of biennial reports, at a thematic level, which, in the view of the co-facilitators, reflects broad convergence of views among parties. The second note is a summary by the co-facilitators of discussions on IAR.

**Mitigation by developing countries:** On 10 June, the AWG-LCA convened an in-session workshop on mitigation by developing countries. The report of the workshop is available online at: <http://www.iisd.ca/vol12/enb12507e.html>.

In the informal group on mitigation by developing countries, parties initially focused on identifying priorities for Bonn, issues to be addressed between Bonn and Durban, and expectations for Durban.

On *priorities for Bonn*, many parties supported focusing on the NAMA registry. Some proposed that the Secretariat prepare a technical paper on the design and function of the NAMA registry. Some parties also identified the need to outline the possible structure of developing countries' biennial reporting, with updates on national GHG inventories and information on mitigation actions. Several parties drew attention to the need to present the mitigation pledges of developing countries in a more systematic manner and supported devising a common reporting format for this.

On *issues to be addressed between Bonn and Durban*, there was support for intersessional technical work by experts, particularly on modalities and guidelines for facilitating support for NAMAs through a registry, and for MRV. Many developing countries also called for clarity on: support for developing countries in the preparation of NAMAs; and the meaning of "facilitation of support."

On *expectations for Durban*, some parties highlighted the need for adopting guidelines for non-Annex I biennial reporting, as well as guidance on the preparation of reports for the review of the global long-term goal, scheduled for 2013-2015. Some parties also proposed that the main elements and modalities for ICA be elaborated in Durban.

Parties also considered the *process for ICA*, with a focus on inputs, basis for ICA, sequencing and scope, outputs, and next steps after Bonn. Many parties suggested that ICA should be based on the biennial update reports and consist only of information on unsupported mitigation actions. On basis, many parties emphasized that ICA is distinct from IAR, and does not include a review or compliance assessment. Parties also emphasized that ICA operates in a facilitative manner to enhance transparency instead of comparability of efforts, taking into account the diversity of developing countries' NAMAs. Some parties also noted that the frequency and content of developing country reporting is contingent on the provision of support.

On *sequencing and scope*, some parties proposed that the ICA process should consist of a technical, analytical component as well as a consultative, public component, which would be conducted under the authority of the SBI and be open to all parties. Other parties outlined that the consultation process under the SBI should take the form of non-confrontational, interactive discussion. Some parties opposed the consultations being open to all parties. As an output, many parties supported a summary report that does not address non-achievement.

The facilitators prepared two notes to help further discussions on this issue. The first note contains a summary of discussions on ICA and the second contains a summary of issues raised on the issue of biennial update reports.

**REDD+:** Discussions in the informal group on REDD+ focused on identifying issues for consideration and financing options for the full implementation of results-based actions.

On *financing for REDD+ implementation*, some developing country parties urged developed country parties to provide the additional funding required to prepare for REDD+ and highlighted the relevance of integrating capacity building from the early stages.

On *funding sources for full implementation*, some parties said public financing should play a greater role in the readiness phase, but that for the third phase, a basket of alternative financing options should be considered. The possible funding sources identified included: public funding at the national and international levels; a possible REDD+ window under the Green Climate Fund; and market mechanisms. Some suggested a levy on international aviation and maritime transport as a source of further funding. Many highlighted that all sources should be complementary. However, some parties cautioned against using market mechanisms for REDD+. Some also noted that market-based approaches only work in the context of a constrained system. Many countries also highlighted the role that the private sector could play in providing funding, particularly in addressing the drivers of deforestation. Many emphasized that it would be up to each country to decide the sources of funding that it is willing to use. Highlighting information gaps, many

countries underscored the importance of MRV of the provision of financing for REDD+, but a developed country opposed, noting that financing issues are under the mandate of another group.

**Sectoral approaches and sector-specific actions:** Discussions on sectoral approaches and sector-specific actions focused on: the way forward; a general framework for sectoral approaches; agriculture; and aviation and international transport.

Parties identified key elements and options for considering the general framework, including: reference to Convention Article 4.1 (technology transfer); the voluntary nature of sectoral approaches; and the principle of common but differentiated responsibilities. Some parties preferred not to consider a general framework. On agriculture, parties agreed that the text coming from prior sessions was a good basis for further discussions.

Facilitator Wamukoya presented a note on 17 June, reflecting four options for addressing the general framework, a text on agriculture, new text on international aviation and new text with six options proposed by parties to address international aviation and shipping.

**Market and non-market approaches:** In the informal group on market and non-market approaches, parties were invited to consider what, if any, new mechanisms the COP should establish. Discussions focused on draft decisions to be forwarded to COP 17 and suggestions for new mechanisms that could be established.

Some parties stressed the need to agree on a second commitment period under the Kyoto Protocol before new market mechanisms can be established. Regarding expectations for Durban, parties outlined: a decision establishing new market mechanisms; establishment of new market mechanisms based on principles already agreed on, such as environmental integrity; elaboration of modalities and procedures, including for reporting; and establishment of a governance structure. Several parties highlighted that the purpose of new mechanisms would be to complement, not replace, existing mechanisms such as the CDM. One party said any new market mechanisms must be established within an international framework. Regarding specific elements, one party highlighted, among other things, measures to avoid double counting.

During the discussions, a number of parties also presented on their submissions on the elaboration of market and non-market mechanisms and all parties engaged in a discussion of these presentations.

The facilitator prepared a note reflecting his assessment of issues to be addressed by parties for the fulfillment of their mandate to elaborate market and non-market mechanisms.

**Response measures:** In the informal group on the impact of response measures, discussions focused on political issues and principles, including: establishment of a permanent forum on response measures; use of existing channels, such as national communications, to share information on the impacts of response measures; and barriers to trade. A number of parties referenced the joint SBI/SBSTA forum on the impacts of the implementation of response measures, which had been agreed in the Cancun Agreements. Discussions on this issue will continue at the resumed AWG-LCA 14.

**Adaptation:** In the informal group on adaptation, parties shared views on the operationalization of, composition of, and modalities and procedures for, the new Adaptation Committee, highlighting links to other institutions, national adaptation plans and the Green Climate Fund.

Facilitator Kumarsingh's progress report noted convergence on the guidelines and modalities for the Committee. Parties attempted to streamline language on the activities of the Committee, but divergent views persisted. Some developed countries preferred detailing the Committee's functions, noting that this would clarify the expertise required in the Committee's composition. Several developing countries cautioned against "micro-managing," and preferred listing the functions as outlined in Decision 1/CP.16, saying this would also ensure the group would not exceed the mandate from COP 16.

On 17 June, Facilitator Kumarsingh reported that his note, containing draft decision text, captured broad consensus among parties, and that there was broad consensus on using the text as the basis for further discussion on the way to Durban.

**Finance:** The main focus of discussions in the informal group on finance was on the new Standing Committee. Parties also considered long-term finance.

On the *Standing Committee*, many parties said it should be operationalized by COP 17 in Durban. Parties continued, however, to express divergent views on whether the Standing Committee's role should be advisory or supervisory. Some parties proposed focusing on the functions/activities of the Standing Committee. Others proposed a pragmatic approach and cautioned against prejudicing the ability of the Standing Committee to play an effective role in the evolving international climate change architecture, identifying the need to focus on guidance for a COP decision.

On the Committee's *role and functions*, parties exchanged views on: the distinction between improving coherence and coordination in the delivery of climate change financing, and rationalization of the financial mechanism; the role of the Standing Committee in MRV of support; and the Committee's relationship with the COP.

Regarding *coherence and coordination*, some parties drew attention to the fragmentation of climate change financing within and outside the Convention, and the coordination function that the Standing Committee could exercise, such as identifying financing gaps, providing an overview of financial resources within and outside the Convention, and collecting information on financial flows and progress towards global goals. Discussions also addressed the need to rationalize the "plethora of funds" under the Convention and to redefine their role and relationship to the Green Climate Fund.

On *MRV of support*, issues highlighted included: whether MRV is restricted to mitigation; the need for instruments such as a registry; and mechanisms under the Convention to address MRV.

Parties also considered five submissions from parties on the Standing Committee from the Group of 77/China, the African Group, some members of the Umbrella Group, the EU, Turkey and India. Common ground within various proposals was noted by some, as well as the need to make a distinction between what needs to be done by the group and what can be left to the

Standing Committee to elaborate, such as a more detailed work programme. A number of parties supported an evidence-based approach to the Standing Committee's work, ensuring expert, objective and impartial advice on issues related to the financial mechanism. Some suggested that the group focus on how the Committee can assist the COP, noting that the type of assistance required could evolve over time. The outputs of the group's work were captured in an informal note by the facilitator on finance.

On 17 June, Facilitator Børsting highlighted that parties discussed a technical workshop on finance in the lead-up to the next session, but were unable to conclude, and that parties' submissions on this issue are annexed to his note. Elements of a decision on long-term finance were also annexed to the facilitator's note.

**Technology:** In the informal group on technology, parties considered arrangements to make the new Technology Mechanism fully operational by 2012. They discussed priorities for the negotiations in Bonn and expectations for Durban. The main focus was the Climate Technology Centre and Network (CTCN).

Many parties suggested focusing on a call for proposals and the criteria to be used to evaluate and select the *host of the Climate Technology Centre*. Parties also identified the need to consider the information required to enable institutions to respond to the call for proposals, and discussed the type of organization envisaged to host the Climate Technology Centre and the need to consider the experience of the organization, as well as resources at its disposal.

Parties also considered the *governance structure* and terms of reference for the CTCN. Several parties pointed to the difficulty of elaborating a precise governance structure before determining the scope and host of the CTCN. Many parties supported a small, efficient and flexible host institution. Developed countries also preferred an option that does not involve creating a new governing body, but in which the CTCN has a Director-General and a small team housed within an existing UN organization, with strategic guidance provided by the Technology Executive Committee (TEC).

Several parties noted the need to define the relationship between the TEC and the CTCN, as well as the relationship between the Centre and the Network. Developed countries preferred no oversight role for the TEC over the CTCN, while developing countries proposed that the TEC provide an oversight function.

On the *functions of the CTCN*, many parties called for details to be elaborated and highlighted the need to include roles and functions in the terms of reference for the potential host institution. The outputs of the group were captured in a facilitator's note.

During the last AWG-LCA contact group meeting, Facilitator Uosukainen reported that parties had undertaken discussions on the work necessary to launch the CTCN, which have been captured in a note on possible arrangements to make the Technology Mechanism fully operational in 2012. He said parties have expressed their desire to use the note as a reference tool to help structure the discussions. He said parties had also resolved to take several steps, including: requesting the Secretariat to make a record and compile a list of all the organizations that

have expressed an interest in participating in the CTCN and make this available to parties on the UNFCCC website; and inviting parties to submit ideas or proposals on the issues.

**Capacity building:** In the informal group on capacity building, parties discussed the way forward on monitoring and review, and institutional arrangements, emphasizing the cross-cutting nature of capacity building. On institutional arrangements, parties expressed satisfaction that Decision 1/CP.16 had integrated capacity building into many areas, but identified that this would also pose challenges to broadly enhancing capacity-building activities. Some parties proposed creating a new institutional mechanism to address this, while others expressed concern that this might be duplicative and inefficient. On MRV, several developing countries expressed concern that reporting poses serious challenges to parties without the capital to meet the reporting standards of the UNFCCC. Delays in completing NAPAs were given as an example of this and parties stressed the need to enable effective reporting.

On 17 June, Facilitator Uosukainen highlighted next steps, saying he had prepared a facilitator's note summarizing the issues.

**Shared vision:** The focus of the informal group on a shared vision for long-term cooperative action was to work towards identifying a global goal for emission reductions and a time frame for global peaking of GHG emissions, as mandated by Decision 1/CP.16. Parties also identified other issues for consideration including:

- the need for a global goal based on best available science and the Convention's principles, such as common but differentiated responsibilities;
- trade;
- equity;
- equitable access to sustainable development;
- defending the rights of Mother Earth to ensure harmony between humanity and nature;
- compliance through an international court of climate justice;
- migrants;
- warfare;
- a carbon budget;
- global goals for finance, technology and adaptation;
- enhanced action on all elements of the Bali Action Plan;
- historical responsibility;
- a second Kyoto Protocol commitment period;
- rights of survival of countries; and
- response measures.

Parties addressed the global goal for emission reductions by 2050. A number of developed countries outlined their national emission reduction goals and several parties identified the need to allow different peaking years for developed and developing countries. Parties also highlighted the need: to consider social and humanitarian issues; to consider a global carbon budget alongside a global goal; and for a compilation paper by the Secretariat taking into account data on emission caps and the principle of common but differentiated responsibilities.

The facilitator prepared a note summarizing the issues discussed by parties in the informal group. The note contains bracketed draft decision text on a shared vision.

**Review:** The informal group on review of the global long-term goal considered scope, principles, process, inputs and way forward.

On *scope of the review*, some parties emphasized the need to focus on the adequacy of the long-term global goal, while others said Decision 1/CP.16 mandates parties to address implementation of the Convention and overall progress towards achieving the global goal. Others suggested that the review should include consideration of whether the Convention's structure should be modified, as Decision 1/CP.16 requires the COP to take appropriate action based on the review. Some parties cautioned against adopting a broad scope. One party also proposed reviewing support to developing countries.

On *key principles*, some parties highlighted the need for a party-driven process, with many supporting consideration of common but differentiated responsibilities, equity and transparency.

On *inputs*, parties considered possible sources of information, with some highlighting the IPCC's AR4, IPCC working group contributions to the Fifth Assessment Report (AR5), the proposed biennial reports and countries' climate policies and actions. Others suggested starting the process before 2013 and gathering inputs through a clearinghouse mechanism. One party said the review should also consider avoided damages and the benefits of lowering the 2°C goal.

On *modalities*, some parties expressed preference for using existing mechanisms to undertake the review and opposed the establishment of a new mechanism. Many parties proposed a phased approach, including collection and compilation of information, its assessment, elaboration of conclusions and recommendations, and discussion of the recommendations in 2015.

The facilitator prepared a note containing a summary of issues discussed by parties in the informal group. The note contains bracketed draft decision text.

**Legal options:** The informal group on legal options focused on how to move forward, and legal options and key elements for a possible AWG-LCA outcome.

Many developing countries highlighted that progress in the AWG-KP track is necessary to enable progress under the AWG-LCA, and that a possible, legally-binding outcome under the AWG-LCA would be complementary to a Kyoto Protocol second commitment period. Other developed countries said that providing clarity on the legal form could help to unlock negotiations on substance and facilitate decisions under the Kyoto Protocol. Some developing countries opposed this, saying that it is necessary to have more clarity on the substance before coming to a conclusion on the legal form.

On *possible elements*, parties underscored, *inter alia*: the Bali Action Plan elements; the principle of common but differentiated responsibilities; and mitigation commitments, MRV, accounting, market-based mechanisms, support, compliance and institutional arrangements.

On *legal options*, some parties supported a protocol to the Convention, while others supported amendments to the Convention and others COP decisions. Some parties suggested the possibility of combining legally-binding and what the Facilitator's note characterized as "politically-binding"

elements. Based on proposals previously submitted by parties under Convention Article 17 (protocols), many supported the preparation of a paper on options for the legal form by the facilitator. They noted that looking into the substantive elements of the proposals could enable further understanding among parties. Some developing countries opposed this, saying that the discussions were too immature for such an exercise. One party eventually suggested, and many supported, that the facilitator prepare a summary reflecting discussions and divergent views. Facilitator Flores presented a summary on 16 June, reflecting the views expressed by parties.

**OTHER MATTERS: Annex I parties undergoing the process of transition to a market economy:** During informal consultations, parties discussed a draft COP 17 decision presented by Annex I countries with economies in transition, addressing, *inter alia*, low-emission economic growth.

**Annex I parties whose special circumstances have been recognized by the COP:** In informal consultations, parties exchanged views on Turkey's concerns about the current categorization of parties under the Convention.

**CLOSING PLENARY:** The AWG-LCA closing plenary convened in the evening of Friday, 17 June. UNFCCC Executive Secretary Figueres reported that adequate financial contributions had been put forward to organize an intersessional meeting during the last week of September and first week of October. Noting two possible venues, she said the location will be confirmed on 21 June.

On the way forward, AWG-LCA Chair Reifsnnyder proposed, and parties agreed, that the AWG-LCA suspend its 14th session and continue work during the resumed session in September/October based on the agenda agreed in Bangkok and the single contact group and informal groups established in Bonn.

South Africa, as the incoming COP 17 and COP/MOP 7 Presidency, reported on the Presidency's open-ended informal consultations on parties' expectations for Durban. She highlighted constructive and extensive consultations with parties, observers and stakeholders, as well as meetings with regional and negotiating groups, and bilateral meetings with many parties. She reiterated South Africa's commitment to continue to engage in a transparent and inclusive manner in the run-up to Durban. She also outlined various confirmed dates for the incoming Presidency's consultations ahead of Durban, as follows: a ministerial meeting in Berlin, Germany, from 3-4 July, in collaboration with the German government; and a meeting with negotiators from 25-26 July, in Auckland, New Zealand, in collaboration with the New Zealand government. She also identified tentative timeslots for: a ministerial session, preceded by a meeting with negotiators, in the week of 5-9 September, which will be organized back-to-back with a meeting with stakeholders; and the traditional pre-COP ministerial session, preceded by a meeting with negotiators, during the week of 23-26 November, which will also be organized back-to-back with a meeting with stakeholders.

Argentina, for the G-77/China, underlined the importance of mitigation as part of a balanced and ambitious outcome in Durban and said appropriate action on mitigation requires a decision, in Durban, on the second commitment period under the Kyoto Protocol. She urged for the operationalization of the

Adaptation Committee as soon as possible after COP 17 and called for adequate resources. The G-77/China also noted that it had tabled two draft decisions on financing and technology transfer for consideration by COP 17.

The Democratic Republic of the Congo, for the African Group, stressed that a comprehensive outcome on adaptation is central to the Durban outcome, saying, *inter alia*, that initiatives should be directed towards a vision for Africa's development. On finance, he stressed that operationalizing the Standing Committee is a key deliverable from Durban and reported that the African Group had tabled a draft decision on long-term sources of finance. The African Group highlighted "credible information" suggesting that developing countries have pledged more ambitious mitigation actions than developed countries and said this is difficult to reconcile with developed countries' commitment to demonstrate leadership in avoiding dangerous climate change.

The EU called for deepening the debate on mitigation, including on MRV and new market mechanisms, and highlighted the need for a comprehensive and inclusive legally-binding framework. She expressed willingness to consider a second commitment period for the Kyoto Protocol, noting that progress on discussions on the legal form of the AWG-LCA's outcome is crucial.

Australia, for the Umbrella Group, highlighted elements of a balanced outcome in Durban, including progress on: mitigation efforts by both developing and developed major economies; the establishment of the Green Climate Fund; the shaping of the CTCN; REDD+; enhanced guidelines for national communications, biennial reports and biennial update reports; and operationalization of IAR and ICA.

The Gambia, for the LDCs, urged progress and conclusion on key issues, including adaptation, finance and capacity building. Grenada, for AOSIS, identified priorities, such as: increasing the level of ambition in mitigation commitments; approving the modalities for the review of the global long-term goal; and shaping the architecture of the Green Climate Fund, the Adaptation Committee and the TEC.

Nicaragua, for ALBA, underscored the relevance of civil society participation in the UNFCCC process as a way of enhancing transparency. Papua New Guinea, for the Coalition for Rainforest Nations, expressed concern with the slow progress on REDD+ financing discussions, and noted that despite developed country financing commitments in Copenhagen and Cancun, financing for the first and second phases of REDD+ remains inadequate. India called for treating party submissions as the prime basis for negotiations. He noted the need for substantive work on definition of equitable access to sustainable development and the peaking of Annex I countries' emissions.

Panama noted ongoing efforts to present a formal proposal to host the next intersessional meeting and called for financial support.

Pan African Climate Justice Alliance, for ENGOs, expressed concern over efforts by developed countries "to blur the lines" between developed and developing countries and "jump ship" to a new regime for mitigation under the Convention.

ICLEI – Local Governments for Sustainability, for Local Governments and Municipal Authorities, urged for ensuring that urban resilience and adaptation shift from a singular, special purpose on specific climate-affected infrastructure and locations, towards a more integrated focus on overall risks, development conditions and local areas performance.

International Federation of Organic Agriculture Movements, for Farmers NGOs, underscored adaptation in the agriculture sector to address food security challenges and empower farmers to deal with the impacts of climate change.

Parties adopted the meeting's report (FCCC/AWGLCA/2011/L.2). AWG-LCA Chair Reifsnnyder congratulated parties for their professionalism and the progress made during the session. He suspended the AWG-LCA at 9:01 pm.

## A BRIEF ANALYSIS OF THE BONN CLIMATE CHANGE CONFERENCE

How do you drive a multi-track process forward when some parties already have what they want, others want what is impossible and all imagine different futures? This was the challenge faced by delegates in Bonn as they attempted to negotiate a path towards the UN Climate Change Conference in Durban, South Africa in six months' time. Like Odysseus who faced many dangers on his long journey home to Ithaca after the Trojan War, governments have to navigate through their own hazards if they want to have a successful outcome in Durban.

This brief analysis will assess progress in Bonn in the context of the delegates' journey to Durban, beginning with the adoption of the Cancun Agreements at the end of 2010 and its impact on the agendas in the Subsidiary Bodies; the intention of some parties not to inscribe targets in the context of a second commitment period under the Kyoto Protocol; and how to close the gap between the mitigation pledges on the table and the emission reductions needed to avoid dangerous climate change.

### HOMEWARD BOUND?

When Odysseus escaped the Cyclops Polyphemus and thought he was home free, Odysseus's sailors opened a gift from Aeolus, the master of the winds, and the resulting storm drove the ships back the way they had come, just as Ithaca came into sight. Similarly when delegates escaped the agenda battles in Bangkok in April, they thought that they would be able to start their negotiations anew in Bonn. However, they soon found themselves faced with a new obstacle—another agenda debate, this time in the Subsidiary Bodies.

One of the central challenges in the Bangkok meeting concerning the agenda of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) was how to take elements of the Cancun Agreements forward, while taking into account that Bolivia objected to their adoption in Cancun. The first meetings of the Subsidiary Bodies after Cancun faced a similar hurdle. The Cancun Agreements, although lauded by many, were less than clear on the mandates for moving forward. For instance, while many countries supported technical work under the Subsidiary Body for Implementation (SBI) on the framework for measuring, reporting and verification (MRV), some developing country parties said the Cancun Agreements had not given the SBI a clear mandate

to do this. On the forum on the impacts of the implementation of response measures, disagreement persisted on what the mandate in the Cancun Agreements meant in terms of title and structure, until the Chairs of the SBI and the Subsidiary Body for Scientific and Technological Advice (SBSTA) decided they had a mandate to conduct the forum regardless of its title.

The AWGs, having resolved their agenda problems in Bangkok, were able to commence deliberations immediately in Bonn. However, the AWG-LCA groaned under the weight of efforts to institutionalize the Cancun Agreements and make progress on outstanding issues. Progress on some issues, such as developed and developing country mitigation, remained slow as parties struggled to sequence issues in a way that made them all comfortable, and some ensured that technical work on some parts of the text were contingent upon technical work on other parts. On issues where there was more progress, such as the Technology Mechanism, some worried that everything would grind to a halt if parties perceived that they were getting ahead of other issues.

Just as Odysseus tried to keep his crew together, delegates were unwilling in Bonn to let work progress unevenly, lest discussions on one issue prejudice the outcomes of another. One of the challenges in the intervening months before Durban will be how to move issues forward across and within the four bodies in relative lock-step, without falling into an inescapable circular debate driven by the siren call of entrenched positions. As one delegate put it, "we have to resist the temptation to give in to self-interest."

### BETWEEN SCYLLA AND CHARYBDIS

The UNFCCC negotiating fora, including two subsidiary bodies, the two AWGs, the Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Protocol (COP/MOP), is arguably a six-headed beast, not unlike the mythical six-headed Scylla. Similarly, as parties struggle to find a shared vision of their future within the different UNFCCC bodies, based on different interpretations of past agreements and common mandates, one wonders if they can pass through the two dangers of Scylla and the whirlpool Charybdis or whether the UNFCCC will be torn apart under the strain of parties pulling in opposite directions.

This seems particularly apt on the critical issue of mitigation, where delegates have to navigate a careful path since a second commitment period under the Kyoto Protocol is held by most developed countries to be contingent on significant progress under the Convention track towards a legally-binding framework that includes all major emitters. Given that the first commitment period will expire at the end of 2012, Durban is a key milestone for the Kyoto Protocol, as lack of agreement on a second commitment period will result in the Protocol lapsing into *de facto* inertia, extant but lacking in core purpose. Meanwhile, it seems that a second commitment period, if adopted, would be considerably weaker than the first. Japan, Canada and the Russian Federation have declared that they will not commit to a second commitment period. This exodus has led developing countries to argue that these countries should not even participate in discussions shaping the rules for the second commitment period.

Overall, expectations for the future of the Kyoto Protocol are low and some are wondering whether a “Kyotino”—with possible commitments from parties including the European Union, Norway, Switzerland and Iceland—would even make sense or whether it would be better to bury the Protocol in Durban. Most developing countries continue to stress its importance as a legal “firewall” that separates binding mitigation commitments by developed countries from voluntary mitigation actions by developing countries. Those worried about the prominence of the bottom up “pledge and review” approach, advocated by the US, also see the value of preserving the top-down legal structure created by the Protocol during what they hope will be a “transitional period.” “At this point,” as one Kyoto proponent underscored, “it is about saving the rules-based system and the institutions we have created over the past 14 years.”

The challenge faced by those who wish to see the Kyoto Protocol continue, albeit in a diminished form, is to move the debates far enough to meet two basic conditions. First, technical rules have to progress far enough to allow political decisions to be made in Durban. Second, in parallel, enough progress under the AWG-LCA, both on operationalizing the Cancun Agreements and on steps towards a legally-binding framework that includes all major emitters, to satisfy the conditions laid out by many Annex I parties. However, noting the recent press on the US’s desire to have a “legally-binding agreement within a decade,” many wondered whether such statements would give enough reassurance to those “interested in but not dedicated to” a second commitment period.

One seasoned observer, underscoring the enthusiasm displayed by the US for operationalizing the Cancun Agreements, worried that “the US got the pledge and review system they desired and now there is little incentive to go any further.” Others pointed to the challenges faced in the US political system: “with the practical reality of politics in the US right now, heading into an election cycle with a congressional minority, the Obama administration could not make stronger commitments even if it wanted to.” At the same time, while there is a tremendous groundswell of domestic action through national legislation in many major developing countries, there is continued reticence to inscribing those actions internationally. The question that remains is how to successfully navigate between Scylla and Charybdis and determine what meaningful steps can be taken towards a global legally-binding framework under the AWG-LCA and whether those steps will be enough to preserve the rules-based system.

### **AVOIDING CALYPSO**

Will parties have made enough progress under both the AWG-KP and AWG-LCA to agree to a second commitment period and make tangible steps towards a comprehensive global agreement? At this time, it must be said, considering the lack of real progress on mitigation and legal issues in Bonn, this appears to be very much in doubt.

Meanwhile, the UNFCCC institutional framework is stronger than ever following agreement in Cancun to establish the Technology Mechanism, Adaptation Committee, the Green Climate Fund and the Standing Committee on finance. Many feel that parties made progress on issues such as the Technology

Mechanism and the Adaptation Framework. It is clear that operationalization of these institutions, together with the new processes on MRV and agreement on details of the Green Climate Fund, are clear goals for Durban. Many also feel that these goals are achievable, providing parties stay on course. The question then is whether parties can avoid the set-backs faced by Odysseus and achieve a successful outcome in Durban. According to Homer, Odysseus was held captive by Calypso delaying his journey home by seven years. Many observers agree that the climate change negotiations cannot be held hostage for another year, much less seven, by the challenges governments’ face to make the necessary, yet politically and economically difficult, compromises. Odysseus eventually made it home to Ithaca, although a new set of challenges awaited him after his twenty-year absence. As the UNFCCC commemorates the twentieth anniversary of its adoption next year, its future will depend, in part, on how parties navigate through the hazards on the way to Durban.

## **UPCOMING MEETINGS**

**Joint IPCC Expert Meeting of WGI, WGII and WGIII on Geoengineering:** The IPCC will address the physical science basis of geoengineering in several chapters of the WGI contribution to AR5. WGII will address the impacts of geoengineering proposals on human and natural systems, and WGIII needs to take into account the possible impacts and side effects and their implications for mitigation cost to define the role of geoengineering within the portfolio of response options to anthropogenic climate change, including an evaluation of options for appropriate governance mechanisms. **dates:** 20-22 June 2011 **location:** Lima, Peru **contact:** IPCC Working Group III Technical Support Unit **phone:** +49-331-288-2472 **fax:** +49-331-288-2640 **email:** [act@ipcc-wg3.de](mailto:act@ipcc-wg3.de) **www:** <http://www.ipcc-wg3.de/meetings/expert-meetings-and-workshops/em-geoengineering>

**Sixth Asia Clean Energy Forum 2011: New Business Models and Policy Drivers—Building the Low-Carbon Future:** This forum, organized by Asian Development Bank (ADB), the US Agency for International Development, and World Resources Institute, seeks to promote best practices in clean energy policy and regulation, financing and investment, innovative business models, and energy access. Parallel breakout sessions will provide opportunities to discuss innovative and creative methods to break down barriers to large scale clean energy development and deployment in Asia Pacific. **dates:** 20-24 June 2011 **location:** ADB headquarters, Manila, Philippines **contact:** Aiming Zhou, ADB **phone:** +632-632-4444 **fax:** +632-636-2444 **email:** [azhou@adb.org](mailto:azhou@adb.org) **www:** <http://beta.adb.org/news/event/6th-asia-clean-energy-forum-2011>

**Vienna Energy Conference 2011:** This Conference, organized by the UN Industrial Development Organization (UNIDO), will convene under the banner “Energy for All: Time for Action.” Core themes to be addressed will include: agreeing on a common understanding of energy access; agreeing on a strategy to ensure universal access to modern energy services and increase energy efficiency by reducing energy intensity by 40% until 2030; identifying indicative targets and policies in support of these objectives; and prioritizing key national and

regional actions on energy access and energy efficiency. **dates:** 21-23 June 2011 **location:** Vienna, Austria **contact:** UNIDO Secretariat **email:** [info@viennaenergyforum.org](mailto:info@viennaenergyforum.org) **www:** <http://www.unido.org/index.php?id=1001185>

**Oslo REDD+ Exchange 2011:** This workshop is organized by Norway's International Climate and Forest Initiative and the Norwegian Agency for Development Cooperation. The workshop will focus on safeguards and REDD+, with a particular emphasis on the exchange of experiences from the field. **dates:** 23-24 June 2011 **location:** Oslo, Norway **contact:** Knut Lakså, Senior Adviser **email:** [knut.laksa@norad.no](mailto:knut.laksa@norad.no) **www:** <http://www.osloreddexchange.org/>

**IPCC Joint Expert Meeting of WGII and WGIII on Economic Analysis, Costing Methods and Ethics:** This IPCC expert meeting will address topics such as: identification and comparison of metrics; measuring risk and valuing information; technical change; adaptation as an economic process; integrated assessment; behavioral dimensions; intra- and intergenerational justice and costs; economic and ethical implications of decision making under uncertainty; social cost-benefit analysis; and optimal carbon prices in second-best settings. **dates:** 23-25 June 2011 **location:** Lima, Peru **contact:** IPCC WGII Technical Support Unit **phone:** +1-650-462-1047 ext. 229 **fax:** +1-650-462-5968 **email:** [tsu@ipcc-wg2.gov](mailto:tsu@ipcc-wg2.gov) **www:** <http://www.ipcc-wg2.gov/meetings/EMs/index.html#5>

**CIF Partnership Forum 2011:** The Climate Investment Funds (CIF) Partnership Forum 2011 has been rescheduled to be held in Cape Town, South Africa. The Forum provides an opportunity for all 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. It will be immediately preceded by a series of associated meetings, including pilot country meetings, from 20-23 June. **dates:** 24-25 June 2011 **location:** Cape Town, South Africa **contact:** CIF Administrative Unit **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)

**For Life, for the Future: Biosphere Reserves and Climate Change:** This conference is held on the occasion of the 40th anniversary of the UN Educational, Scientific and Cultural Organization (UNESCO) Man and the Biosphere (MAB) programme. It is organized by UNESCO-MAB, the German Federal Ministry for the Environment, the German Federal Agency for Nature Conservation and the German Commission for UNESCO. The conference will bring together high-level political and scientific representatives, both from climate and nature conservation politics, from administration, science and practice from all over the world, including several ministers. The conference will demonstrate how more than 560 UNESCO biosphere reserves in over 100 countries, beyond conserving biodiversity, can contribute to effective climate change mitigation and adaptation. **dates:** 27-28 June 2011 **location:** Dresden, Germany **www:** <http://www.mab40-conference.org/index.php?id=home0>

**Third Africa Carbon Forum:** The Africa Carbon Forum is a trade fair and knowledge-sharing platform for carbon investments in Africa. The third Africa Carbon Forum is

intended to bring together representatives from Designated National Authorities, national focal points, representatives from several UN agencies, governments and the private sector, and will include matchmaking and deal facilitation sessions that will allow potential CDM project developers to showcase their projects to interested parties, including investors and carbon buyers. **dates:** 4-6 July 2011 **location:** Marrakesh, Morocco **contact:** Miriam Hinostroza **email:** [acf@risoe.dtu.dk](mailto:acf@risoe.dtu.dk) **www:** <http://africacarbonforum.com/2011/english/index.htm>

**CGRFA Special Event on Climate Change:** This special event will precede the 13th Regular Session of the Commission on Genetic Resources for Food and Agriculture (CGRFA), which will be held from 18-23 July 2011. **date:** 16 July 2011 **location:** Rome, Italy **contact:** Ms. Eva Hain, CGRFA Secretariat **fax:** +39-6-57055246 **email:** [Eva.Hain@fao.org](mailto:Eva.Hain@fao.org) **www:** [http://www.fao.org/fileadmin/templates/nr/documents/CGRFA/EN\\_DaftAgenda\\_CC\\_Final.pdf](http://www.fao.org/fileadmin/templates/nr/documents/CGRFA/EN_DaftAgenda_CC_Final.pdf)

**UNFCCC Resumed Sessions of AWG-KP 16 and AWG-LCA 14:** The resumed 14th session of the AWG-LCA and the resumed 16th session of the AWG-KP will convene in late September/early October. **dates:** TBA **location:** TBA **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** [secretariat@unfccc.int](mailto:secretariat@unfccc.int) **www:** <http://www.unfccc.int>

**John Tyndall Conference 2011:** The Royal Irish Academy and the Irish Environmental Protection Agency are holding a conference to mark the 150th anniversary of the publication of John Tyndall's breakthrough experimental work on the absorption of infrared radiation by various atmospheric gases. The conference topics include Greenhouse Warming Potentials and other metrics for comparison of radiatively active substances and current science on climate feedbacks. **dates:** 28-30 September 2011 **location:** Dublin, Ireland **contact:** Clara Clark, event management **phone:** +353-1-2898533 **email:** [clara@claraclark.ie](mailto:clara@claraclark.ie) **www:** [www.tyndallconference2011.org](http://www.tyndallconference2011.org)

**Climate Change: How to Secure Our Future Well Being: A Health and Security Perspective:** This high-level briefing aims to understand the problems and identify solutions around climate change and the implications for health and security. Senior military and medical professionals will deliver briefings on health impacts and security implications of climate change. Engagement with the business community is encouraged. The event is co-sponsored by several international groups including Chatham House, the Climate and Health Council, the European Climate Foundation, the Society of Biology, London School of Hygiene and Tropical Medicine, and the Health and Environment Alliance. **date:** 17 October **location:** London, UK **contact:** Geetha Balasubramaniam **phone:** +44-20-7383-6396 **email:** [climatechange@bmj.com](mailto:climatechange@bmj.com) **www:** <http://climatechange.bmj.com>

**WRCP – Climate Research in Service to Society:** Co-sponsored by WMO, the World Climate Research Programme (WCRP) Open Science Conference on "Climate Research in Service to Society" will identify key scientific challenges and opportunities to advance understanding and prediction of variability and change of the Earth's climate system on all space and time scales. **dates:** 24-28 October 2011 **location:** Denver,

Colorado, USA **contact:** WCRP Joint Planning Staff **phone:** +41-22-730-8111 **fax:** +41-22-730-8036 **email:** wcrp@wmo.int **www:** <http://conference2011.wcrp-climate.org/>

**Joint IPCC WGI and WGII Session:** This meeting will be held back to back with IPCC 34. It is scheduled to approve the Special Report of the Intergovernmental Panel on Climate Change (IPCC) on “Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation” Summary for Policymakers and accept the underlying document. **dates:** 14-17 November 2011 **location:** TBA **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025 **email:** IPCC-Sec@wmo.int **www:** <http://www.ipcc.ch/>

**IPCC 34th Session:** The 34th session of the IPCC will consider the SREX report scheduled to be approved by the preceding joint sessions of IPCC Working Groups I and II. The session will also continue consideration of the IPCC review among other matters. **dates:** 18-19 November 2011 **location:** TBA **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025 **email:** IPCC-Sec@wmo.int **www:** <http://www.ipcc.ch/>

**11th World Congress of the Organization of World Heritage Cities: World Heritage Cities and Climate Change:** The theme of the 11th World Congress of the Organization of World Heritage Cities is “World Heritage Cities and Climate Change.” The Congress aims to create a platform for dialogue and exchange of state-of-the-art knowledge on the issue of World Heritage Cities and Climate Change and its transfer into policy and action. The Congress will include sessions on adaptation and mitigation measures to be taken by historic cities, a poster session featuring case studies related to the theme of the Congress, and activities for a select group of journalists, who will contribute their views about the relations between heritage and climate change. **dates:** 22-25 November 2011 **location:** Sintra, Portugal **contact:** Kerstin Manz, UNESCO **phone:** +33-(0)1-4568-1202 **email:** k.manz@unesco.org **www:** <http://whc.unesco.org/en/events/739>

**UNFCCC COP 17 and COP/MOP 7:** The 17th session of the UNFCCC Conference of the Parties (COP 17) and the 7th session of the Meeting of the Parties (MOP 7) to the Kyoto Protocol 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 **www:** <http://unfccc.int/> and <http://www.cop17durban.com>

## GLOSSARY

AAU	Assigned Amount Unit
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 under the Convention
CBD	Convention on Biological Diversity
CDM	Clean Development Mechanism
CGE	Consultative Group of Experts
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol
CTCN	Climate Technology Centre and Network
GEF	Global Environment Facility
GHG	Greenhouse Gas
GWP	Global Warming Potential
EIG	Environmental Integrity Group
ENGO	Environmental NGO.
IAR	International Assessment and Review
ICA	International Consultation and Analysis
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least Developed Countries
LEG	Least Developed Countries' Expert Group
LULUCF	Land use, land-use change and forestry
MRV	Measuring, reporting and verification
NWP	Nairobi Work Programme on impacts, vulnerability and adaptation
NAMA	Nationally appropriate mitigation actions
NAPA	National adaptation programme of action
REDD	Reducing emissions from deforestation and forest degradation in developing countries
REDD+	Reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
SB	Subsidiary Bodies
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
TEC	Technology Executive Committee
TNAs	Technology Needs Assessments
UNCCD	United Nations Convention to Combat Desertification
UNFCCC	United Nations Framework Convention on Climate Change



# Climate Change Policy & Practice

**Climate Change Policy & Practice (formerly called Climate-L.org) is a knowledge management project carried out by the International Institute for Sustainable Development Reporting Services (IISD RS) in collaboration with the UN System Chief Executives Board for Coordination.**

**This knowledgebase of UN and intergovernmental activities addressing the challenge of global climate change features:**

- news on UN and intergovernmental activities related to international climate change policy, updated on a daily basis;
- an iCal of upcoming climate change events;
- guest articles by key figures of the climate community and UN leaders; and
- policy updates.

**New posts to the knowledgebase are distributed through the Climate Change Daily Feed, which is distributed exclusively through our community listserve, CLIMATE-L.**

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