

## UN CLIMATE CHANGE CONFERENCE IN BONN: 6 - 17 JUNE 2011

The UN Climate Change Conference in Bonn begins today and is scheduled to conclude on 17 June 2011. The conference will include the 34th sessions of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA). It also comprises 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 SBI is expected to continue consideration of issues, such as national communications, the financial mechanism, least developed countries (LDCs), capacity building and technology. Following the Cancun Agreements, the SBI's provisional agenda (FCCC/SBI/2011/1) also includes proposed new items on: work programmes relating to reporting by Annex I and non-Annex I countries; adaptation; and response measures. The SBSTA is expected to continue addressing issues, including: the Nairobi work programme on impacts, vulnerability and adaptation; methodological issues; technology; and research and systematic observation. Its provisional agenda (FCCC/SBSTA/2011/1) also contains proposed new items, including the work programme on agriculture, and impacts of climate change on water and water resource management. Under the agenda item on reducing emissions from deforestation and forest degradation in developing countries (REDD), the SBSTA is also expected to initiate a new work programme on issues identified in Decision 1/CP.16, which is part of the Cancun Agreements.

Having reached agreement on its agenda (FCCC/AWG-LCA/2011/5) in April, the resumed AWG-LCA 14 is expected to address substantive issues for the first time since the adoption of the Cancun Agreements last December. The resumed AWG-KP 16 is expected to, *inter alia*, continue discussions on overarching policy issues in a contact group established in Bangkok.

### 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/AWG/LCA/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 measuring, reporting and verification (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 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 land use, land-use change and forestry (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:**

After Cancun, 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 will form 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.

#### **INTERSESSIONAL HIGHLIGHTS**

##### **MAJOR ECONOMIES FORUM ON ENERGY AND CLIMATE CHANGE (MEF):**

The tenth meeting of the Leaders’ Representative level of the Major Economies Forum on Energy and Climate was hosted by the European Commission and took place in Brussels, Belgium, from 26-27 April 2011.

According to the Co-Chairs’ summary of the event, the session brought together 17 ministers and officials from major economies. Representatives from the UN, Denmark, Egypt, Maldives, New Zealand, Poland, Singapore, Spain and the United Arab Emirates also participated in the session. Argentina, Barbados, Colombia, the Democratic Republic of the Congo and Ethiopia had also been invited to send representatives. Participants discussed how to advance prospects for a successful outcome in Durban that is ambitious yet pragmatic, and provides opportunities for Africa.

##### **FIRST MEETING OF THE TRANSITIONAL COMMITTEE FOR THE DESIGN OF THE GREEN CLIMATE FUND:**

Attended by parties and observers, the first meeting of the Transitional Committee for the design of the Green Climate Fund took place in 28-29 April in Mexico City, Mexico. Three ministers were chosen to co-chair the Transitional Committee: Mexican Finance Minister Ernesto Cordero Arroyo; South African Minister for Planning Trevor Manuel; and Norway’s State Secretary at the Ministry of Finance Kjetil Lund.

Four work streams were identified for the Committee, to be led by eight work-stream co-facilitators. The first work stream covers scope, guiding principles and cross-cutting issues. The second focuses on governance and institutional arrangements. The third work stream considers operational models and the fourth addresses monitoring and evaluation.

**GROUP OF EIGHT (G-8):** The Leaders of the G-8 met in Deauville, France, from 26-27 May 2011, to discuss, *inter alia*, green growth, climate change and biodiversity. The Summit concluded with the adoption of a Declaration “Renewed Commitment for Freedom and Democracy.” The leaders, *inter alia*, pointed to the UN Climate Change Conference in Durban as an opportunity to operationalize the Cancun Agreements and address unresolved issues.

## SB 34 AND AWG HIGHLIGHTS: MONDAY, 6 JUNE 2011

In the morning, the opening plenary of the Subsidiary Body for Scientific and Technological Advice (SBSTA) convened. The opening plenary of the Subsidiary Body for Implementation (SBI) remained suspended throughout the day and was finally postponed until Tuesday, pending consultations on the agenda.

### SBSTA

**ORGANIZATIONAL MATTERS:** SBSTA Chair Mama Konaté (Mali) invited parties to introduce their proposals for new items on the provisional agenda (FCCC/SBSTA/2011/1).

On the proposed item on a work programme on agriculture, NEW ZEALAND, with CANADA, said the work programme would allow the SBSTA to explore technical and methodological issues relating to adaptation and mitigation in the agriculture sector. NEW ZEALAND clarified that the proposal would support the work of the AWG-LCA and result in a decision at COP 17.

On blue carbon: coastal marine systems, PAPUA NEW GUINEA explained that the agenda item would include consideration of wetlands and coastal ecosystems.

On rights of nature and the integrity of ecosystems, BOLIVIA called for a space to discuss the impacts of climate change on ecosystems.

On the forum on the impact of the implementation of response measures, SAUDI ARABIA said the mandate was based on Decision 1/CP.16 (outcome of the work of the AWG-LCA) and that the proposed item would replace the agenda item on economic and social consequences of response measures.

On the impacts of climate change on water resources and water resource management, ECUADOR highlighted the human right to water.

Commenting on the provisional agenda, Argentina, for the 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. He also called for another meeting of the SBs before Durban.

The Democratic Republic of the Congo, for the AFRICAN GROUP, with Grenada, for 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 REDD and the Nairobi Work Programme on impacts, vulnerability and adaptation (NWP). The Gambia, for the LDCs, highlighted research and systematic observation and enhancement of the NWP to support adaptation implementation in LDCs. Grenada, for AOSIS, stressed the need for accelerating work under the NWP.

Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), underscored the need for methodological work on 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. SOUTH AFRICA highlighted the party-driven nature of the process and expressed commitment to a transparent process at COP 17 and COP/MOP 7 in Durban.

SBSTA Chair Konaté suggested that parties adopt the agenda, allowing work to progress on items previously addressed by the SBSTA, including work on issues requested by COP 16. He further proposed holding new issues in abeyance pending consultations. Konaté also explained that the SBI Chair was conducting consultations on the economic and social consequences of response measures, and forum on implementation of response measures, saying the solution

reached there could be imported to the SBSTA. He emphasized the proposal would allow work to progress and countries to express their views on new issues.

The US, ARGENTINA, the EU, VENEZUELA, SURINAME, COLOMBIA, EGYPT, SAUDI ARABIA, BRAZIL, AUSTRALIA, the PHILIPPINES, ECUADOR, SWITZERLAND, INDONESIA, CHINA, COSTA RICA, SINGAPORE, MALAYSIA and TRINIDAD AND TOBAGO supported this approach. VENEZUELA emphasized that the consultations could result in issues being dropped. ARGENTINA supported the proposal but clarified that all new items should be held in abeyance pending outcome of consultations, and suggested that dropping some issues could be an outcome of the consultations. PAPUA NEW GUINEA said she could support launching work on issues traditionally on the SBSTA agenda if there is agreement that the SBSTA plenary will reconvene in one week's time to provide an update on the inclusion of new items in the agenda.

The UMBRELLA GROUP supported having agriculture as a separate item. The US called for addressing response measures, blue carbon and water under existing agenda items. INDONESIA opposed discussion of issues under consideration by the AWG-LCA, such as agriculture, but supported consultations on the agenda. PAKISTAN called for adequate consideration of water resource management and agriculture as separate agenda items or as separate elements under the NWP. COLOMBIA, with BRAZIL, supported consideration of agriculture and water resource management under existing agenda items.

BRAZIL noted that other proposed items, including blue carbon, are not mature enough for consideration. He also said that those items under consideration by the AWG-LCA, including agriculture, should not be considered separately. The AFRICAN GROUP, with SWITZERLAND, expressed concern with opening up sectoral issues as separate agenda items.

BOLIVIA opposed inclusion of REDD on the agenda, noting that including items on the agenda stemming from the Cancun Agreements, which were not adopted by consensus, was not acceptable. She said she could accept holding this item in abeyance with the other items and proposed broadening the title of the agenda item to "measures with regard to forests."

COLOMBIA, with MALAYSIA, underscored the importance of keeping REDD on the agenda. TUVALU, with the PHILIPPINES, noted sympathy for Bolivia's position on REDD, but said there are ways to accommodate different positions. Noting that REDD has been on the SBSTA agenda before, AUSTRALIA said REDD should not be considered in the same category as other new issues. GUYANA, with COSTA RICA and SURINAME, said the decision to bring REDD to SBSTA was made by the COP and that no party subsequently has the right to

remove it from the agenda. 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."

TUVALU called for more transparency in REDD negotiations. He stressed that REDD negotiations should be facilitated by Annex I and non-Annex I country representatives from countries that do not have a material interest in an outcome on REDD. He said all consultations should occur in a contact group so that indigenous peoples and other stakeholders can have direct input into the negotiations.

SBSTA Chair Konaté informed delegates that he would conduct consultations on REDD, while consultations continued under the SBI on response measures, and that the SBSTA would resume in the afternoon. The plenary was then suspended.

At 7:25 pm the SBSTA reconvened briefly. SBSTA Chair Konaté informed parties that consultations were ongoing and that the SBSTA would resume on Tuesday.

### IN THE CORRIDORS

The Bonn Climate Change Conference opened at the familiar Maritim Hotel against the backdrop of blue skies and warm summer sun. The day ended, however, with cloudy weather, mirroring the mood inside the conference venue.

Apart from a SBSTA meeting in the morning, the opening plenaries of the two Subsidiary Bodies remained suspended throughout the day. The delay was due to parties' divergent views on the proposed agendas of the two bodies. In addition to modifications on the "traditional" agendas based on the Cancun outcomes, various parties proposed new items, some of them apparently controversial.

Most delegates therefore spent the day either waiting for the meetings to begin, or trying to reach agreement on the agendas behind closed doors. Just before the reception hosted by the Mayor of Bonn, scheduled for 7 pm, the Chair announced that the SBI opening plenary would be postponed until Tuesday morning. The delay prompted some delegates to mention the "Bangkok track." One noted: "I hope we don't raise the ghosts of Bangkok, though I expect that we'll have to spend some time trying to agree on the agenda."

The SBSTA plenary got off to an early start, but the morning's discussions revealed differing views on how to proceed, including on REDD. Informal consultations therefore followed. In the evening, some negotiators seemed optimistic that agreement had been reached on how to address REDD. Just before 7:30 pm, however, the Chair announced that the SBSTA plenary would also be postponed until Tuesday. "Looks like we are going back to the future," said one delegate, as he hurriedly exited the Maritim.

## SB 34 AND AWG HIGHLIGHTS: TUESDAY, 7 JUNE 2011

On Tuesday morning, the opening plenaries of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) and the Subsidiary Body for Implementation (SBI) convened. In the morning and afternoon, the opening plenary of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) took place. The AWG-LCA contact group also convened in the afternoon. The opening plenary of the Subsidiary Body for Scientific and Technological Advice (SBSTA) remained suspended throughout the day.

### AWG-KP

Opening the resumed AWG-KP 16, Chair Adrian Macey (New Zealand) recalled the adopted agenda and scenario note from Bangkok, and the scenario note for this meeting (FCCC/KP/AWG/2010/18/Add.1 and FCCC/KP/AWG/2011/1-3). He noted that Andrea Garcia-Guerrero (Colombia) would conduct consultations with regional groups on election of a rapporteur and that the election would take place during the AWG-KP closing plenary. He also introduced the report of the AWG-LCA workshop on developed country mitigation (FCCC/KP/AWG/2011/7).

UNFCCC Executive Secretary Christiana Figueres noted that, despite funding gaps, the Secretariat had undertaken technical assessments of Annex I party submissions on forest management reference levels, mandated by Decision 2/CMP.6 (land use, land-use change and forestry). AWG-KP Chair Macey underscored the need to resolve key political issues and make progress on technical issues. He proposed that the AWG-KP continue work in a single contact group on Annex I parties' further commitments.

**OPENING STATEMENTS:** Argentina, for the G-77/CHINA, reiterated concern with the slow progress towards a second commitment period, emphasizing the need to reduce the gap between pledges and what is required by science and historical responsibility. He stressed that political will is critical to moving technical issues forward and said the relevance of the Kyoto Protocol should not be eroded.

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. She identified elements of the Kyoto Protocol that should form the basis of a comprehensive rules-based framework, and called for a pragmatic agreement that parties are able to ratify.

The EUROPEAN UNION (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 been met or can be met. She stressed the need for political input, and said technical and legal issues should be discussed once the previous steps have been taken.

The Democratic Republic of the Congo, for the AFRICAN GROUP, said agreement on a second commitment period in Durban is "absolutely essential." He expressed concern over slow progress and lack of commitment to a second commitment period by several Protocol parties. 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 ENVIRONMENTAL INTEGRITY GROUP (EIG), expressed commitment to working towards early completion of the AWG-KP's work to avoid a gap between commitment periods, while highlighting links between the two tracks.

The Gambia, for the LDCs, stressed the need to resolve all outstanding issues in Bonn. He reminded parties distancing themselves from the Protocol that the flexibility mechanisms are an integral part of it, and emphasized the need to continue the Clean Development Mechanism (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 AMERICAS (ALBA), identified Cancun as a step back for the AWG-KP and called for agreement on a second commitment period in Durban.

MEXICO, as the COP/MOP Presidency, identified the need to avoid a gap between commitment periods and said both tracks should be maintained as parties work towards an agreement. On the path towards Durban, SOUTH AFRICA, as the incoming Presidency, noted the challenges but expressed optimism that the talks would continue to instill confidence in the UNFCCC process. She emphasized the need for compromise over intractable problems to avoid "competitive unilateralism."

TUVALU stated that the Chair's revised proposal on Annex I parties' further commitments (FCCC/KP/AWG/2010/CRP.4/Rev.4) is not appropriate as a basis for further work and emphasized that the AWG-KP negotiations should be undertaken only by those parties who intend to continue to participate in the Kyoto Protocol.

The CLIMATE ACTION NETWORK (CAN) stressed the importance of the 1.5°C target, increasing pledges and ensuring that quantified emission reduction targets are fair and equitable. International Emissions Trading Association, for BINGOs, identified the CDM and joint implementation (JI) as "tangible" outcomes that should be secured and developed alongside a long-term agreement, and urged avoiding a gap

between commitment periods. Freedom from Debt, for ENGOs, underlined the inadequacy of the current pledges to meet the warming target. The Norwegian Federation for the Environment and Development (NFED), for YOUNGOs, called for clear leadership by Annex I parties and a “race to the top.”

### SBI

**ORGANIZATIONAL MATTERS:** SBI Chair Robert Owen-Jones (Australia) opened the session. He explained that based on extensive consultations with parties, a revised provisional agenda (FCCC/SBI/2011/1/Rev.1) had been issued, but that parties were not yet ready to adopt the agenda in its entirety. He proposed that parties commence work on the following items on the provisional agenda: the financial mechanism; Convention Article 6 (education, training and public awareness); Convention Articles 4.8 and 4.9 (implementation of Decision 1/CP.10 on the Buenos Aires programme of work); 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, with a view to adopting the agenda at a later date.

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 agenda item on national adaptation plans for LDCs, as provided for in Decision 1/CP.16. SAUDI ARABIA said that the item on forum on the implementation of response measures should also be included, observing that consulting further on some items implied that these items were being held in abeyance. The EU expressed preference for all items to be considered as “one comprehensive package” and cautioned against “isolating” certain items.

Highlighting the central role that adaptation plays for all developing countries and the need for balance, COLOMBIA supported the Chair’s proposal as a positive and pragmatic way forward. Grenada, for AOSIS, and AUSTRALIA also supported the proposal, with AUSTRALIA saying that “governments cannot afford another six million dollar agenda.” BOLIVIA requested the meeting’s record reflect that Decision 1.CP/16 was adopted despite the formal and explicit objection by one party to the Convention.

SOUTH AFRICA proposed adding the agenda item on a forum on the impact of the implementation of response measures and a modified agenda item on national adaptation plans (item 8) to the list of items on which work would commence pending consultations on the outstanding items. He proposed amending item 8 to read “modalities and guidelines for a process to enable LDCs to formulate and implement national adaptation plans, which could be employed by other developing countries.” AUSTRALIA and the US opposed this proposal, stressing that it does not reflect balance, while TANZANIA and SAUDI ARABIA supported the proposal.

SBI Chair Owen-Jones then announced that he would hold informal consultations on the outstanding agenda items later in the afternoon and reiterated his original proposal. The LDCs and SAUDI ARABIA opposed this proposal. Noting lack of consensus on the way forward, Chair Owen-Jones said informal consultations on the agenda would continue in the afternoon and suspended the meeting.

### AWG-LCA

Opening the resumed AWG-LCA 14, Chair Daniel Reifsnyder (US) noted the agenda adopted in Bangkok (FCCC/AWG-LCA/2011/5) will provide the structure and scope of work for the AWG-LCA and includes both work to implement Decision 1/CP.16 (outcome of the AWG-LCA’s work) and issues that remain unresolved.

**INTERSESSIONAL ACTIVITIES:** As the COP Presidency, MEXICO 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 they would hold further consultations in the coming months in cooperation with South Africa.

As the incoming Presidency, SOUTH AFRICA announced consultations on Saturday on the Durban outcome.

FRANCE highlighted the Climate Paris-Nairobi Initiative for universal access to clean energy in Africa, which had its first Ministerial-level meeting in April.

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. She said a separate briefing event on the Transitional Committee would be held during the Bonn meeting.

On fast-start finance, AWG-LCA Chair Reifsnyder drew attention to parties’ submissions, said an information document would be issued after Bonn and announced plans to hold a separate briefing in Bonn.

**OPENING STATEMENTS:** Argentina, for the G-77/CHINA, warned against transferring issues from the AWG-LCA to the SBs 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, noted 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 measuring, reporting and verification (MRV) by developed and developing countries for the review 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 ECONOMIES IN TRANSITION, stressed the importance of technology transfer and capacity building.

Switzerland, for the EIG, supported working in a single contact group with spinoff groups, noted the usefulness of the workshops, and called for early establishment of a 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 represented a step forward, they still lacked 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 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.

The International Chamber of Commerce, for BINGOs, called for, *inter alia*, predictability through medium- and long-term objectives, a clear process for the Technology Mechanism and new financial tools on market and non-market mechanisms.

Supporting the inclusion of agriculture in the negotiations, the International Confederation of Organic Farmers, for FARMERS NGOs, underscored the importance of agriculture for local and global food security.

The International Trade Union Confederation, for TRADE UNIONS NGOs, emphasized that a fair and ambitious agreement is the only way of protecting vulnerable workers, noting that there could be no possibility of social justice amidst climate chaos.

**ORGANIZATION OF WORK:** AWG-LCA Chair Reifsnyder then proposed the organization of work (FCCC/AWG-LCA/2011/5), and delegates agreed to undertake substantive work on all items in a single contact group. He urged parties to propose draft text to facilitate negotiations and noted that stocktaking meetings of the contact group would be held to inform parties and observers of progress.

#### **AWG-LCA CONTACT GROUP**

In the afternoon, AWG-LCA Chair Reifsnyder opened the contact group. He proposed undertaking the contact group's work through informal consultations on: a shared vision, facilitated by AWG-LCA Vice-Chair Margaret Mukahanana-Sangarwe (Zimbabwe); 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, 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) and another facilitator yet to be identified; technology transfer, facilitated by Jukka Uosukainen (Finland); capacity building, facilitated by Uosukainen; review, facilitated by AWG-LCA 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 with special circumstances, facilitated by Kunihiko Shimada (Japan).

AWG-LCA Chair Reifsnyder indicated that he would monitor the progress of, and provide guidance to, the informal groups, and said the AWG-LCA contact group will hold regular stocktaking meetings.

The PHILIPPINES sought clarification on how the information sessions on the work of the Transitional Committee and fast-start finance, and the workshops scheduled for this session would feed into the work of the AWG-LCA. She also emphasized that text should mainly be provided by parties, and that the facilitators should only provide text at the request of parties. AWG-LCA Chair Reifsnyder clarified that there is no formal link between the information sessions and the work of the AWG-LCA. He also agreed that, in the first instance, text must come from parties.

TUVALU expressed concern with the manner in which consultations on REDD+ were undertaken in Cancun, highlighting that no contact group meetings were convened to consider the issue or approve conclusions or documents. Stressing the need for transparency and inclusiveness, he

proposed, supported by BOLIVIA and NICARAGUA, that REDD+ discussions should be held in a contact group, rather than in a spinoff group or informal consultations, to ensure the involvement of indigenous peoples and other stakeholders, and that facilitators should be selected from Annex I and non-Annex I countries that have no material or financial interest in REDD+ outcomes. AWG-LCA Chair Reifsnyder noted that REDD+ includes more than just REDD+ financing, which is why an informal group has been proposed to consider REDD+ issues broadly.

The US underscored that the stocktaking meetings would provide information on progress, allowing observers to participate. He also said that parties could decide to allow observers to participate in the informal groups. PAPUA NEW GUINEA, with GUYANA, SURINAME and CAMEROON, supported the AWG-LCA Chair's proposal, with PAPUA NEW GUINEA highlighting that Tuvalu does not represent forested countries. She underscored that she does not support Tuvalu's tactics of targeting countries, like Norway, that are providing leadership on this issue.

AWG-LCA Chair Reifsnyder 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. Noting that there is sufficient concern with transparency and inclusiveness, he said he would be surprised if observers were not allowed into the meetings. Chair Reifsnyder added that if the issue is not satisfactorily resolved, it can then be addressed during the contact group's stocktaking meetings.

#### **IN THE CORRIDORS**

Tuesday was a somewhat busier day in Bonn, as work began on long-term issues under the two AWGs. During the opening plenaries, a number of delegates voiced concerns over the lack of ambition on mitigation. Several of them also drew attention to data published recently by the International Energy Agency showing that in 2010, global greenhouse gas emissions were higher than ever before.

In search of solutions, many attended a lunchtime special event by the SBSTA and the Intergovernmental Panel on Climate Change (IPCC) on the new IPCC Special Report on Renewable Energy Sources and Climate Change Mitigation. While the report reaffirmed the increasing growth of emissions, it also gave delegates some reasons for optimism. Messages from the IPCC included that the technical potential of renewable energy technologies exceeds the current demand and increasing renewable energy is therefore not so much a technical challenge as an economic one. The report also drew attention to the role that renewable energy could play in achieving low stabilization scenarios. "That was an interesting event," commented one negotiator afterwards, "but it also showed we need to work much harder on mitigation in the negotiations."

Meanwhile, the battle over the SBI and SBSTA agendas headed into day two. In the morning, the SBI opened and attempted to forge ahead, but was soon forced to return to informal consultations, which continued late into the evening. Late in the afternoon, SBSTA Chair Konaté announced that, while the question concerning REDD on the SBSTA agenda had been resolved, discussions on the forum on response measures continued. In the corridors, some negotiators reported that the key sticking point concerning the SBI agenda was MRV, and the proposed agenda item on a forum on response measures was controversial on both agendas. One exasperated technical expert worried that "technical issues are being held hostage to policy debates," while another seasoned negotiator pointed to the "proliferation of response measures" in the agendas. As afternoon turned to evening, the spotlight was on the cramped backroom where the seemingly intractable issues were to be resolved, with one impatient negotiator suggesting "sending in the swat team to release the hostage agendas."



# Climate Change Policy & Practice

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## SB 34 AND AWG HIGHLIGHTS: WEDNESDAY, 8 JUNE 2011

In the morning, the SBSTA dialogue on relevant research activities convened. In the morning and afternoon, the SBI in-session workshop on enhancing the engagement of observer organizations also took place. Throughout the day, informal consultations were held under the AWG-LCA on issues including shared vision, finance, technology, capacity building, review and various approaches, including markets. The AWG-KP contact group on item 3 (Annex I parties' further commitments) met in the morning and afternoon. The opening plenaries of the SBI and SBSTA remained suspended throughout the day.

### SBI IN-SESSION WORKSHOP

In the morning, SBI Chair Robert Owen-Jones (Australia) opened the SBI in-session workshop on enhancing the engagement of observer organizations. The workshop was facilitated by Andrew Ure (Australia).

The Secretariat presented on current practices, highlighting the fundamental value of observer engagement and describing how observer engagement has evolved over the last 16 years. She outlined multi-faceted modes of observer engagement and noted that heightened interest has increased participation. The Secretariat also cautioned that any improvements would have to be made without substantial budgetary requirements.

The EU highlighted ways to enhance global participation, including: improving access to documents; increasing observer participation in meetings, including informal meetings; and maximizing the added value that NGOs could provide to the negotiations.

The US presented on ensuring observer participation as the Convention evolves. He said that despite challenges within the UNFCCC process to make efficient use of time, accessibility by civil society has to be ensured. Among possible enhancements, he mentioned: promoting informal interaction between observers and parties; opening informal groups addressing significant issues to observer participation; and increasing the use of workshops.

AUSTRALIA underscored the value of observer engagement in improving transparency and for developing an enhanced framework for measuring, reporting and verification (MRV) and provision of support to developing countries. She also identified the need to draw on the private sector and other observers in designing new institutions and mechanisms. AUSTRALIA

recommended a platform for observers to report and comment on specific outcomes and a forum for observers to provide input to the COP high-level segments.

BINGOs recommended exploring how existing models for participation can be enhanced by new technologies and innovative approaches, such as online registration systems and a dedicated web page for each observer constituency.

On interventions, ENGOs noted the need for increasing ways of inviting views drawing on best practices from the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters. On NGO actions, she noted that the current criteria for resolving disputes are vague and proposed a committee to develop rules of procedure. INDIGENOUS PEOPLES suggested, among other proposals, abandoning closed-door meetings on issues that are relevant to indigenous peoples' rights, such as finance, REDD+, adaptation and technology transfer. LOCAL GOVERNMENT AND MUNICIPAL AUTHORITIES said local governments should be fully recognized, resourced, empowered and involved in the UNFCCC process, as local and sub-national action is key to achieving the global targets.

RINGOs proposed: greater transparency and openness in informal negotiations; enhanced dialogue between groups and constituencies; and extending the participation of civil society in the Transitional Committee for the Design of the Green Climate Fund to other UNFCCC mechanisms.

TUNGOs supported, *inter alia*, improved access to documents, including non-papers, and increased opportunities to help the Secretariat with technical inputs. WOMEN AND GENDER NGOs suggested: a more transparent and accountable process; increasing resources for civil society capacity building, in particular under-represented groups; and more balanced interventions. YOUNGOs proposed open access to informal negotiations and enabling timely input by civil society in sessions.

In the ensuing discussion, Bangladesh, for the G-77/CHINA, supported increasing the inclusion of civil society in the negotiations and suggested exploring ways to enhance the involvement of civil society members from developing countries. SOUTH AFRICA said the suggestions for enhancing civil society participation should be reflected in a concrete proposal for further consideration. The INTERNATIONAL COUNCIL ON MINING AND METALS highlighted the need for partnerships and collaboration with stakeholders, by, *inter alia*, involving them in the implementation of actions. BINGOs

underscored the need to enhance participation of developing country stakeholders, such as by building their capacity to participate in the process.

Facilitator Ure summarized the discussions, noting that most speakers had reinforced the value of observers to the process and emphasized the need to enhance their participation.

In the afternoon, the SBI in-session workshop continued with a focus on concrete proposals. Issues considered included online participation and experiences from the First World People's Conference on Climate Change and the Rights of Mother Earth, including the idea of a world referendum on climate change.

Participants also addressed the need to: increase participation of civil society members from developing countries and grassroots movements; address language barriers; ensure continuity and create a regular process for consultations; and change attitudes to the issue of opening informal meetings and improving interaction with civil society.

Workshop participants also proposed: requesting submissions on enhancing consultative channels with observer constituencies; creating a participation fund for civil society; allowing observer representatives to attend bureau meetings; ensuring active participation by indigenous peoples, *inter alia*, by creating associated bodies and mechanisms, such as an advisory body on issues of direct relevance to indigenous peoples; and allowing civil society representatives to interact with ministers during the COP high-level segments.

Participants also stressed that information technologies cannot replace direct interaction and underscored the importance of informal "lobbying." They noted that the suggested participation trust fund would help to enhance balanced geographical participation and that similar funds have been successfully created under other processes. Participants also lamented the requirement of registering civil society actions 48 hours in advance, underlining the need for a process to address differing views on the rules of procedure.

A webcast of the workshop is available at: < [http://unfccc2.meta-fusion.com/kongresse/110606\\_SB34/templ/ovw\\_onDemand.php?id\\_kongressmain=171](http://unfccc2.meta-fusion.com/kongresse/110606_SB34/templ/ovw_onDemand.php?id_kongressmain=171)>

### **SBSTA DIALOGUE ON RELEVANT RESEARCH ACTIVITIES**

SBSTA Chair Mama Konaté (Mali) opened the SBSTA dialogue on relevant research activities, noting that it provides up-to-date scientific information to parties and enables them to communicate their needs and priorities to the scientific community. The dialogue consisted of sessions focusing on recent scientific findings and activities, and on communicating climate science and building research capacity.

Sergio Castellari, Italy, presented highlights from the SBSTA workshop on the research dialogue (FCCC/SBSTA/2011/INF.6), including that current emissions are at the high end of the scenarios in the IPCC Fourth Assessment Report (AR4).

Guy Midgley, Earth System Science Partnership, indicated that: greenhouse gas emissions are currently growing at an annual rate of 5.6% rather than 3% as projected by the IPCC; ecosystems and biodiversity absorb half of global atmospheric carbon; efficiency of land sinks is declining by approximately 10%, projected to further decline with warmer temperatures; land cover plays a significant role in regulating heat waves; and the health co-benefits of reducing air pollution could counter the cost of mitigation in some countries.

Drew Shindell, UNEP, summarized an assessment on black carbon (BC) and tropospheric ozone. He promoted addressing BC and methane in addition to carbon dioxide, highlighting benefits to human health and food security.

Morten Skovgård Olsen, Arctic Monitoring and Assessment Programme, discussed current trends in Arctic ice, snow and permafrost, highlighting that rates were changing faster than projected and that melting would introduce new policy challenges such as off-shore drilling.

Presenting on sea-level rise and scenario development, IPCC Vice-Chair Jean-Pascal van Ypersele highlighted new information since AR4. Discussing new features in the IPCC Fifth Assessment Report (AR5), IPCC Secretary Renata Christ described, *inter alia*, new guidance to IPCC authors on uncertainties and risks, and on detection and attribution. She also highlighted recent research on ocean acidification and explained that AR5 will address, among other issues, geoengineering.

Several parties offered input on research needs and priorities. Papua New Guinea discussed the role of blue carbon within the SBSTA, saying that the science on mangrove and salt marsh sinks is robust enough for policy consideration. Noting that mangroves are already included under REDD+, she emphasized the need to monitor the human impact and carbon sequestration potential of other ecosystems. Papua New Guinea also proposed holding a workshop on blue carbon at SBSTA 36.

On communicating the science, Carlos Fuller, Belize, highlighted the work done on lessons learned and developing country participation during the workshop on the research dialogue, held on 2-3 June in Bonn.

Mannava Sivakumar, World Meteorological Organization, underlined building understanding in the decision-making process and the use of global, regional and national centers and forums.

Ione Anderson, Inter-American Institute for Global Change Research, presented a case study on a capacity building network in Brazil.

Cynthia Rosenzweig, PROVIA, discussed using local committees to guide work on vulnerability, impacts and adaptation, and providing this information to governments and agencies.

Andrew Matthews, Asia Pacific Network for Global Change Research, stressed the importance of language skills and proposal writing training.

Jon Padgham, International START Secretariat, emphasized adaptation, food security, human health and long-term investment in African universities.

### **CONTACT GROUPS AND INFORMAL CONSULTATIONS**

**SHARED VISION (AWG-LCA):** During the morning informal group on a shared vision, the facilitator explained that in Decision 1/CP.16 (outcome of the AWG-LCA's work), parties had agreed to work towards identifying a global goal for emission reductions and a time frame for global peaking of greenhouse gas emissions. She further noted that in Bangkok, parties had indicated that there are other issues than the two contained in the Cancun Agreements, to be addressed by the group. Parties were then invited to identify other issues for consideration by the informal group.

The issues identified included: 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.

Some parties urged focusing on areas where convergence can be achieved, while others opposed excluding any issue proposed by a party. Some parties preferred focusing only on those issues that were identified in Decision 1/CP.16, saying that the other issues identified by parties can be addressed after Durban.

The facilitator will produce a list of all issues ahead of the next informal group meeting.

#### **ANNEX I FURTHER COMMITMENTS (AWG-KP):**

AWG-KP Chair Adrian Macey (New Zealand), opened the first meeting of the contact group on Annex I further commitments. He highlighted two clusters of issues for the group's consideration: clarification of conditionalities and linkages made by Annex I parties with respect to a second commitment period under the Kyoto Protocol; and the conversion of their pledges into quantified emission limitation and reduction objectives (QELROs). Chair Macey explained that these issues could be reframed into a discussion of what would constitute a package of outcomes in Durban.

SAINT LUCIA, supported by BOLIVIA, BRAZIL, SENEGAL, THE DEMOCRATIC REPUBLIC OF THE CONGO, ARGENTINA, CUBA, ZAMBIA and CHINA, proposed taking note of those Annex I parties that oppose a second commitment period under the Kyoto Protocol, focusing discussions on the conditionalities set by those Annex I parties interested in moving the process forward and seeing whether the conditions have been met or can be met, prior to a round of political decision-making. BOLIVIA called for concentrating on increasing ambition.

The EU supported discussing elements of a balanced package for Durban. He 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. SWITZERLAND highlighted four elements: clear understanding of land use, land-use change and forestry (LULUCF), market mechanisms and gases; implementation of the MRV package from Cancun; clear commitments; and reassurance that the AWG-LCA is moving towards a global, comprehensive and fair agreement.

NEW ZEALAND highlighted conditions including: comparability and coherence with the AWG-LCA track; an accounting structure; and a road to a 2°C deal, including all major emitters, to ensure the New Zealand public will "buy" the deal. She, with the RUSSIAN FEDERATION and JAPAN, opposed excluding certain parties from the discussions.

NORWAY noted flexibility about whether his country's commitments are under the Kyoto Protocol, as part of a balanced outcome, or under a global agreement. He emphasized the importance of: mitigation and MRV for developed and developing countries; clarity on a global, legally-binding agreement under the AWG-LCA track; addressing surplus Assigned Amount Units (AAUs); and clarity on LULUCF rules.

The RUSSIAN FEDERATION called for formalizing pledges made in the Copenhagen Accord and reaffirmed in Cancun. He also proposed clarifying rules on the flexibility mechanisms and LULUCF. AUSTRALIA supported formalizing the status of mitigation pledges made in Cancun and "systematizing" the way in which the pledges are recorded. CANADA underscored that her country will not commit to a second commitment period, but said the Kyoto Protocol has many valuable lessons, such as market mechanisms and LULUCF, for shaping the global climate regime.

TUVALU emphasized that discussions in the Kyoto Protocol track cannot lead to conclusions in other processes. SAUDI ARABIA said discussions should focus on technical issues.

In the afternoon, AWG-KP Chair Macey asked parties to address how to take forward issues in the revised proposal by the Chair (FCCC/KP/AWG/2010/18/Add.1). AWG-KP Vice-Chair Madeleine Diouf Sarr (Senegal) asked parties to discuss how to move forward on the issues of transforming pledges into QELROs, surplus AAUs and carryover, and environmental integrity.

SAINT LUCIA, with TUVALU, said the political context is very important and that such technical discussion was premature.

SWITZERLAND stressed the need to address technical issues and leave political issues to the political level. He said rules and QELROs should come together to provide predictability and environmental integrity.

NEW ZEALAND said the ideal outcome would be a comprehensive, legally-binding agreement involving all major emitters, but that an interim arrangement could be made for the transitional period, consisting of a second commitment period under the Protocol and a parallel agreement with other major emitters. AUSTRALIA said her country hopes to see a legally-binding treaty anchoring commitments by all major economies and that Durban should be a step towards that vision. She called for articulating a process to scale up ambition. CANADA underscored a single agreement including all major emitters, and said a balanced package would be built on the framework of the Cancun Agreements and would enhance transparency through an effective MRV framework.

BOLIVIA said a level of ambition that would lead to a 4°C world is unacceptable.

On LULUCF *force majeure*, AWG-KP Vice-Chair Diouf Sarr highlighted the need for more clarity on the issue. SAINT LUCIA, with TUVALU, expressed concern about taking up technical issues without further political clarity. SWITZERLAND said his country supports the ability to leave *force majeure* events out of accounting, and clarified that they should be defined as single large events that are outside the control of parties. He noted the need for improvement of *force majeure* methodology. AUSTRALIA said *force majeure* is key to creating incentives to include the land sector.

The EU, supported by NORWAY and SWITZERLAND, said it would be a better use of delegates' time to establish spin-off groups to allow technical experts to discuss the rules while continuing political discussions. COLOMBIA, SAINT LUCIA, TUVALU, BOLIVIA, ARGENTINA and SAUDI ARABIA opposed discussion of technical rules in spin-off groups before setting the political context.

AWG-KP Chair Macey said he would consult parties on how to proceed, including with regard to the establishment of spin-off groups, and report back to the next contact group meeting.

**FINANCE (AWG-LCA):** The facilitator invited parties to share their views on the scope of discussions and deliverables for Durban. Views differed on whether fast-start and long-term financing should be discussed here in Bonn. Some opposed opening up the "Cancun package."

Many parties supported discussing the Standing Committee, established by Decision 1/CP.16, with a view to operationalizing it by Durban. On the Transitional Committee for the Design of the Green Climate Fund, several parties called for ensuring feedback on progress, in order to ensure that the design of the Green Climate Fund is within the objectives of the Convention. The facilitator proposed beginning discussions with the Standing Committee, while he consulted bilaterally on how to consider the other items. One party objected, stating that the Standing Committee had been agreed as an overall package in Cancun, and opposed discussing fast-start and long-term financing in Bonn.

**TECHNOLOGY (AWG-LCA):** The facilitator presented the report (FCCC/AWGLCA/2011/INF.2) of the expert workshop on the Technology Mechanism held in conjunction with AWG-LCA 14 in Bangkok. He also introduced a “roadmap” depicting options for achieving a fully operational Climate Technology Centre and Network (CTCN) in 2012.

Parties then discussed priorities for the negotiations in Bonn and expectations for Durban. 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 needed 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 institution, as well as resources at its disposal.

**REVIEW (AWG-LCA):** In the informal group on review, parties exchanged views on scope, principles, process, inputs and the way forward concerning the review of the adequacy of the long-term global goal.

On the 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 considering 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.

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 many referring to, *inter alia*, the IPCC and countries’ climate policies and actions. Others suggested starting the process before 2013 and gathering inputs through a clearinghouse 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.

**VARIOUS APPROACHES, INCLUDING MARKETS (AWG-LCA):** The facilitator recalled Decision 1/CP.16, in which parties agreed to consider the establishment of market and non-market-based mechanisms at COP 17, saying the focus of this group is to discuss what, if anything, the COP should establish. He said the focus of the group’s first meeting would be to give parties an opportunity to: highlight points from their submissions on the elaboration of market-based mechanisms; identify the nature of draft decisions to be forwarded to the COP; elaborate aspects of the submissions that form a good basis for preparing draft decisions; and suggest specific 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. One party suggested focusing on non-market-based mechanisms and several parties highlighted the need to maintain a balance between market and non-market-based mechanisms. 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. A number of parties presented on their submissions on the elaboration of market-based mechanisms and all parties then engaged in a discussion of these presentations.

**CAPACITY BUILDING (AWG-LCA):** In the informal group on capacity building, parties discussed the way forward on monitoring and review, and institutional arrangements, given the cross-cutting nature of capacity building.

On institutional arrangements, parties expressed satisfaction that the Cancun Agreements 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 national adaptation programmes of action (NAPAs) were given as an example of this, and parties stressed the need to enable effective reporting.

Other issues discussed included the role of the new Adaptation Committee, national communications and the Green Climate Fund, and the ineffectiveness of voluntary capacity-building submissions.

### IN THE CORRIDORS

On Wednesday, frustration seemed to be growing in the corridors of the Maritim Hotel. The opening plenaries of the SBI and SBSTA remained suspended for the third day in a row as protracted backroom discussions continued late into the evening on their respective agendas. One veteran lamented “we are as stuck as ever” on issues such as MRV and response measures, assessing that there was “no end in sight to this agenda battle.” Apart from those directly involved in these backroom discussions, a number of delegates appeared listless and bored, with one NGO participant wishing for “some movement, some action, something other than this limbo we seem to be stuck in.” Late in the evening, some delegates involved in the negotiations explained that text kept growing and it started to feel like they were negotiating text rather than agenda items. “Things are getting out of control,” one negotiator said before going back to the room.

The frustration seemed to only increase towards the evening as negotiations under the AWG-KP ended in an impasse on whether to continue discussing political issues only, or to also establish spin-off groups on technical issues. Some seemed pleased with what they saw as “smart negotiating tactics” from developing countries but the feeling was not shared by everyone. “The way things are going, we will not accomplish anything meaningful during the first week. After Bangkok and this, why waste time and money on yet another intersessional meeting?,” commented one angry and frustrated developed country negotiator. Another quipped that “the AWG-KP has become an AWG-LCA spin-off group,” emphasizing that political discussions were meaningless without the US and major developing country emitters in the room. One experienced negotiator opined that the Protocol track “is facing a Gordian knot, with no Alexander the Great to undo it.”

## SB 34 AND AWG HIGHLIGHTS: THURSDAY, 9 JUNE 2011

In the morning, the SBTA opening plenary convened. The SBI opening plenary took place in the afternoon and evening. In the morning and afternoon, the AWG-LCA workshop on mitigation by developed countries took place. A contact group and various informal meetings were also held under the AWG-LCA throughout the day on issues, including technology, adaptation and shared vision.

### SBSTA OPENING PLENARY

On Thursday morning, SBSTA Chair Mama Konaté (Mali) introduced the revised provisional agenda (FCCC/SBSTA/2011/L.1). He noted successful resolution of consultations on the proposed agenda item on REDD and agreement to amend the title to methodological guidance for activities relating to REDD+.

On the proposed agenda item on a forum on the impact of implementation of response measures, SBSTA Chair Konaté noted intense consultations and absence of an acceptable formulation. Noting the objection from Bolivia to reference to Decision 1/CP.16 (outcome of the AWG-LCA's work), he said the SBI and SBSTA Chairs would convene the forum under their authority at SB 34 and 35, regardless of agreement on the title. He explained that the objective of this forum would be to develop a work programme to address these impacts with a view to adopting modalities for the operationalization of the work programme and a possible forum on response measures. He clarified the forum would operate as a contact group.

Parties then adopted the proposed agenda and organization of work on the understanding that consultations would continue on proposed new agenda items on water resources, blue carbon, agriculture, and the rights of nature and ecosystems. Parties also agreed that the meeting's report will clarify that "Decision 1/CP.16 was adopted over the formal and explicit objection of a state party."

**NAIROBI WORK PROGRAMME ON IMPACTS, VULNERABILITY AND ADAPTATION (NWP):** On this item (FCCC/SBSTA/2011/INF.2 and MISC.3), parties agreed to establish a contact group, co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Don Lemmen (Canada).

### METHODOLOGICAL GUIDANCE FOR ACTIVITIES

**RELATING TO REDD+:** SBSTA Chair Konaté explained that Decision 1/CP.16 (outcome of the AWG-LCA's work) and appendix 2 (FCCC/CP/2010/7/Add.1) established a SBSTA work programme on issues relating to REDD+.

BOLIVIA emphasized that the work should also include other issues. TUVALU requested the work not be restricted to appendix 2. He questioned the SBSTA Chair's statement that the SBSTA's work would inform work on LULUCF, underscoring that LULUCF is considered under the AWG-KP. The Secretariat clarified that discussion is not restricted to appendix 2 and that the agenda item covers issues that fall under the title.

The SBSTA plenary will resume on Friday.

### SBI OPENING PLENARY

**ORGANIZATIONAL MATTERS:** SBI Chair Robert Owen-Jones (Australia) 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 placed on SBI 35's provisional agenda; 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 would convene a forum at SB 34 and 35.

Parties then adopted the revised provisional agenda as proposed 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. MEXICO said the meeting's report should reflect what actually happened in Cancun. 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. He highlighted difficulties faced by developing countries in preparing their national communications, noting additional reporting obligations contained in the Cancun Agreements. The EU expressed disappointment that the agenda item on MRV had failed to move forward under the SBI and looked forward to substantive discussions under the AWG-LCA.

Australia, for the UMBRELLA GROUP, emphasized the importance of issues including implementing the headquarters agreement and budgetary austerity, and looked forward to discussing national communications and inventories under the AWG-LCA. The Republic of Korea, for the ENVIRONMENTAL INTEGRITY GROUP, supported a consistent approach in the work of the Subsidiary Bodies in order to make meaningful progress on related agenda items such as adaptation, technology, MRV, national communications for both developed and developing countries, and the financial mechanism.

Grenada, for AOSIS, called for urgent focus on a loss and damage work programme. She underscored the need to avoid duplication of work with the AWG-LCA and 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 development of modalities and guidelines on the process for LDCs to formulate and implement national adaptation plans (NAPs); modalities and guidelines for the NAPs of developing countries in general; and concluding the work programme on loss and damage.

Guatemala, for the CENTRAL AMERICAN INTEGRATION SYSTEM (SICA), stressed that adaptation continues to be a priority for the region and also highlighted the importance of measuring loss and damage. The Gambia, for 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.

**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). SBI Chair Owen-Jones will draft conclusions.

**Programme budget for the biennium 2012-2013:** UNFCCC Executive Secretariat Christiana Figueres introduced the item (FCCC/SBI/2011/2 and Add. 1-3), highlighting increased demands and budgetary constraints as a major challenge.

AUSTRALIA expressed support for the proposed budget. SBI Chair Owen-Jones will chair a contact group. Toshiaki Nagata (Japan) will facilitate a spin-off group on the international transaction log budget.

**Implementation of the headquarters agreement:** GERMANY reported on progress regarding the UNFCCC Secretariat's accommodation and the expected completion of the World Conference Center in 2013. SBI Chair Owen-Jones will facilitate informal consultations.

**Privileges and immunities:** Kunihiko Shimada (Japan) will chair a contact group.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:** UNFCCC Executive Secretary Figueres reported on issues relating to possible intersessional meetings to be held in September/October, recalling that the Bureau had agreed

on the need for such meetings. She said the Secretariat has identified possible venues but that no financial support has been received. Executive Secretary Figueres said that unless contributions or formal commitments are received by 17 June, it will not be possible to organize additional sessions. SOUTH AFRICA informed parties that the South African ambassador will host a public meeting on Saturday to address issues and concerns regarding travel preparations for COP 17.

SBI Chair Owen-Jones will chair a contact group on this item. **FINANCIAL MECHANISM:** Ana Fornells de Frutos (Spain) and Alexa Kleysteuber (Chile) will co-chair a contact group.

**ARTICLE 6 OF THE CONVENTION (education, training and public awareness):** Mohammed Chowdhury (Bangladesh) will chair a contact group.

**DEVELOPMENT AND TRANSFER OF TECHNOLOGIES:** Carlos Fuller (Belize) and Zitouni Ould-Dada (UK) will facilitate informal consultations.

The SBI plenary will resume on Friday.

#### **AWG-LCA WORKSHOP**

The AWG-LCA workshop on mitigation by developed countries was facilitated by José Alberto Garibaldi (Peru).

Canada noted his country's commitment to reducing emissions domestically by 17% from 2005 levels by 2020, including LULUCF. He explained that, measured against projected future emissions growth, Canada's level of ambition is in line with that of other developed countries. Recognizing that his country's emissions have grown since 1990, Canada noted that emissions fell significantly in 2009 due to the economic situation, and that government action is expected to reduce projected growth. Canada highlighted, *inter alia*: decoupling growth of Gross Domestic Product (GDP) and emissions; plans to take a sector-by-sector regulatory approach, aligned with the US where appropriate; and important investments in carbon capture and storage (CCS).

The EU observed that it is delivering on its Kyoto commitment and that its emissions are declining while GDP is growing. He explained that there will be no gap in the EU's mitigation activities after the first commitment period, as the new legislation to implement the 20% reduction target will apply from 2013 onwards. Urging collaborative efforts, he noted the EU's offer to increase the reduction target to 30% and underscored increasing ambition as an opportunity in terms of energy security, innovation, growth, jobs and health benefits. The EU stressed the need for transparent accounting rules and for establishment of new market mechanisms in Durban. He called for action on international aviation and maritime transport and hydrofluorocarbons, also urging all developed countries to deliver domestically on their pledges and examine ways to step up efforts.

AOSIS underscored that global sea level is projected to rise by 0.9-1.6 meters by 2100. She also noted that carryover of surplus Assigned Amount Units (AAUs) from the first commitment period and LULUCF rules result in Annex I countries' current pledges being far below the 25 - 40% emission reduction range in the IPCC AR4 and even further from the 45% reduction sought by AOSIS. In order to close this gap, she suggested, *inter alia*, an increase in the level of ambition and action, limiting the use of LULUCF and no carryover of surplus AAUs. She said a work programme on ways to increase the level of ambition by

Annex I parties up to Durban could contribute towards a legally-binding agreement as the basis for collective action, common rules on measuring, reporting and verification (MRV), economic efficiency of emission reductions and enhancing confidence among countries.

Switzerland outlined measures to achieve its national emission reduction target of 20% from 1990 levels by 2020, underscoring ongoing parliamentary discussions on, *inter alia*, technical provisions for new cars, a carbon dioxide levy on heating fuels, and possible continuation and further development of the emissions trading scheme. He said his country would consider collective action in mitigation efforts when deciding whether to increase the level of ambition.

Ireland presented on his country's share of the EU's pledge. He said about 28% of Ireland's emissions are covered by the EU Emissions Trading Scheme (ETS), the remaining 72% are covered by the EU Effort-Sharing Decision and that Ireland's national emission reduction target is 20% below 2005 levels by 2020. He outlined measures to implement the target, including: a carbon tax and residential building regulations to improve energy efficiency of new houses and apartments by 60%.

In the ensuing discussion, Canada explained that fast-start financing for developing countries forms an important part of Canada's international actions. Concerning compliance with Canada's commitments during the Kyoto Protocol's first commitment period, he said Canada continues to comply with the reporting rules and will assess compliance with the target during the true-up period. On aligning with the US, Canada emphasized that this does not mean his country would only act when the US acts. On legislation, he said existing environmental legislation forms an adequate legal basis for action.

The EU noted that the announcements by Japan, Canada and the Russian Federation to not commit to a second commitment period under the Kyoto Protocol constitute a step backwards that will influence the political context. He said it is unlikely that the EU will increase its target to a 30% reduction before Durban, as the relevant issues are still under negotiation. Regarding the nature of the EU energy efficiency target, he noted that the EU Heads of State have recently signaled their intention to meet the target and the European Commission will assess in 2012 the need for legislation to implement it.

In the afternoon, discussions continued. The EU stated that the inclusion of aviation emissions in the EU ETS from 2012 onwards will not undermine an open economic system. Noting the challenges to small-scale projects under the CDM, he called for a sectoral crediting mechanism to mobilize smaller projects.

Norway underscored his country's intention to become carbon neutral by 2030, explaining that this will entail reducing emissions by 100% compared to 1990 levels through both domestic measures and international mechanisms.

Noting that a great share of his country's greenhouse gas emissions originate from the energy sector, Denmark presented on its energy strategy for 2050. He explained the strategy involves reducing the use of fossil fuels by a third from 2009 levels by 2020. Among key challenges, he mentioned providing security of energy supply and the need to curb global warming and reduce greenhouse gas emissions.

In his presentation, Bolivia explained that reaching the 2°C target will require emissions to be reduced by 14 gigatonnes and that the gap between the current pledges and the target is between 7.4 and 5.3 gigatonnes. He underscored that there is no

time to reach a new legally-binding agreement in Durban and the only possible option is to commit to a second commitment period under the Kyoto Protocol. He further proposed creating an *ad hoc* working group to discuss legal action in relation to parties that do not want to fulfill their obligations under the Protocol and the Convention.

The Czech Republic presented on its national mitigation policy, highlighting a 32% reduction in greenhouse gas emissions from 1990 to 2009. He identified the EU ETS as being among the key mitigation tools. He also said modernizing the power sector has large mitigation potential, due to current dependence on coal. He suggested new EU directives should focus on non-ETS structures, including possible carbon taxation.

The US presented on the role of reporting and international assessment and review in clarifying emission reduction targets. He suggested a facilitative, rather than punitive, process of international review. The US supported creating a process with: biennial national reports; compilation of reports; an expert review; a report by the expert review team; international assessment of the expert review team's report in a facilitative manner under the SBI with written questions and answers; and final compilation into a summary report by the Secretariat.

During discussions, the EU said a robust accounting system is needed in addition to review and said the US approach to review might suggest a system of *post hoc* rules, with parties individually deciding, *inter alia*, on the basket of greenhouse gases, LULUCF accounting and use of offsets. He expressed hope that the US will offer a more ambitious target, while urging the US to deliver on its pledge.

The US highlighted the review of the long-term global goal, scheduled for 2013, saying it would benefit from biennial reports as it was not currently possible to make a judgment on the way forward based on available information. The US also recognized that his country's existing policies will not be enough to reach the emission reduction target, and that since the proposed federal legislation did not pass, work is underway to implement alternative measures.

The Secretariat presented on the technical paper (FCCC/TP/2011/1) on developed countries' emission reduction targets. She noted the need for parties to provide further clarity on the rules they expect, as this affects the stringency of targets, and assumptions on methodology. She concluded that, based on their current pledges, Annex I parties would reduce emissions by 13-18% below 1990 levels by 2020 in aggregate.

UNEP presented on its Emissions Gap Report, noting that for a "likely" chance of keeping temperature increase below 2°C, an emission level of 44 gigatonnes carbon dioxide equivalent by 2020 will be required. He underscored that even the most ambitious pledges and most stringent rules on LULUCF accounting and surplus AAUs result in emissions of 49 gigatonnes in 2020. He underscored the 5-gigatonne gap between the most ambitious current pledges and what is required to reach the 2°C target. He said UNEP intends to examine what models say about bridging the gap and promising options for reducing international emissions, as well as national policy options.

The Climate Action Network recommended, *inter alia*: including developed countries' net domestic emission reductions; closing loopholes; and using historical reference levels in LULUCF. He concluded that waiting for the review to assess what was achieved and make a decision on the way forward would be too late.

In discussions, a number of parties welcomed the Secretariat's technical paper and Norway, Switzerland and the EU said it would be useful to have an analogous paper on developing country pledges. Saint Lucia and Bolivia underscored the need to increase the level of ambition.

In conclusion, workshop facilitator Garibaldi Fernandez identified the need to close the "ambition gap." He also highlighted the roles of information, LULUCF accounting, market mechanisms, surplus AAUs, International Review and Assessment, and pledge conditionalities.

#### **CONTACT GROUPS AND INFORMAL CONSULTATIONS**

**AWG-LCA CONTACT GROUP:** During the morning's contact group, facilitators reported on Wednesday's informal consultations.

During discussions, INDIA, VENEZUELA and EGYPT emphasized that Decision 1/CP.16 mandates the AWG-LCA to take all actions under the Cancun Agreements, unless otherwise specified. Noting the specific mandates to refer certain issues to the SBI and SBSTA, they indicated that any issue without explicit reference to the Subsidiary Bodies must be addressed by the AWG-LCA. They suggested developing a modality to address issues under the AWG-LCA and decide whether to send issues back to the Subsidiary Bodies if necessary, since the AWG-LCA is responsible for the final package. AWG-LCA Chair Reifsnnyder said informal consultations would continue and the contact group would reconvene on Friday morning.

**TECHNOLOGY (AWG-LCA):** In the morning informal consultations, discussions focused on governance structure and terms of reference for the Climate Technology Centre and Network (CTCN).

On the governing body of the CTCN, several parties pointed to the difficulty of elaborating a precise governance structure before determining the scope of the CTCN and where it would be hosted. Many parties supported a small, efficient and flexible host institution. On the governance structure of the CTCN, developed countries also preferred an option that does not create a new governing body, with a Director-General and a small team housed within an existing UN organization, and 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 of the potential host institution. Informal consultations will continue.

**ADAPTATION (AWG-LCA):** During morning informal consultations on adaptation, parties shared views on the composition of, and modalities and procedures for, the new Adaptation Committee. Many underlined the importance of working quickly and efficiently before Durban.

Many developing countries prioritized focusing on the operationalization of the Adaptation Committee with some expressing interest in developing a technical paper to assist further work. Parties highlighted: linking the Adaptation

Committee to other institutions, ensuring the Committee's composition would provide expertise in modeling, assessment and social aspects, among others; and the need for flexibility.

Parties also addressed national adaptation plans and adaptation linkages to the Green Climate Fund. Several parties called for clarifying the sequence of work and roles of the AWG-LCA and the SBI. Informal consultations continued in the afternoon.

**SHARED VISION:** In the afternoon informal consultations on a shared vision for long-term cooperative action, different views were expressed on clustering the issues listed for consideration, with some developing country parties preferring to discuss all issues equally rather than separating them into tasks to be implemented or issues to be concluded.

Parties also addressed the global goal for emission reductions by 2050. It was noted that the COP agreed to consider this issue at COP 17. 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 the cluster of social and humanitarian issues; to consider a global carbon budget alongside a global goal; for a compilation paper by the Secretariat taking into account data on emission caps and the principle of common but differentiated responsibilities.

A number of delegates lamented that further informal consultations on this issue had not been scheduled and urged more time to consider the issue before Durban.

#### **IN THE CORRIDORS**

On Thursday, steps were taken to get down to work – "finally," as many delegates commented. The SBSTA adopted its agenda in the morning and the SBI followed suit in the afternoon. The numerous experts who had found themselves wandering the corridors and attending side events during the first three days of the conference were visibly relieved: "It's very expensive and inefficient for governments to send large delegations to these meetings when their experts have nothing to do for several days, so I'm relieved that we will finally get to do something that justifies our presence here," commented one. However, some lamented the loss in the new SBI agenda of some relevant pieces of the Cancun Agreements, such as MRV elements.

In the long-term negotiations, some experts were still waiting for a solution to the dilemma between political and technical work and many worried nothing would be resolved until Saturday, when the AWG-KP resumes. On the AWG-LCA side, the day was fairly busy with a mitigation workshop and several informal groups. Some groups, such as the one on shared vision, found that they had already run out of meeting slots. With no intersessional confirmed for the autumn, concerns seemed to be mounting on prospects for Durban. "We must make progress during the remaining seven negotiating days here, otherwise we will be in hot water."



## **SB 34 AND AWG HIGHLIGHTS: FRIDAY, 10 JUNE 2011**

In the morning, the SBSTA opening plenary convened. The SBI opening plenary took place in the afternoon. In the morning and afternoon, the AWG-LCA workshop on mitigation by developing countries took place. Contact groups and informal consultations were also held under the AWG-LCA, SBI and SBSTA throughout the day.

### **SBSTA OPENING PLENARY**

#### **METHODOLOGICAL GUIDANCE FOR ACTIVITIES**

**RELATED TO REDD+:** PAPUA NEW GUINEA, with the US, GHANA, AUSTRALIA, INDONESIA, the EU, GUYANA and SWITZERLAND, said Appendix 2 of the Cancun Agreements (FCCC/CP/2010/7/Add.1) should form the basis for discussions. INDONESIA called for transparency and inclusiveness. BOLIVIA underscored the need for an integrated vision of forests and including indigenous peoples in the discussions. BOTSWANA emphasized the need to ensure REDD+ covers transboundary ecosystems. TUVALU said drivers of deforestation identified in Appendix 2 should include governance and consumption for countries using imported forest products.

Peter Graham (Canada) and Victoria Corpus (the Philippines) will co-chair a contact group.

#### **DEVELOPMENT AND TRANSFER OF**

**TECHNOLOGIES:** SBSTA Chair Konaté noted agreement in Decision 1/CP.16 (outcome of the AWG-LCA's work) to establish a Technology Mechanism and terminate the Expert Group on Technology Transfer.

Carlos Fuller (Belize) and Zitouni Ould-Dada (UK) will consult informally.

**RESEARCH AND SYSTEMATIC OBSERVATION:** On this issue (FCCC/SBSTA/2010/MISC.12, FCCC/SBSTA/2011/MISC.1, MISC.4, INF.1 and INF.6), Sergio Castellari (Italy) and David Lesolle (Botswana) will consult informally.

#### **METHODOLOGICAL ISSUES (CONVENTION):**

**Revision of the Annex I reporting guidelines on annual inventories:** On this issue (FCCC/SBSTA/2011/INF.s 4-5), Riitta Pipatti (Finland) and Nagmeldin Elhassan (Sudan) will consult informally.

**Greenhouse gas data interface:** Erasmia Kitou (EU) will consult informally.

**Emissions from international aviation and maritime transport:** On this issue (FCCC/SBSTA/2011/MISC.5), the International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO) described their relevant activities.

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.

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.

SBSTA Chair Konaté will prepare conclusions.

**METHODOLOGICAL ISSUES (KYOTO PROTOCOL):**  
**Common metrics to calculate the CO<sub>2</sub> equivalence of greenhouse gases:** Mikhail Gytarsky (Russian Federation) will consult informally.

**HCFC-22/HFC-23:** On this issue (FCCC/TP/2011/2), Samuel Adejuwon (Nigeria) will consult informally.

**Materiality standard under the CDM:** On this issue (FCCC/SBSTA/MISC.2 and Add.2; FCCC/TP/2011/4), Peer Stiansen (Norway) will consult informally.

**Carbon capture and storage under the CDM:** 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 OF CLIMATE CHANGE:** IPCC Secretary Renate Christ presented on the IPCC Special Report on Renewable Energy Sources and Climate Change Mitigation.

Frank McGovern (Ireland) and Andres Flores (Mexico) will consult informally.

**COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS:** On this issue (FCCC/SBSTA/2011/INF.3), the Secretariat reported on cooperation within the UN system, including with the other Rio Conventions and through the Nairobi work programme on impacts, vulnerability and adaptation (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.

SBSTA Chair Konaté will prepare conclusions.

**FORUM ON THE IMPACTS OF THE IMPLEMENTATION OF RESPONSE MEASURES:** On this issue (FCCC/SB/2011/MISC.2), SBSTA Chair Konaté noted that a joint SBI/SBSTA forum will convene next week.

**MATTERS RELATING TO PROTOCOL ARTICLE 2.3 (adverse impacts of policies and measures):** On this issue (FCCC/SB/2011/MISC.2), Eduardo Calvo Buendía (Peru) and Anastasia Theodorou (Hungary) will co-chair a joint SBI/SBSTA contact group on this item and Protocol Article 3.14 (adverse effects of response measures).

**ORGANIZATIONAL MATTERS:** Facilitator Ould-Dada reported on informal consultations on the proposed new agenda items. He noted that all parties agree on the importance of water resources, although debate centred on whether to consider them under the NWP or as a separate agenda item. On agriculture, he noted diverging views on whether the SBSTA should commence work before further input from the AWG-LCA. On blue carbon, he noted that a number of parties were of the view that this issue was not mature enough and that related issues, such as mangroves, could be addressed under REDD+. On rights of nature and impacts on ecosystems, he said a number of parties felt the issue was not mature enough for consideration by the SBSTA. Informal consultations will continue.

### **SBI OPENING PLENARY**

**CAPACITY BUILDING (CONVENTION):** SBI Chair Owen-Jones said work on this issue (FCCC/CP/2010/5, FCCC/SBI/2010/20 and MISC.6, FCCC/SBI/2009/4-5, MISC.s 1-2 and MISC.12/Rev.1) should continue based on the Annex to Decision 10/CP.16 (capacity-building under the Convention for developing countries).

Paula Caballero Gómez (Colombia) and Yuka Greiler (Switzerland) will co-chair a contact group.

**CAPACITY BUILDING (PROTOCOL):** SBI Chair Owen-Jones said work on this issue (FCCC/KP/CMP/2010/10, FCCC/SBI/2010/20, FCCC/SBI/2010/MISC.6, FCCC/SBI/2009/4-5, MISC.s 1-2 and MISC.12/Rev.1) should continue based on the Annex to Decision 11/CMP.6 (capacity-building under the Kyoto Protocol for developing countries).

Paula Caballero Gómez (Colombia) and Yuka Greiler (Switzerland) will co-chair a contact group.

**APPEALS AGAINST DECISIONS OF THE CDM EXECUTIVE BOARD:** On this issue (FCCC/SBI/2011/MISC.2 and FCCC/TP/2011/3), BOLIVIA expressed support for introducing an appeals procedure in the CDM project approval process. She urged defining the class of stakeholders who would have the right of appeal as widely as possible, and said this should include project-affected peoples and communities, and relevant civil society groups.

Tredene Dobson (New Zealand) and Yaw Bediako Osafo (Ghana) will co-chair a contact group.

**PROTOCOL AMENDMENT WITH RESPECT TO COMPLIANCE:** The SBI Chair will consult informally.

**CONVENTION ARTICLES 4.8 AND 4.9: Decision 1/CP.10 (Buenos Aires programme of work):** SBI Chair Owen-Jones noted the mandate to continue consideration of a draft decision based on the text in Annex IV of document FCCC/SBI/2010/10. SBI Vice-Chair Samuel Ortiz Basualdo (Argentina) will chair a contact group.

**Matters relating to the LDCs:** 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). Rence Sore (Solomon Islands) will chair a contact group.

**NATIONAL ADAPTATION PLANS:** Andrew Ure (Australia) and Balisi Justice Gopolang (Botswana) will co-chair a contact group on the process to enable LDCs to formulate and implement NAPs, and modalities and guidelines for LDCs and other developing countries.

**APPROACHES TO ADDRESS LOSS AND DAMAGE:** On this issue (FCCC/SBI/2011/3 and MISC.1), 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) and a co-chair yet to be identified will co-chair a contact group.

**MATTERS RELATING TO PROTOCOL ARTICLE 3.14 (adverse effects of response measures):** Eduardo Calvo Buendía (Peru) and Anastasia Theodorou (Hungary) will co-chair a joint SBI/SBSTA contact group on this item and Protocol Article 2.3 (adverse impacts of policies and measures).

**FORUM ON THE IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES:** A joint SBI/SBSTA forum on the impact of the implementation of response measures will take place next week.

**ANNEX I NATIONAL COMMUNICATIONS:** Helen Plume (New Zealand) and Diann Black Layne (Antigua and Barbuda) will co-chair a contact group on the agenda sub-items related to fifth national communications.

**NON-ANNEX I NATIONAL COMMUNICATIONS: Consultative Group of Experts on Non-Annex I National Communications (CGE):** CGE Chair Sangchan Limjirakan (Thailand) presented on progress in implementing the CGE's work programme and organization of work for 2011-2012. Brazil, for the G-77/CHINA, called for Annex II countries to provide necessary resources for the CGE work programme.

**Further implementation of Convention Article 12.5 (communication of information related to implementation):** Brazil, for the G-77/CHINA, said any future reporting framework must reflect differing national circumstances, taking into account the principle of common but differentiated responsibilities, and that enhanced reporting requirements would necessitate increased funding.

**Financial and technical support:** The Global Environment Facility (GEF) highlighted the possibilities for financing non-Annex I national communications. The G-77/CHINA observed that the fixed amount of up to US\$500,000 for national communications does not take into account the differing realities of countries. He also emphasized the need to ensure the timely disbursements of funds to meet the full costs of national communications and expressed concern that the national communications support programme would soon be terminated.

Helen Plume (New Zealand) and Diann Black Layne (Antigua and Barbuda) will co-chair a contact group on these agenda sub-items.

### **AWG-LCA WORKSHOP**

The AWG-LCA workshop on developing country nationally appropriate mitigation actions (NAMAs) was facilitated by Christian Pilgaard (Denmark).

Chile outlined his country's mitigation pledge of achieving a 20% deviation from business-as-usual (BAU) by 2020, using 2007 as the baseline. He also noted the goal of achieving developed country status by 2020, explaining that the aim is to become a low-carbon economy. Chile said his country will use energy efficiency, renewable energy and land use, land-use change and forestry (LULUCF) to achieve the pledge. He outlined initiatives, including: a national programme for energy efficiency; a 2008 renewable energy law; a national action plan on climate change; mitigation action plans and scenarios; and a partnership for market readiness. Chile described the method

used for defining NAMAs, using a one-page “NAMA template” that was sent to the ministries of energy, agriculture and transport.

Ethiopia presented on his country’s Climate Resilient Green Economy Initiative. He outlined Ethiopia’s goals of becoming a middle-income country by 2020 and of ensuring this growth is carbon neutral. He identified some of the potential co-benefits of Ethiopia’s NAMAs, such as job creation, improved balance of payments and improved health. Ethiopia outlined the steps taken, including estimation of current and BAU emissions, identification of abatement potential and analysis of the potential for green growth. He identified next steps, including consultations with stakeholders and potential donors, and institutionalization.

AOSIS highlighted that: non-Annex I emissions are increasing and need to be reduced to the ranges in the IPCC Fourth Assessment Report (AR4) and below; non-Annex I countries are taking mitigation actions; and these actions require support from Annex I countries. She indicated that some small island developing States (SIDS) have adopted goals including carbon neutrality and reducing emissions below a base year or BAU. AOSIS also highlighted concrete projects, such as the Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project, which involves 11 countries and is expected to reduce emissions by 33% below BAU by 2015.

Responding to questions, Chile noted, *inter alia*, efforts to develop a pilot MRV system and expressed support for transparency and international consultation and analysis (ICA). He indicated that although the magnitude of support needed for NAMAs has yet to be calculated, the initial assumption underlying Chile’s pledge in Copenhagen was that 10% would be funded domestically. Chile also said his country is in the process of identifying sectors to be regulated and is considering a cap-and-trade system, NAMA crediting or other offsetting mechanism. He also highlighted the need to link inventories with NAMAs. On the NAMA template, Chile noted it provides a framework that could be linked to the NAMA registry and to the information displayed to the public.

Ethiopia explained that its needs for financial support would become clear in the autumn. Highlighting microfinance, he said the support needed would probably consist of a combination of loans, funds and equity.

Identifying the need to distinguish between NAMAs and offsets, AOSIS emphasized that new market mechanisms only make sense in the context of legally-binding international commitments.

Vietnam presented on efforts to develop a national climate change strategy and a national green growth strategy. He identified significant potential for NAMAs in Vietnam, noting that 28 potential NAMAs have been identified, including 15 in the energy sector, eight in the LULUCF sector and five in the agriculture sector. He noted difficulties in developing NAMAs, lack of common criteria, and lack of sufficient international support and guidance, including for MRV.

Kenya presented on the ongoing national process to identify and develop NAMAs. She further described the national climate change response strategy developed in 2010 and ongoing work on an action plan to implement it, including: a low-carbon development pathway; a national adaptation plan; NAMAs; research development; technology transfer; and finance. She underscored the need to ensure participation by all government departments and stakeholders through consultations.

The EU emphasized that developing countries could contribute to mitigation efforts. He also indicated that diversity of their NAMAs necessitates a diversity of support. He called for: cost-efficient actions in developing countries and for developing countries to articulate their needs and aims; better

understanding of the “ambition gap”; and identification of synergies between achieving the 2°C target and sustainable development goals. He said the “pledges workshops” are crucial and asked the Secretariat to gather information provided in 2011 sessions in a technical paper. During the discussion, Costa Rica, Saint Lucia and Norway also supported a technical paper by the Secretariat.

In response to questions, Vietnam noted they had followed UNFCCC guidelines when calculating their BAU emissions. He said challenges in policy development include lack of climate change awareness, inter-agency cooperation and technical knowledge. While acknowledging the diversity of developing countries, the EU reiterated the possibility of a single framework covering all developing countries, saying it will be possible to differentiate within that framework.

China said feedback between developed and developing countries is key to ensuring that development of NAMAs and identification of support are done synergistically.

Bolivia emphasized the importance of the forestry sector and noted that forest fires are the main source of forest emissions. He underscored the new emergency plan in Bolivia to monitor and combat forest fires and the need for a long-term fire prevention plan. He questioned why Bolivia should spend scarce resources to measure its forest reference levels to participate in a future carbon market, when it could spend these resources on addressing this emergency situation.

Norway called for standardizing the information contained in the pledges by Annex I and non-Annex I countries. For Annex I countries, she listed an economy-wide emission reduction target for 2020 from a 1990 base year, and for non-Annex I countries, basic information structured around a base year, BAU or CO<sub>2</sub> per unit of Gross Domestic Product.

The US said an improved reporting system would entail: submission of biennial reports; subsequent analysis reports; international consultations and analysis and the sharing of views under the SBI; and a summary report by the Secretariat. Citing flexibility on the reporting requirements for SIDS and LDCs, he noted that certain developing country contributions and feedback on implementation would be crucial.

During discussions, Kenya and Mexico noted that a number of countries lack the experience to undertake biennial reports. Australia supported unpacking developing country pledges, possibly in a technical paper, and said biennial reports should focus on major emitters first.

Norway said they aim to support collection of data to clarify developing country pledges. She underscored that the need for targeted long-term, sustainable, national reporting systems is increasing, and that support will be needed for such systems. The US responded that there is a difference between what countries can deliver, but reiterated that “major players” can undertake biennial reporting with existing capacity. Regarding countries that do not fall in the poorest or richest categories, the US said they have “modest capability” and should take on “modest responsibility,” and that it would be a “modest expense” to enable them to consistently and frequently provide reporting.

The Climate Action Network said the lack of an effort-sharing agreement is a major stumbling block to agreeing on a long-term global goal for emission reductions. He called for: establishment of clear and common guidelines for NAMAs and BAU calculations; identification of type and level of support required; development of low-carbon development strategies; and establishment of a work programme to develop a NAMA registry and a robust MRV system.

During discussions, a number of countries welcomed the workshop. Colombia noted the need for inter-institutional cooperation and said support given for NAMAs can increase ambition. Singapore said other non-Annex I parties should be

encouraged to present their pledges at further workshops. Chile supported the idea of a technical paper. Brazil highlighted that the diversity of situations should be captured, and with the US, supported addressing these issues further during negotiations.

#### **CONTACT GROUPS AND INFORMAL CONSULTATIONS**

**AWG-LCA CONTACT GROUP:** During the morning contact group, facilitators presented on progress in their informal groups.

On adaptation, facilitator Kumarsingh reported that parties had addressed, *inter alia*, how to operationalize the provisions on adaptation in the Cancun Agreements, including the composition and modalities of the Adaptation Committee and its linkages to other institutions.

On technology, facilitator Uosukainen said parties had focused on the governance structure and the terms of reference for the Climate Technology Centre and Network. He identified the need for greater common ground on the governance structure.

On shared vision, AWG-LCA Vice-Chair Mukahanana-Sangarwe reported that different views remained on the global long-term goal for emission reductions and the peaking of global emissions. She said parties had requested more technical information, including a possible workshop, and identified the need for another meeting to address equity and other issues, before agreeing on the way forward. ALGERIA added that discussions had also addressed, *inter alia*, the guiding principles for the global goal and peaking, with many parties supporting historical responsibility.

On capacity building, facilitator Uosukainen reported that discussions had addressed, *inter alia*, difficulties in accessing and providing adequate information for monitoring and review of capacity building. He noted different views on institutional arrangements, with some parties supporting strengthening the mandate of existing bodies, while others called for a new mechanism. He said parties requested the Secretariat to prepare a technical paper reporting on capacity building, and that a note summarizing the main issues addressed will be released for discussion in the next meeting.

On other matters (economies in transition), facilitator Shimada reported that parties had discussed a draft COP 17 decision presented by Annex I countries with economies in transition, addressing, *inter alia*, low-emission economic growth. He encouraged parties to consult informally.

On other matters (countries whose special circumstances have been recognized by the COP), facilitator Shimada said parties had exchanged views on Turkey's concerns about the current categorization of parties under the Convention. He encouraged parties to consult informally.

**PRIVILEGES AND IMMUNITIES (SBI):** In the morning contact group, 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 as the issue would be contingent on the outcome of the AWGs.

**INTERGOVERNMENTAL MEETINGS (SBI):** In the morning contact group, parties considered a possible intersessional meeting before COP 17. Bangladesh, for the G-77/CHINA, supported a short meeting of only the AWGs. AUSTRALIA, supported by SWITZERLAND, the US and the EU, proposed considering "creative ways" of ensuring that work progresses productively. She proposed 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.

#### **METHODOLOGICAL GUIDANCE FOR ACTIVITIES**

**RELATED TO REDD+:** During the afternoon contact group, parties discussed work to be undertaken in preparation for Durban. Bolivia called for focus on forest protection and forest management, saying forests should be considered from a holistic perspective and not just as carbon sinks. However, Ghana, for the AFRICAN GROUP, the EU, PAPUA NEW GUINEA, the US, JAPAN and others highlighted the need to prioritize work on issues in Appendix 2 of Decision 1/CP.16.

The EU, PAPUA NEW GUINEA and others supported a technical 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. Many parties noted that observer organizations that are already implementing REDD+ activities could provide useful information and share experiences. Some parties suggested focusing on clarifying definitions, others suggested focusing on safeguards and others prioritized reference levels and MRV systems. Parties eventually decided to first address safeguards in their next meeting before moving on to reference levels and other key issues.

#### **IN THE CORRIDORS**

On Friday, the Bonn Climate Change Conference moved into the fastlane, with the SBI and SBSTA plenaries, an all-day AWG-LCA mitigation workshop and numerous contact groups and informal consultations under the three bodies convening on a hectic autobahn. For the first time since the Conference began on Monday, delegates were rushing from one meeting to another. "I'm not complaining," said one stretched, but happy, delegate, "better to be busy than idle!" While no AWG-KP groups convened on Friday, some in the know predicted that things would also get busier under the Protocol track on Saturday.

In the afternoon, parties held informal consultations on the legal form of the AWG-LCA's outcome, as mandated in the Cancun Agreements. Delegates who attended the meeting had mixed reviews of how the discussion went. For some, discussions simply rehashed past exchanges. Others, however, felt that the meeting was a positive step "towards the right direction" as parties began identifying concrete elements of a legally-binding agreement under the AWG-LCA. One delegate explained that although many agreed on the need for a legally-binding outcome, interpretations varied widely among parties. Some were saying this should be in the form of a new protocol under the Convention, others preferred a new comprehensive framework that could reflect the "current configuration of the international community," while others called for a COP decision. For some, there was no point in even having the discussion, because, as one such delegate put it, "how can we define the form before knowing the substance and purpose?"

A number of delegates spent the day considering NAMAs in the AWG-LCA mitigation workshop. Many seemed impressed by action being taken by various developing countries – doing more than some developed countries. As one observer put it, "until people actually come out and tell you what they're doing - and many developing countries appear to be doing quite a lot - you just tend to assume nothing is happening, but this is obviously not true."

## SB 34 AND AWG HIGHLIGHTS: SATURDAY, 11 JUNE 2011

Contact groups and informal consultations were held throughout the day under the AWG-LCA, AWG-KP, SBI and SBSTA. In the afternoon, the incoming presidency of COP 17 and COP/MOP 7 organized open-ended informal consultations on parties' expectations for Durban.

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

#### ANNEX I FURTHER COMMITMENTS (AWG-KP):

During the morning contact group, AWG-KP Chair Macey said discussions will focus on: political issues; legal matters concerning Protocol amendments; and the establishment of spin-off groups. To continue political discussions, AWG-KP Chair Macey suggested convening a contact group every day during the second week of the Conference, with the exception of Thursday. Parties agreed to this suggestion.

AWG-KP Chair Macey then requested Gerhard Loibl (Austria) to report on consultations on legal matters concerning Protocol amendments. Facilitator Loibl noted that he had undertaken consultations, together with AWG-KP Vice-Chair Diouf Sarr, and requested more time to continue them.

Brazil, for the G-77/CHINA, highlighted the importance of political clarity from Annex I parties concerning their willingness to commit to a second commitment period under the Kyoto Protocol. TUVALU said the discussion of legal matters should be undertaken in a format other than bilateral consultations, in order to ensure that all parties understand one another's views on the issue. He also expressed support for the establishment of spin-off groups on the condition that the technical discussions undertaken in these groups relate only to the second Protocol commitment period. The EU also supported not holding consultations on legal matters bilaterally and suggested establishing a spin-off group for this. He supported continuing with both technical and political discussions.

SOUTH AFRICA, as the incoming COP/MOP Presidency, supported by many parties, noted that many Annex I parties have expressed their willingness to engage in discussions on a second commitment period under the Protocol and proposed establishing spin-off groups on the understanding that discussions in the groups will follow strictly the AWG-KP's mandate. SWITZERLAND said the spin-off groups should have a mandate to make progress on text and INDIA said any technical discussions need to be in the context of the political context set at Cancun.

Noting broad agreement for establishing spin-off groups, AWG-KP Chair Macey said the mandate of the groups would be based on the AWG-KP's work programme. He proposed, and parties accepted, establishing spin-off groups on the subjects covered under the various chapters of the Chair's revised proposal (FCCC/KP/AWG/2010/18/Add.1), namely: numbers and Protocol amendments (Chapter I); land use, land-use change and forestry (LULUCF) (Chapter II); the flexibility mechanisms (Chapter III); basket of methodological issues (Chapter IV); and potential consequences of response measures (Chapter V).

**LDCs (SBI):** During the morning contact group, parties focused on the work programme of the LDC Expert Group (LEG) and guidance for the Global Environment Facility (GEF).

BANGLADESH endorsed the LEG work programme and identified the need to clarify guidance to the GEF in order to assist implementation of national adaptation programmes of action (NAPAs). CANADA, the GAMBIA, AUSTRALIA and the SOLOMON ISLANDS endorsed the LEG work programme.

Identifying the need for the LEG's work to get under way, the EU proposed focusing discussions on the work programme. AUSTRALIA: highlighted the need to prioritize issues in the work programme; 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.

MALAWI said the SBI should mandate the GEF to consider making resources available for the full work programme. 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. The GAMBIA preferred a two-year planning cycle to an annual one. Chair Sore suggested that funding concerns would be better addressed in the contact group on the financial mechanism. NORWAY recommended that guidance to the GEF be clarified before Durban, as otherwise, action will be delayed until COP 18. The Chair will prepare draft conclusions for the group's next meeting.

**PRIVILEGES AND IMMUNITIES (SBI):** In the morning contact group on privileges and immunities, representatives from the CDM Executive Board, the Adaptation Fund Board and the Compliance Committee highlighted concerns relating to their functions, underscoring the need for arrangements on privileges and immunities for individuals serving on constituted bodies.

JAPAN observed that it would reserve the right to confer privileges and immunities on constituted bodies, on a case-by-case basis as necessary.

TUVALU highlighted his country's proposed legal instrument for immunities, which prescribes institutions to which privileges and immunities should apply. He also noted the need to give immunity to members of the Expert Review Teams under the Kyoto Protocol since they are not covered by the headquarters agreement when working outside Germany.

On means of communication, TUVALU and JAMAICA, opposed by the EU, CANADA and AUSTRALIA, supported an explicit reference to electronic means of communication, stating that language on the inviolability for all papers and documents, taken from the 1946 Convention on Privileges and Immunities of the UN, does not cover all means of communication. Parties also considered whether a footnote should be inserted referring to electronic means of communications. Chair Shimada noted that clarification would be sought from the UN Office of Legal Affairs on this matter.

**DEVELOPED COUNTRY MITIGATION (AWG-LCA):** During morning informal consultations on developed country mitigation under the AWG-LCA, parties focused on identifying the issues that should be resolved as part of a Durban outcome. Many parties highlighted an ambition gap in developed countries' mitigation pledges and the need to increase the level of ambition in order to close this gap. Some parties underscored that the level of ambition cannot be considered in isolation, but that it should take into account both the AWG-KP and AWG-LCA negotiating tracks, and include all countries that can help in closing the ambition gap.

Regarding what should form part of a Durban outcome, some parties identified a COP decision with an annex inscribing mitigation commitments and 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 include: means of achieving these commitments, including market mechanisms; guidelines on measuring, reporting and verification (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 international assessment and review of emissions and removals (IAR); clear rules on LULUCF and the use of market mechanisms; and an *ad hoc* working group on compliance. Some parties identified the need to develop text here in Bonn to facilitate discussions in Durban. Informal consultations will continue.

**NON-ANNEX I NATIONAL COMMUNICATIONS (SBI):** During the morning contact group, parties addressed key elements for SBI conclusions on non-Annex I national communications.

Brazil, for the G-77/CHINA, emphasized that the discussions should only address the specific agenda sub-items. The EU expressed disappointment that the proposed new agenda sub-items were finally "dropped," and expressed hope for a successful outcome in Durban on those issues.

Parties first addressed the agenda sub-item on the work of the Consultative Group of Experts on National Communications from Non-Annex I Parties (CGE). 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 (outcome of the AWG-LCA's work). She also recalled that the mandate of the CGE will be reviewed in Durban. Nigeria, for the AFRICAN GROUP, suggested focusing on financing required for the preparation of national communications and implementation of the CGE's activities.

On frequency of reporting and financial and technical support, the G-77/CHINA said further implementation must be based on the principle of common but differentiated responsibilities. He highlighted that support is required not just for the elaboration of the national communications, but also for national capacity building. The G-77/CHINA noted that, in accordance with the Convention, non-Annex I national communications are subject to availability of resources, covering the agreed full costs. 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 EU further commented on discussions with the 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.

AUSTRALIA supported standardizing the process and having a streamlined, common reporting format, highlighting that this would contribute to the comparability of information. The US called for defining countries that would submit biennial reports and highlighted clarity and frequency, including for capacity building purposes. 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. Draft SBI conclusions will be prepared and discussions will continue.

**INTERGOVERNMENTAL MEETINGS (SBI):** In the morning contact group on arrangements for intergovernmental meetings, delegates addressed the engagement of observer organizations. AUSTRALIA provided an overview of the workshop on the participation of observers held earlier in the week. He 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.

TRADE UNIONS NGOs noted that many of the workshop report proposals, such as access to informal meetings, could be implemented during the ongoing session. BUSSINESS AND INDUSTRY NGOs noted a favorable response to their suggestion of enhancing consultative arrangements and advisory panels, which she said should be open to constituencies who wish to use them.

INDIGENOUS PEOPLES ORGANIZATIONS highlighted that the Convention on Biological Diversity facilitates direct participation of indigenous peoples. He also noted that the adoption of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization demonstrates that participation can lead to successful outcomes. He called for a voluntary trust fund to facilitate the participation of indigenous peoples.

The EU expressed willingness to explore issues including: increasing observer interventions in plenary meetings, contact groups and other sessions; opening the first informal meetings to observers; enhancing reporting on closed door meetings; enhancing opportunities for observer submissions; and increasing technical input from observers.

AUSTRALIA proposed abolishing the requirement for observer interventions to be provided in advance to the Secretariat and noted the need for a platform and dialogue to be established to enable observers to input recommendations and ideas to the COP high-level segment.

BOLIVIA called for a new mechanism for participation and highlighted the need for a global referendum on climate change. She also stated that "money should not be a driver for participation."

**REDD+ (AWG-LCA):** During informal consultations on REDD+ under the AWG-LCA, parties identified issues for consideration. Many parties supported focusing on issues, the consideration of which was mandated by the Cancun Agreement, including finance and markets. Some developing countries preferred focusing on different aspects related to forests, taking a broader perspective. Many countries highlighted, *inter alia*, the consideration of possible financing options and their implications, and possible sources of funding and mechanisms. Several countries emphasized the importance of considering safeguards. Some developing countries said that the first phases for REDD+ implementation, aimed at putting in place, *inter alia*, the forest reference levels, forest accounting and the national strategy, must rely on public and concessional funding. Some countries noted that REDD+ discussions in the group will also depend on ongoing discussions in other groups on related issues, such as finance and market mechanisms.

**APPEALS AGAINST DECISIONS OF THE CLEAN DEVELOPMENT MECHANISM (CDM) EXECUTIVE BOARD (SBI):** During afternoon informal consultations on appeals against decisions of the CDM Executive Board, the Secretariat gave an overview of the CDM process, highlighting the procedures for approving, reviewing or rejecting requests for registration of projects and issuance of Certified Emission Reductions (CERs).

Parties were invited to focus discussions from now until Durban on: 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.

Regarding the institutional framework, parties discussed, among other things, 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 who 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 CER issuance requests, or whether it should also cover decisions to approve project registration or CER issuance requests. The facilitators will prepare a draft COP/MOP decision ahead of the next meeting.

**WORK PROGRAMME ON LOSS AND DAMAGE (SBI):** In the afternoon SBI contact group on the work programme on loss and damage, Chair Berman introduced the item (FCCC/SBI/2011/3 and MISC.1).

BARBADOS, with AUSTRALIA, reported on a seminar on innovative approaches to loss and damage held in Bonn on Sunday, 5 June. He said disaster risk reduction strategies are key to addressing loss and damage, and that addressing longer-term challenges of slower and more uncertain events is a priority.

Tonga, for AOSIS, highlighted three elements: impacts of severe weather events; risk management; and rehabilitation associated with slow onset events. He proposed organizing at least three workshops between SB 35 and 37. BANGLADESH called for establishing a mechanism to address loss and damage by COP 18. The US said the work programme should highlight activities to reduce loss and damage, and supported country-driven risk reduction activities. With AUSTRALIA and CANADA, she said a discussion on institutional mechanisms is premature. BOLIVIA stressed the importance of including

indigenous and vulnerable communities in the process. JAPAN said attention should be paid to the scientific and technical aspects of loss and damage.

SAUDI ARABIA stated that parties lacked a mandate to adopt or undertake activities until a decision at COP 18. He emphasized that the seminar remains outside of the formal UNFCCC process. Informal consultations will continue.

**DEVELOPING COUNTRY MITIGATION (AWG-LCA):** During the afternoon informal consultations on developing country mitigation under the AWG-LCA, parties were invited to identify priorities for Bonn, issues to be addressed between Bonn and Durban, and expectations for Durban.

Many parties supported focusing work in Bonn on the registry for nationally appropriate mitigation actions (NAMAs). 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 greenhouse gas 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.

There was also 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 how developing country parties would be supported in the preparation of NAMAs and clarification of the meaning of "facilitation of support."

On expectations for Durban, some parties highlighted the need for finalizing and 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 international consultation and analysis be elaborated in Durban. Informal consultations will continue.

**NATIONAL ADAPTATION PLANS (NAPs) (SBI):** In the evening, the SBI contact group on NAPs met briefly to discuss parties' views on scope and the way forward. Co-Chair Ure requested parties to consider over the weekend: the difference between NAPs and NAPAs; appropriate elements in NAPs; expertise/guidance which can be tapped to define NAPs; expectations for the Durban outcome; and the way forward.

Bolivia, for the G77/CHINA, stressed: best practices for strengthening institutional arrangements; the role of the LEG; linkages to the Technology Mechanism and Adaptation Committee; and linkages to the national level. Ghana, for the AFRICAN GROUP, with AUSTRALIA, Vanuatu, for AOSIS, and the US, underlined the importance of feedback and guidance from the LEG. AOSIS emphasized including traditional and indigenous knowledge.

**METHODOLOGICAL GUIDANCE FOR ACTIVITIES RELATED TO REDD+ (SBSTA):** During the afternoon informal consultations, parties discussed 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.

Parties addressed the principles of the system, such as transparency, accuracy, adaptability to national circumstances, regularity, predictability, consistency and comparability.

Some parties noted that the system should, among other things: build on existing national systems; respect national sovereignty; ensure participation by indigenous and local communities; be integrated in national strategies; and

avoid additional burdens. Many supported using national communications to report on safeguards, with some suggesting also including this information in the biennial reports.

On the type of information to be incorporated, some parties highlighted valuable experiences and assessments produced by international organizations and non-governmental organizations. Other parties supported including information on, *inter alia*: the demand side of forest products at the international level; methodologies and sources of information; laws; policies; and governance structures.

On the type and scale of the system, some parties said the scale should be adjusted to the type of information required, possibly including the ecosystem and local levels. A draft text will be prepared and consultations will continue.

### **INFORMAL CONSULTATIONS ON PARTIES' EXPECTATIONS FOR DURBAN**

In the afternoon, South Africa, as the incoming Presidency of COP 17 and COP/MOP 7, held open-ended informal consultation on parties' expectations for Durban. South Africa underscored the need for parties to look beyond their national interests and be creative in order to ensure that future generations will be proud of the Durban outcome.

Cape Verde, for AOSIS, identified Durban as an important milestone on the eve of the expiration of the first commitment period under the Kyoto Protocol and in the wake of the new commitments agreed in Cancun. AOSIS, Argentina, for the G-77/China, the Democratic Republic of the Congo, for the African Group, Colombia, for a number of Latin American countries, Saudi Arabia, for the Arab Group, India, Singapore, China and Venezuela emphasized that the Durban outcome must include a decision to establish a second commitment period under the Kyoto Protocol.

Switzerland, for the Environmental Integrity Group (EIG), and New Zealand emphasized that agreement on a second commitment period under the Kyoto Protocol requires resolution of technical issues on LULUCF accounting and market mechanisms.

The G-77/China, AOSIS, Singapore, China, India and Venezuela identified the balanced operationalization of the Cancun Agreements as the second key outcome from Durban. AOSIS emphasized, *inter alia*: increasing the mitigation ambition of all parties; a work programme on loss and damage; robust review of the long-term global goal; full "institutionalization" of the Adaptation Committee; and adoption of a new legally-binding agreement as the ultimate goal. The EIG, with Colombia, underscored that a Durban package requires agreement on the legal form of the AWG-LCA's outcome. Japan, the US, Australia, New Zealand and the Russian Federation stressed operationalization of the Cancun Agreements as the basis for a robust outcome in Durban, and highlighted the importance of a framework for MRV, including ICA and IAR, and underscored the need for action by all major emitters.

The EU identified central elements of a Durban package as: bridging the ambition gap; reaching a middle ground on legal options as a step towards a legally-binding, comprehensive post-2012 framework; operationalizing the Cancun Agreements, including an MRV framework; and establishing a second commitment period under the Kyoto protocol, in the context of a balanced package.

The Arab Group called for a permanent committee on response measures. Bolivia opposed market mechanisms and emphasized indigenous peoples and the rights of nature.

Australia described four achievable elements of a Durban outcome: agreement to negotiate a legally-binding treaty; an MRV framework; operationalization of the Adaptation

Framework, including agriculture, food security and water; and institutionalizing the new infrastructure of the Green Climate Fund, REDD+, the Technology Mechanism and new market mechanisms. New Zealand said Durban should make progress on the establishment of new market mechanisms. She also called for launching a work programme on agriculture.

India, Venezuela and the Arab Group supported an intersessional meeting prior to Durban. The EU suggested holding technical expert meetings in addition to political discussions during the autumn. Japan underscored that any further intersessional meetings must be efficient.

South Africa said the consultations would resume next week due to intense interest. He encouraged all parties to mandate the AWGs and Subsidiary Bodies to resolve technical issues in order to remove them from the list of items requiring "political guidance work" by the incoming COP presidency. In the lead-up to Durban, he outlined plans to hold consultations with stakeholders and experts, including monthly meetings focused on: the mitigation package (June); mitigation follow-up (July); finance (August); technology and capacity building (September); political level engagement (October); and shared vision and legal options (November). He said these consultations will feed into the ministerial process, which would entail three ministerial meetings, in order to reach compromise on difficult issues. South Africa also identified the need to hold an intersessional meeting before Durban.

### **IN THE CORRIDORS**

At the end of the first week of the Bonn Climate Change Conference, the mood at the Maritim Hotel was noticeably more animated than earlier in the week. With some 30 contact group meetings and informal consultations scheduled for the day, delegates were no longer complaining about having nothing to do. Instead they were juggling, as in similar meetings before, trying to be in several places at the same time.

Discussions also continued on ways to enhance the engagement of observer organizations, including by giving them access to certain informal meetings. Already, some informal groups, including the SBSTA group on methodological guidance for REDD+ and the SBI group on revision of UNFCCC reporting guidelines for Annex I annual inventories, decided to open their doors to observers. South Africa also welcomed everyone to its informal consultations on parties' expectations for Durban. In certain other groups, however, some parties reportedly preferred to keep the doors closed.

Overall, many, leaving the conference venue in preparation for the NGO/Security party and a Sunday off, seemed more optimistic, albeit cautiously so, about the prospects for Durban. One insider was enthusiastic about what he described as a new working method: "I like this idea of the incoming Presidency involving the chairs of all the groups more than has been done in the past." Many were also impressed by the number of meetings at different levels scheduled by South Africa between Bonn and Durban. One commented, however, that, the workload might feel like "being in a pressure cooker" during the next five months. "Things are definitely looking brighter than they did a couple of days ago, but I still have tempered expectations for Durban," said one negotiator.



## SB 34 AND AWG HIGHLIGHTS: MONDAY, 13 JUNE 2011

Contact groups and informal consultations were held throughout the day under the AWG-LCA, AWG-KP, SBI and SBSTA. In the morning and afternoon, the SBI and SBSTA Chairs organized a joint forum on the impact of implementation of response measures. In the afternoon, the incoming presidency of COP 17 and COP/MOP 7 continued open-ended informal consultations on parties' expectations for Durban.

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

#### ANNEX I FURTHER COMMITMENTS (AWG-KP):

During the morning contact group, NEW ZEALAND expressed willingness to commit to a second commitment period under the Kyoto Protocol in conjunction with steps towards a global agreement that includes all major emitters. She said the second commitment period should be seen as a transition period towards taking commitments under a single comprehensive treaty and underscored the need to consider a "docking mechanism" to merge Kyoto Protocol elements into the comprehensive climate regime. AUSTRALIA said the question of a second commitment period is intrinsically linked to commitments by major emitters. She highlighted domestic actions by developing countries and said these should be "internationalized."

SAINT LUCIA emphasized that rules are essential to ensure comparability of developed countries' mitigation efforts and an adequate level of ambition. She also underscored the need to address carryover of surplus Assigned Amount Units (AAUs). SAINT LUCIA called for confirmation that Annex I parties' mitigation commitments will be taken in the context of the Kyoto Protocol.

AUSTRALIA, with NEW ZEALAND, emphasized the need to resolve technical issues on the flexibility mechanisms, the basket of methodological issues and LULUCF accounting rules. NEW ZEALAND stressed the need to address rules and commitments at the same time.

ALGERIA said Annex I parties should agree to a second commitment period and then engage major emitters in a comprehensive agreement. SAINT LUCIA, ALGERIA, TUVALU, BRAZIL, CHINA, INDIA and BOLIVIA underscored that access to the flexibility mechanisms, including Joint Implementation (JI) and the Clean Development Mechanism (CDM), would be difficult to agree to in the absence of a second commitment period. BRAZIL underscored that the Kyoto Protocol constitutes a "package" of obligations and beneficial mechanisms and that parties cannot "pick and choose" from them.

NEW ZEALAND said that even in the absence of a second commitment period, developed country mitigation actions and demand for carbon credits would continue, as national emissions trading systems would need access to Certified Emission Reductions (CERs) from the CDM. Emphasizing the role of the CDM in promoting sustainable development and technology transfer in non-Annex I countries, she said there is no reason to believe that the CDM "stands or falls" on the basis of a second commitment period.

The EU emphasized its legislation to ensure the continuity of the EU Emissions Trading Scheme (ETS) beyond 2012. He expressed concern 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.

AUSTRALIA underscored that deeper and broader access to international carbon markets is essential for increasing the level of ambition. JAPAN said a discussion of the flexibility mechanisms is useful to ensure that they are better utilized in a new international framework. CANADA noted parallel discussions under the AWG-LCA on market mechanisms and said discussions on whether and how the CDM fits in would be useful. The RUSSIAN FEDERATION said they would like to see the continuation of the flexibility mechanisms.

**AWG-LCA:** During the morning contact group, facilitators presented on progress in their informal groups. Parties also exchanged views on future work.

On shared vision, AWG-LCA Vice-Chair Mukahanana-Sangarwe reported that parties had been given more time to explain their proposals on issues for consideration and that further views were expressed on a possible workshop and technical paper to assist discussions on the long-term global goal for emission reductions and peaking of global emissions.

Facilitator Børsting said discussions on finance had focused on the role and nature of the Standing Committee, with parties exchanging views on its functions, composition and relationship to the COP.

Facilitator Socorro Flores reported on "substantive" discussions on legal options for the AWG-LCA's outcome. She explained that those parties supporting a legally-binding outcome cited the need for predictably, reciprocity and transparency. She noted views on the need to work within the context of the Bali Action Plan and the Convention, and the view that any new instrument should not be weaker than the Kyoto Protocol.

Facilitator Uosukainen said the technology group had addressed the steps required to operationalize the Technology Mechanism in 2012. He noted agreement that the functions of

the Climate Technology Centre and Network (CTCN) require elaboration, the CTCN should be efficient, compact and responsive to parties' requests, and that any substantive work will mainly be done by the Network. Facilitator Uosukainen identified the need for more technical work before Durban on the design of the Centre and selection procedure for its host institution, noting a proposal to develop an inventory of possible host organizations. He also underscored the need for discussions on financing for the Technology Mechanism and institutional linkages to adaptation and mitigation. AWG-LCA Chair Reifsnnyder called on parties to finalize nominations for the Technology Executive Committee so that its first meeting could be held before Durban.

Facilitator Gaspar Martins reported common ground that could form the basis for a COP decision on market mechanisms and non-market approaches.

Facilitator Garibaldi said the focus of discussions on developed country mitigation had been on a possible outcome in Bonn and also on what can be done between now and Durban. On developing country mitigation, Facilitator Pilgaard reported a good exchange of views on the Durban outcome and the focus of work in Bonn.

On REDD+, Facilitator La Viña reported that parties had agreed to open the informal meetings to observers. He said views had been exchanged on the Cancun mandate and where finance for REDD+ should be discussed.

On response measures, Facilitator Gichu reported that parties had outlined the context of related work and that discussions would be informed by the forum on response measures.

Facilitator Kumarsingh reported on adaptation, observing that parties had built upon the exchange of views on the Adaptation Committee, with some parties supporting the inclusion of budgetary matters. He noted convergence on the guidelines and modalities for the Committee.

AWG-LCA Chair Reifsnnyder encouraged parties to submit textual proposals to facilitate negotiations. He identified the need for a five- to six-day intersessional meeting in September or October, subject to availability of funding. He suggested that, at such an intersessional meeting, the AWGs start directly in contact groups without plenaries and other formalities, and also noted that the incoming COP Presidency was consulting informally on how to take work forward between now and Durban. On the utility of the AWG-LCA's contact group's stocktaking meetings in Bonn, AWG-LCA Chair Reifsnnyder also reported that it had been suggested that he might as well "just read out the Earth Negotiations Bulletin." Many parties supported continuing the stocktaking meetings, while some suggested reducing their frequency to allow more time for substantive discussions.

INDIA called for an intersessional meeting of both, the SBs and the AWGs. SWITZERLAND and the EU said the usefulness of an intersessional meeting would depend on progress in Bonn and that not all topics required the same time allocation. SAUDI ARABIA cautioned against prioritizing some issues over others. JAPAN supported the proposal to convene the AWG-LCA and AWG-KP contact groups directly. BARBADOS observed that both technical workshops and expert meetings are required and that outputs of any expert meetings should be brought back to a formal meeting. SINGAPORE suggested that the intersessional meeting be a continuation of the Bonn session.

**REDD+ (AWG-LCA):** During morning informal consultations on REDD+ under the AWG-LCA, parties discussed financing options for the full implementation of the results-based actions, as mandated by Decision 1/CP.16 (outcome of the AWG-LCA's work). Some parties emphasized that the results-based actions should take place in the third phase of

REDD+, once national elements to implement REDD+ are in place. Many parties highlighted the Cancun Agreements as defining what activities should be included, and some suggested also considering policy and governance measures. Some developing country parties urged developed country parties to provide the additional funding required to prepare for REDD+ implementation.

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. Many emphasized that it would be up to each country to decide the sources of funding that it is willing to use. The possible funding sources identified included: public funding, both at the national and international levels; a possible REDD+ window under the Green Climate Fund; and market mechanisms. Some suggested establishing a levy on international aviation and maritime transport for further funding. Many highlighted that all sources should be complementary.

Some parties cautioned against using market mechanisms for REDD+, underscoring the need for predictable, effective and additional funding. Some also noted that market-based approaches only work in the context of a constrained system. Some parties further suggested: determining funding sources based on the nature of activities; establishing national funding frameworks that address mitigation as a whole; and creating a community trust fund to assist local communities to develop their capacities.

Many countries highlighted the role that the private sector could play in providing funding, particularly in addressing the drivers of deforestation. Highlighting information gaps, many countries underscored the importance of measuring, reporting and verifying the provision of financing for REDD+.

On who should be compensated for REDD+, some parties said each country should make the decision at the national level, while others underscored the relevance of ensuring that incentives reach the local communities managing the forests and called for further guidance in that regard. Discussions will continue.

**DEVELOPED COUNTRY MITIGATION (AWG-LCA):** During the afternoon informal consultations on developed country mitigation under the AWG-LCA, parties were invited to consider a proposal to establish two spin-off groups, one to focus on biennial reports and the other on international analysis and review (IAR), as well as accounting rules. These spin-off groups would then report back to the informal group on Wednesday. Parties were also requested to focus discussion on political guidance for the spin-off groups.

Parties generally supported convening the spin-off groups. Some called for clarity on accounting rules and improved supplementary information on the achievement of quantified economy-wide emission reduction targets before considering the guidelines for the biennial reports. Several parties maintained that a discussion of IAR should be preceded by a more detailed discussion of accounting rules, and proposed that the Secretariat prepare a technical paper on this. Others noted the need for more conceptual and methodological work on IAR with a focus on architecture and function. One party pointed out that consideration of accounting rules had not been mandated by Decision 1/CP.16 because it does not fit into the national circumstances of some parties. Several parties also proposed focusing on the main elements of IAR in the spin-off group.

**TECHNOLOGY TRANSFER (SBI/SBSTA):** During informal consultations on technology transfer, parties discussed draft SBI and SBSTA conclusions paragraph-by-paragraph.

Parties first addressed the draft SBSTA conclusions. On the role that Technology Needs Assessments (TNAs) could play in identifying and prioritizing technology needs, one party, opposed by others, suggested referring to TNAs, “among others,” noting that other valuable country-level assessments are also relevant for evaluating adaptation and mitigation technology needs. Many parties supported referring instead to an exchange of ideas and experiences on the useful role of initiatives such as TNAs.

Parties then considered the draft SBI conclusions. Many parties supported deleting text noting that the pilot projects supported by the Global Environment Facility (GEF) included few projects on adaptation technologies. They stressed that it is not up to the GEF, but to the countries, to decide whether to present adaptation or mitigation proposals to the GEF and that only one project was on adaptation and not “a few.” On inviting the GEF to enhance its support for pilot projects related to adaptation technologies, some parties supported deletion, noting that issues related to financing and guidance to the GEF are not within the group’s mandate. Parties eventually agreed to hold further consultations on this issue and a new draft text will be prepared.

**FLEXIBILITY MECHANISMS (AWG-KP):** The afternoon discussions on the flexibility mechanisms in the AWG-KP spin-off group were based on Chapter III of the Chair’s revised proposal (FCCC/KP/AWG/2010/18/Add.1) and parties considered three issues: the essential things parties want to achieve; how work on the text should progress; and whether some of the existing proposals can now 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. Parties agreed to undertake bilateral consultations to streamline the text on the use of CERs from project activities in certain host countries and to return to the matter of whether to transfer the two issues to the COP/MOP for its consideration.

Parties then 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 complementarity. Parties were unable to reach agreement on any of the issues or streamline the text. Consultations will continue.

**NATIONAL ADAPTATION PLANS (SBI):** In the afternoon informal consultations on national adaptation plans (NAPs), parties agreed to open the meeting to observers.

Discussions focused on responses to the co-chairs’ questions regarding the formulation of NAPs. Parties agreed that NAPAs are tools to identify and prioritize urgent, short-term adaptation needs, whereas NAPs 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.

On areas for guidance, parties agreed to draw on the LDC Expert Group. On the way forward, many called for defining the scope of, and modalities for, NAPs and adopting guidance for their preparation. Some parties suggested that organizing a workshop or preparing technical paper on modalities or guidelines could be useful. Several parties called for also considering support for NAPs.

The co-chairs will draft a summary of areas of convergence and negotiations will continue.

**DEVELOPING COUNTRY MITIGATION (AWG-LCA):** In the afternoon informal group, the co-facilitator proposed two spin-off groups, one on biennial reports and one on international

consultation and analysis (ICA). Divergent views were expressed on how to approach issues and sequencing. Developing country parties supported spin-off groups on biennial reports and the registry for nationally appropriate mitigation actions (NAMAs), while developed countries preferred the co-facilitators’ proposal. A possible compromise included a spin-off group addressing both the biennial review and ICA, and a spin-off group on the NAMA registry.

In the absence of consensus on a spin-off group on ICA, it was noted that the spin-off group on IAR, established earlier by the informal group on developed country mitigation, was contingent on the spin-off group on IAR.

Parties finally agreed to a spin-off group on biennial reports under the informal group on developed country mitigation and a spin-off group on biennial update reports under the informal group on developing country mitigation. They also agreed that IAR and issues related to accounting would be addressed by the informal group on developed country mitigation, and that the NAMA registry and ICA, sequentially, would be addressed by the informal group on developing country mitigation, with further decisions on spin-off groups to be made, if appropriate.

**METHODOLOGICAL GUIDANCE FOR ACTIVITIES RELATED TO REDD+ (SBSTA):** During the afternoon informal consultations, parties discussed national forest reference emission levels and/or forest reference levels. Many parties underscored 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 on forests and between reference emission levels and reference levels concepts; adjusting reference levels to national circumstances and how to define these; ensuring consistency between sub-national and national reference levels; the type of forests included, if considering natural and plantations; and the possibility of including safeguards.

#### **JOINT SBI/SBSTA FORUM ON RESPONSE MEASURES**

A joint SBI/SBSTA forum on the impact of the implementation of response measures, convened by the SBI and SBSTA Chairs, began on Monday morning, with additional sessions scheduled for the afternoon and the next two days. The forum opened with parties’ technical presentations on the negative and positive impacts of climate policies, a potential work programme on response measures and modalities for operationalization of that work programme.

The EU highlighted, *inter alia*, impact assessments and stakeholder consultations underlying its climate legislation. He noted positive consequences for developing countries of measures, such as the EU sustainability criteria for biofuels and carbon dioxide performance standards for cars. He also discussed the EU’s decision to include aviation emissions in the EU ETS from 2012 onwards, saying airlines from more than 100 developing countries were excluded through the *de minimis* requirement and underscoring the “small impact” on the cost of air travel.

Argentina, for the G-77/China, underscored that all developing countries are vulnerable to the impacts of current and potential response measures. Identifying the need to establish a forum for their consideration, she explained that the forum would constitute a permanent platform for discussions and information-sharing, and that it would also make recommendations to the COP.

Jamaica, for AOSIS, suggested identifying and assessing vulnerabilities across industries, such as tourism, shipping, air travel and cruise ships.

The Organization of the Petroleum Exporting Countries (OPEC) noted the vulnerability of oil-producing countries to the impacts of response measures and called for a permanent forum on response measures.

A number of countries expressed concern over a possible conflict between climate policies and international trade. India presented on protectionist unilateral trade measures, saying that carbon footprint standards, including aviation in the EU ETS and the proposed American Clean Energy and Security Act, restrict market access by LDCs and other developing countries. Kuwait highlighted the vulnerability of oil-exporting countries because of their high dependence on a single commodity. Qatar and Saudi Arabia said methodologies should be available to assess policy measures for negative impacts, and Saudi Arabia added that a permanent forum would implement a detailed work programme, negotiate COP decisions, assign specific tasks to the SBSTA and SBI, review progress on implementation, and provide follow-up. Venezuela highlighted the need to create resilience to the economic impact on hydrocarbon markets and called for a permanent forum.

The presentations will be available at: [http://unfccc.int/cooperation\\_support/response\\_measures/items/6009.php](http://unfccc.int/cooperation_support/response_measures/items/6009.php).

### **INFORMAL CONSULTATIONS ON PARTIES' EXPECTATIONS FOR DURBAN**

In the afternoon, South Africa, as the incoming Presidency of COP 17 and COP/MOP 7, continued open-ended informal consultation on parties' expectations for Durban.

Papua New Guinea, for the Coalition of Rainforest Nations, called for the full establishment of a REDD+ mechanism in Durban through, *inter alia*, a COP decision on the modalities for measuring, reporting and verification (MRV) and reference levels, and financing options for full implementation of REDD+. Norway said the Durban outcome should: serve as a foundation for a legally-binding instrument that includes all major emitters; establish institutions, systems and rules for achieving the 2°C target; and provide the way forward. Indonesia said a Durban outcome should provide a balance between the two negotiating tracks, reflect the Cancun outcomes, and establish a second commitment period under the Kyoto Protocol containing ambitious emission reduction targets for Annex I countries. The Philippines, noting that the Cancun outcomes include references to the importance of human rights in addressing climate change mitigation and adaptation, urged elaboration of this issue in Durban, including through the establishment of safeguards for vulnerable and marginalized communities.

BINGOs said the knowledge and expertise of the business community are key resources for governments and will add value to the UNFCCC process, and called for enhanced public-private dialogues. Climate Action Network said COP 17 can provide the basis for a fair, ambitious and binding regime by making progress on, among other things: implementing the Cancun Agreements; closing the "gigatonne gap;" ensuring that there is no gap between commitment periods under the Kyoto Protocol; and ensuring delivery of pledged finance. Pan-African Climate Justice Alliance, for Climate Justice Now, said: legal action must be taken against non-compliance with targets; no new markets must be established; and predictable, public, new and additional finance must be provided, with at least 50% allocated to adaptation and loss and damage.

ICLEI-Local Governments for Sustainability, for Local Governments and Municipal Authorities, urged implementation of the provisions of Decision 1/CP.16 regarding local and sub-national governments as government stakeholders. RINGOs urged turning to the scientific and social science community for

input and advice, underscoring that RINGOs are "here to help." TUNGOs called for: incorporation of the social dimensions of climate change in all UNFCCC initiatives; incorporation of social protection systems into the Adaptation Framework; and recognition of the need to assess the employment and income impacts of the mitigation regime. Indigenous Peoples' Organizations highlighted the importance of full participation of indigenous peoples at COP 17, noting concerns regarding facilities, accommodation and visas. YOUNGOs said the vulnerability of the African continent must be considered, stressing that this can be achieved through a second commitment period under the Protocol.

Noting parties' comments regarding COP 17 being the "African COP," South Africa said this means COP 17 offers opportunities for the African region to: leverage resources for important projects on climate change, and to consolidate partnerships; showcase the region's efforts to meet its climate change commitments; and infuse "African symbolism" into the UNFCCC's cultural heritage. She highlighted that the Durban outcome must also take account of the needs of the African people, stressing that this depends on the input and activism of African negotiators. Noting lack of common ground, South Africa urged parties to leave Bonn having reached a common understanding of what Durban should produce.

### **IN THE CORRIDORS**

The second week of the Bonn Climate Change Conference began with an overloaded schedule, which saw organizers struggling to allocate rooms for the numerous meetings taking place. The morning's informal consultations on a work programme on loss and damage, for example, were so crowded that standing room was taken and many delegates were left with no option but to try to follow the meeting from outside. Those emerging from the packed room were doubly frustrated, saying discussions were stagnant.

The three-day forum on response measures also began. "I thought it was interesting: biofuels, agricultural subsidies, relationship between the UNFCCC and the World Trade Organization, aviation emissions – the discussions touched upon a number of politically sensitive issues," said one observer, recalling the afternoon's discussions.

The "interminable debate" on the fate of the Kyoto Protocol, a second commitment period and continuation of the flexibility mechanisms, including the CDM, surfaced in several groups with back-and-forth exchanges among developing and developed countries. For instance, in one AWG-KP spin-off group, some developing countries reportedly suggested focusing on views of those willing to commit to a second Kyoto commitment period, to which someone suggested the room would become "very empty."

Although some delegates commented that things were now getting interesting and were looking forward to the rest of the Conference, this view was not shared by everyone, particularly in relation to issues on which parties had entrenched positions. One seasoned delegate lamented the "endless" discussion of "the same old issues" with no movement, no change in positions, no apparent convergence and no end in sight.

## SB 34 AND AWG HIGHLIGHTS: TUESDAY, 14 JUNE 2011

Contact groups and informal consultations were held throughout the day under the AWG-LCA, AWG-KP, SBI and SBSTA. In the afternoon, the SBI and SBSTA Chairs organized a joint forum on the impact of implementation of response measures.

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

**NATIONAL ADAPTATION PLANS (SBI):** In the morning informal consultations on national adaptation plans (NAPs), parties focused on reviewing draft text.

Several developing country parties requested additional emphasis on reference to Decision 1/CP.16 (outcome of the AWG-LCA's work), regarding the needs of the LDCs. A number of developing countries reiterated the need for clarity on support for NAPs, calling for addressing this issue in Bonn and reflecting it in the text. One developed country pointed to the need for progress in discussions on finance under the AWG-LCA and drew attention to the Green Climate Fund's potential role in supporting NAPs.

On the integration of NAPs into national planning processes, one party warned against being prescriptive and called for a country-driven approach. Others requested clarity on the definition of NAPs as a process. One developed country also identified the need to clarify the guidance that the LDC Expert Group (LEG) could provide.

On the way forward, several parties reiterated their interest in future workshops on different aspects of the NAPs. Small group consultations will continue.

**FINANCE (AWG-LCA):** During morning informal consultations on finance under the AWG-LCA, parties continued their consideration of the Standing Committee. They 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 measuring, reporting and verification (MRV) of support; and the Committee's relationship with the COP.

On 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.

Parties continued 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 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 this.

**MARKET AND NON-MARKET APPROACHES (AWG-LCA):** During morning informal consultations on market and non-market approaches, parties continued presenting on their submissions on the elaboration of market and non-market mechanisms, followed by a discussion of these presentations by all parties.

Parties then moved to a discussion on the way forward, focusing on clarifying expectations for draft decisions to be forwarded by the AWG-LCA to the COP in Durban, including specific elements and structure of the draft decisions. 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. Another party called for two decisions, one creating new market mechanisms and the other containing non-market approaches. "Informal informal" consultations will continue.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS (SBI):** During the morning contact group, parties considered draft SBI conclusions paragraph-by-paragraph. No agreement was reached on proposed language recommending that arrangements be made to organize the high-level segment of the COP and COP/MOP in line with the positive experience of the Cancun Conference. Divergent views also remained on the desirability of an additional one-week intersessional

meeting. Parties considered text on the engagement of observer organizations, with many supporting enhancing their participation.

**REVIEW (AWG-LCA):** In the informal group on review of the long-term global goal, parties commented on a note prepared by the facilitator, summarizing issues highlighted during previous discussions and in parties' written inputs.

On the scope of the review, several parties said this should be limited to a review of the adequacy of the long-term goal, while others said it should also include actions to be taken by the COP on the basis of the outcome of the review. One party also proposed reviewing support to developing countries.

On modalities, some parties expressed preference for using existing mechanisms to undertake the review and opposed the establishment of a new mechanism. On the inputs, parties highlighted the IPCC's Fourth Assessment Report (AR4), IPCC working group contributions to the Fifth Assessment Report (AR5) and the proposed biennial reports. One party said the review should also consider avoided damages and the benefits of lowering the 2°C goal.

Parties then considered the way forward, including whether the facilitator should revise the note to include new views and inputs, or whether the note should be translated into negotiating text. Informal consultations will continue.

**ANNEX I FURTHER COMMITMENTS (AWG-KP):** In the morning AWG-KP contact group, spin-off group facilitators provided updates on negotiations.

On numbers and amendments, Leon Charles (Grenada) noted that the aggregate scale of Annex I emission reductions, individual targets and conversion into quantified emission reduction and limitation objectives (QELROs) remain political issues. He highlighted divergent views on the length of the commitment period, but noted that parties had clarified considerations.

On LULUCF, Peter Iversen (Denmark) said discussions focused on *force majeure* and the need to ensure clarity and consistency in its application. He explained that further discussion was required.

On the flexibility mechanisms, Pedro Barata (Portugal) said there had been "little success" in streamlining the text but that parties had identified some issues that should be addressed by Durban, including the inclusion of nuclear energy under the CDM and JI, and the establishment of new mechanisms.

On the basket of methodological issues, AWG-KP Vice-Chair Diouf Sarr noted differing views on the common metrics to calculate carbon dioxide equivalence of greenhouse gases, including which global warming potential values should be used. On new greenhouse gases, she noted diverging views but growing convergence on inclusion of nitrogen trifluoride, new hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). She invited New Zealand to convene a drafting group to find solutions on common metrics and new gases.

During discussions, SAINT LUCIA said eligibility criteria and accounting issues related to the flexibility mechanisms should be addressed in the spin-off groups and emphasized that parties should move to the higher end of their pledge ranges without conditionalities. BOLIVIA said discussions should focus on reducing the gap between pledges and what is required.

AUSTRALIA, with CANADA, said addressing climate change is best served by a regime that includes commitments from all major emitters and said that the regime constructed under the AWG-LCA should "draw together actions by all." AUSTRALIA underscored the need to resolve technical issues related to LULUCF under the AWG-KP track.

The EU reiterated that translation of pledges into QELROs depends on defining applicable rules. He emphasized that progress on large parts of the text, including on market mechanisms, is vital. He said a decision on a second commitment period would be considered in the context of progress on MRV and international consultation and analysis (ICA), and progress towards a comprehensive, legally-binding framework capturing all major emitters.

NORWAY said their overarching condition is that the Durban outcome should be environmentally meaningful in line with the 2°C target. She stressed that certainty is needed on inclusion of all major emitters in a global framework and a complete system of MRV.

TUVALU underscored the importance of discussing rules in the context of a second commitment period, rather than as an information base for negotiations in other tracks. AUSTRALIA and NEW ZEALAND highlighted the need for coherent rules across tracks, noting that "a managed forest is a managed forest" regardless of whether parties take commitments under the Kyoto Protocol or under a broader climate regime.

AWG-KP Chair Macey said work in the various spin-off groups and political discussions would continue. He invited Alf Wills (South Africa) to undertake informal consultations on the necessary steps between now and Durban.

**LEGAL OPTIONS (AWG-LCA):** In the AWG-LCA informal group on legal options, parties acknowledged the diversity of views on the need for a legally-binding outcome under the AWG-LCA and discussed the way forward.

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. They also said that discussions of the legal form could prejudice the outcomes under other AWG-LCA informal groups, suggesting that those outcomes are required for addressing the legal form. Many highlighted that the AWG-LCA's outcome should be based on the Convention's principles and provisions.

Based on proposals previously submitted by parties in accordance with Convention Article 17 (protocols), many parties 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 exercises. One party suggested, and many supported, that the facilitator prepare a summary reflecting discussions.

Some parties shared their views on which elements should be included in a legally-binding outcome under the AWG-LCA. Some developed countries suggested considering quantified emission reductions by developed countries and nationally appropriate mitigation actions (NAMAs) by developing countries in a top-down approach, and incorporating key elements, such as market mechanisms, in a legally-binding instrument.

Other parties suggested including emission reductions in a legally-binding instrument, while other elements requiring more flexibility could be included in a COP decision. Some underscored how their proposals reflected the Convention's provisions, including the principle of common but differentiated responsibilities.

#### JOINT SBI/SBSTA FORUM ON RESPONSE

**MEASURES:** In the afternoon, the Chairs of the SBI and SBSTA convened the forum on the impact of the implementation of response measures. Parties first heard a report on the special event on the forum held on Monday.

Argentina, for the G-77/CHINA, requested clarification on the status of Monday's event and 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 Monday's event should be characterized as something more than an exchange of information among parties.

The EU described the special event as an opportunity to share ideas and stated that the present meeting was the place for parties to present their ideas formally. With the US, he 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 underscored specific mandates to consider related issues separately under the AWG-KP and AWG-LCA.

SBSTA Chair Konaté clarified that Monday's special event was organized to deepen understanding on the new concept of a forum on response measures. He noted that the Chairs had clarified during the SBI and SBSTA plenaries that the forum would be set up as a contact group. He then invited parties to consider elements of the work programme on response measures and modalities to operationalize it.

The G-77/CHINA called 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. SAUDI ARABIA suggested starting by considering the objectives of the work programme on response measures.

MEXICO recognized the need for a platform to address response measures, calling for "a central and unique space" to address response measures. The EU highlighted the need to consider positive impacts of response measures and, with AUSTRALIA, called for focusing on existing channels and processes. The G-77/CHINA emphasized that the existing channels, such as national communications, are not adequate for sharing information on the negative consequences of response measures. She underscored long time lags between non-Annex I national communications. The EU highlighted annual reporting by Annex I parties under the Protocol, while CHINA noted that the EU's fifth national communication contains only 2-3 pages on the impacts of response measures and focuses on positive impacts. The forum will reconvene on Wednesday.

#### APPEALS AGAINST CDM EXECUTIVE BOARD

**DECISIONS (SBI):** During afternoon informal consultations on appeals against decisions of the CDM Executive Board, parties considered draft text on the procedures, mechanisms and institutional arrangements for appeals against CDM Executive

Board decisions. Divergent views remained on whether the scope of the appeals should include CDM Executive Board decisions to approve requests for project registration and issuance of Certified Emission Reductions (CERs), or only decisions to reject such requests. Parties' views also diverged regarding the appeals body, whether a new body should be established or the Enforcement Branch of the Compliance Committee should be used.

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 retrospectively, but should only apply to new projects approved after the appeals procedure has been established.

The co-chairs will revise the text to take account of parties' views and consultations will continue.

**FINANCIAL MECHANISM (SBI):** During afternoon informal consultations on the financial mechanism, parties addressed the implementation of the remaining elements of the LDC work programme and guidance to the Global Environment Facility (GEF). Parties also considered draft conclusions on the National Economic Environments and Development Study (NEEDS) for Climate Change project, and on the global climate observations under the Convention.

Parties were informed that matters pertaining to guidance to the GEF on implementing the LDC work programme had been moved to the group on the financial mechanism.

Parties then discussed the LDC Fund (LDCF) and also considered the type of guidance that the GEF would require. One party observed that Decision 5/CP.16 (further guidance for the operation of the LDCF), requesting the GEF to support the ongoing implementation of NAPAs to facilitate the implementation of the remaining elements of the LDC work programme, was too vague. Parties agreed to invite the GEF to the next meeting to clarify the type of guidance that would be required from the group.

**METHODOLOGICAL GUIDANCE FOR ACTIVITIES RELATED TO REDD+ (SBSTA):** During the afternoon informal consultations, parties discussed modalities for MRV of forest-related emissions and national monitoring systems. The facilitators also introduced draft conclusions.

Many 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. Some parties 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. One party supported MRV at the national level, to avoid sub-national leakage.

Some parties supported reporting relevant information through national communications. Other parties highlighted the link between reference levels and reference emission levels, and MRV. Some parties inquired how MRV could be addressed in pilot projects, while others called for considering capacity building needs at an early stage of the implementation of REDD+ activities.

A party suggested considering a land-based approach for the accounting system. Many developing countries pointed to the need for MRV of financing support, while a developed country noted this issue should be addressed elsewhere. A party suggested considering safeguards within an MRV system, but this was opposed by another party.

On the draft conclusions, many parties suggested inviting submissions from observers in addition to party submissions. On possible elements for modalities relating to safeguards, forest reference levels and forest reference emission levels, many parties suggested additions to the annex included in the draft conclusions. Parties requested the facilitators to update the draft conclusions with the main points from the discussions on MRV. Discussions will continue.

**NAIROBI WORK PROGRAMME (SBSTA):** The afternoon informal consultations on the Nairobi work programme on impacts, vulnerability, and adaptation (NWP) began with a report on the previous “informal informal” meeting where parties had discussed three options for the way forward: discontinuing the NWP as an agenda item because it lacked value; continuing a review of the NWP for the near future; or undertaking the review, forwarding information and advice to the SBI and defining activities for the future work programme. It was reported that parties had chosen to focus on clarifying advice to the SBI and defining activities for the future work programme.

Parties then worked through a draft text paragraph-by-paragraph. There was consensus on encouraging organizations to assist parties through action pledges and the provision of information to the SBSTA. Parties also considered text on outputs and products. They also reached consensus on language indicating, *inter alia*, that the SBSTA undertook a review of the NWP. On developing linkages, parties debated how to refer to the work of the SBI and the “future work” of the Adaptation Committee, with a few developing country parties insisting that reference to the Adaptation Committee be retained.

Informal consultations will continue in a drafting group.

**MATERIALITY STANDARD UNDER THE CDM (SBSTA):** In afternoon informal consultations on the materiality standard under the CDM, parties considered draft SBSTA conclusions and an annex paragraph-by-paragraph. On next steps, some parties supported having the SBSTA recommend a decision for adoption by COP/MOP 7, while others preferred that the SBSTA continue its consideration of this issue at SBSTA 35. Parties also considered language on the definition, scope and application of the materiality standard under the CDM. Informal consultations will continue.

**NUMBERS (AWG-KP):** In the afternoon AWG-KP spin-off group, the Secretariat presented a revised non-paper on options to address the carryover of Assigned Amount Units (AAUs), noting three options: 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.

One party clarified the concept of high-trend adjustment, saying it is designed to address the issue of surplus generated during the second commitment period by linking AAUs with parties’ last reviewed annual greenhouse gas inventories. He explained that, during the second commitment period, parties with AAUs higher than their last reviewed emissions, due to “artificially high” QELROs, would be able to use the difference (the high-trend adjustment) only for domestic compliance. Noting that banking and trading would be legitimate for parties who have genuinely overachieved, he said those countries with AAUs below their last reviewed inventory amounts would be able to bank surpluses. Several countries expressed concern about the variability of emissions from year to year and suggested an average of several years might be preferable.

One developing country preferred no carryover of surplus AAUs but said the second best option is some combination of a cap, limitation to domestic use and high-trend adjustment. One developed country party said a cap should include a percentage and a fixed amount, and allow parties to use whichever was higher. She said this would provide needed flexibility for small developed countries and those facing business, forestry and commitment period cycles that do not match up. Discussions on carryover of surplus AAUs will continue.

### IN THE CORRIDORS

While Tuesday was again packed with contact groups and informal meetings, many were beginning to worry that time was running out. The issue of the next intersessional meeting was therefore on the lips of many delegates, particularly in view of the Bureau meeting scheduled for Wednesday. Several parties had made the additional meeting contingent on progress in Bonn, and the UNFCCC Executive Secretary had informed delegates that if no commitments to fund the meeting were forthcoming by the end of the session on Friday, it would be impossible to organize the additional meeting. Despite this, many participants seemed optimistic and were taking bets on a possible venue, with far-flung Central American or Asian destinations being suggested as possibilities or, failing anything else, the familiar confines of the Maritim Hotel in Bonn.

The issue of observers and their participation also generated discussion in the corridors. Many informal groups decided to open their doors to observers on issues, such as legal options under the AWG-LCA and NAPs under the SBI. Referring to an exchange of opinions among parties concerning access by observers into the SBSTA informal session on REDD+, an experienced negotiator noted: “I was happy when the group finally agreed to allow observers in the room. It required some modification of the order of issues for discussion, as some parties were not comfortable with discussing draft text in the presence of observers, but it was worthwhile.” Emerging from the discussions, an NGO observer said, “We feel it is important to be involved in the discussions that will craft the key features of REDD+, as these features will probably affect us.”



## SB 34 AND AWG HIGHLIGHTS: WEDNESDAY, 15 JUNE 2011

Contact groups and informal consultations were held throughout the day under the AWG-LCA, AWG-KP, SBI and SBSTA.

### CONTACT GROUPS AND INFORMAL CONSULTATIONS

**CONVENTION ARTICLE 6 (SBI):** In the morning contact group, SBI Chair Owens-Jones underscored the importance of the agenda item on Convention Article 6 (education, training and public awareness) for youth and observers. He called for quick conclusions and suggested convening a special event on the issue in Durban. Chair Chowdhury said this session would focus on finalizing draft conclusions and terms of reference for the review of the implementation of the work programme on education, training and public awareness. Parties noted that Convention Article 6 would not be on the agenda in Durban, supporting the SBI Chair's proposal for a special event in Durban.

The US emphasized that guidelines and templates to support the design of national strategies and action plans on Convention Article 6 should be developed "according to national circumstance and context" and proposed deleting text on "identifying links with capacity-building and technology transfer," which was supported by the G-77/CHINA and the EU.

After agreeing to revisions proposed by the G-77/CHINA and the US, parties agreed to forward the text for adoption by the SBI plenary.

**CAPACITY BUILDING UNDER THE CONVENTION (SBI):** In the morning contact group on capacity building under the Convention, the co-chairs drew attention to the "heavily-bracketed text," the lack of progress and lack of time, asking whether parties preferred forwarding the bracketed text to Durban or disposing of the text and starting anew in Durban.

The EU requested continuing work on two bracketed paragraphs regarding an expert group on capacity building and on performance indicators for the review of capacity building in developing countries. Parties could not reach agreement on either paragraph, with some suggesting to enhance capacity building and others proposing to delete the two sections. Co-Chair Caballero underscored the need to avoid duplicating work on capacity building under the AWG-LCA.

Saint Kitts, for AOSIS, and JAPAN supported forwarding the bracketed text to Durban as it is, recalling the significant effort already invested. The bracketed text will be forwarded to the SBI plenary.

**CAPACITY BUILDING UNDER THE PROTOCOL (SBI):** In the morning contact group on capacity building under the Protocol, parties briefly discussed the draft decision text and the way forward towards Durban. Parties were able to

remove a final bracket in the operational text, but did not make progress on brackets in the preamble. The bracketed text will be forwarded to the SBI plenary.

**FINANCE (AWG-LCA):** In the morning informal group on finance under the AWG-LCA, parties considered five submissions from parties on the Standing Committee.

Outlining their proposal, one party raised concerns relating to the fair and equitable representation on the Committee, citing lack of inclusive representation from the Eastern European Group and the Western Europe and Others Group in the Transitional Committee for the design of the Green Climate Fund. 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. Draft conclusions will be prepared.

**ANNEX I FURTHER COMMITMENTS (AWG-KP):** In the morning contact group, spin-off group facilitators provided progress updates.

On LULUCF, Facilitator Rocha said parties had agreed to consider a new co-facilitators' non-paper, which consolidates options and eliminates text made redundant by Decision 2/CMP.6 (LULUCF), noting it reduces the negotiating text from 40 to 12 pages. He said discussions would continue on *force majeure*.

On the basket of methodological issues, AWG-KP Vice-Chair Diouf Sarr reported that a non-paper on common metrics had been proposed by the drafting group. She noted efforts in the spin-off group to streamline the text to minimize the number of options. She proposed the drafting group continue its work on new greenhouse gases.

During discussions, SWITZERLAND, TUVALU, Saint Lucia, for AOSIS, INDIA, SOUTH AFRICA and CHINA supported a resumed session of the AWG-KP in September or October.

JAPAN underscored that they will "never inscribe their new target under the Kyoto Protocol under any circumstances." He said Japan adds value to discussions on the rules due to their experience in implementing them, and noted that the discussions on rules under the AWG-KP are beneficial for discussions under the AWG-LCA.

The EU expressed frustration that, during the AWG-LCA discussions on legal options, parties had not even allowed the facilitator to summarize options for the legal form of the AWG-LCA's outcome. He stressed that a second commitment period is contingent on "meaningful progress" towards a comprehensive, legally-binding agreement and underscored "serious concerns"

that the way legal options are currently being addressed by some parties is not helpful. On the relationship between rules discussed under the AWG-KP and the AWG-LCA, he emphasized that some commonality is required to ensure comparability between Annex I parties taking commitments under the Protocol, Annex I countries parties to the Protocol taking commitments only under the Convention and Annex I countries not parties to the Kyoto Protocol taking commitments under the Convention. He stressed that the EU needs comparability of efforts or at least common ground to define and measure commitments and believes it is unwise to start from scratch on rules in the AWG-LCA context, given the maturity of the Kyoto Protocol rules. The EU also stressed the need for further evolution of the market mechanisms. He identified discussions of a common rules set as necessary for the EU to increase its level of ambition.

AOSIS said the Kyoto Protocol rules should be the starting point on which all parties should build. 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.” AOSIS supported discussions of the text on consequential Protocol amendments.

Technical discussions will continue in spin-off groups and political issues will continue to be addressed in the contact group.

**AWG-LCA CONTACT GROUP:** During the morning AWG-LCA contact group, facilitators presented on progress in their informal groups. Parties also exchanged views on future work.

On REDD+, it was reported, on behalf of Facilitator La Viña, that parties had considered financing for result-based actions. Common ground was identified on considering a flexible basket of financing options from which developing countries could choose based on their national preferences.

On sectoral approaches, Facilitator Wamukoya reported that parties agreed on a way forward to address a general framework, agriculture and bunker fuels. He said parties had presented “constructive elements” for the general framework and that they had identified text coming from previous sessions as a good basis for discussions on agriculture.

On mitigation by developed countries, Co-Facilitator Garibaldi reported on discussions on the biennial reports, saying that parties had exchanged views and addressed technical aspects of guidelines for national communications and biennial reports, including scope, flexibility and timing. He also noted proposals to organize workshops.

On mitigation by developing countries, Co-Facilitator Garibaldi reported on discussions on the biennial reports, highlighting that developing countries emphasized the need for clarity on key aspects, in particular on financing. On the NAMA registry, Co-Facilitator Spilgaard reported that parties had underscored the registry’s voluntary nature and discussed its structure, content and modalities. He noted common understanding on the need for separating in the registry NAMAs requiring international support and those already receiving support.

On market and non-market approaches, Facilitator Gaspar Martins reported on common ground that could provide the basis for a COP decision on market mechanisms and non-market approaches, highlighting the need for further discussions.

On capacity building, Facilitator Uosukainen reported on discussions on institutional arrangements and highlighted suggestions by some parties to prepare a technical paper and organize a workshop on enhancing capacity building. On finance, Facilitator Børsting reported that parties had exchanged views on the Standing Committee, including its role, functions, composition and relationship to the COP and other bodies. He also identified the need for further discussions on long-term finance.

On legal options, Facilitator Flores noted divergent views among parties and said she would prepare a summary note reflecting the discussions.

On the review of the long-term global goal, AWG-LCA Vice-Chair Mukahanana-Sangarwe reported that she had prepared a summary based on parties’ inputs and that many parties

considered it a good basis for further discussions. She noted that some parties had expressed concern about the possibility that the biennial reports would not be ready for consideration during the review process.

On technology, Facilitator Uosukainen noted constructive discussions on the terms of reference and the procedure to select a host for the Climate Technology Centre and Network.

AWG-LCA Chair Reifsnnyder encouraged parties to capture progress made in the informal groups. As possible alternatives he suggested: posting facilitators’ texts online; including the texts in an information document; or attaching them to the meeting’s report in order to enable their translation into the UN languages. He also underscored that some parties had proposed workshops, in particular on the NAMA registry and on biennial reports, that could be an important input for the next session.

INDIA, with BRAZIL, TUVALU, INDONESIA, GRENADA, MEXICO and others, called for organizing an intersessional meeting before Durban. COLOMBIA and AUSTRALIA suggested focusing on the substantive work and skipping opening and closing plenaries. SAUDI ARABIA expressed reservations on intersessional workshops. BRAZIL suggested the workshops should be held back-to-back with the negotiating session. SINGAPORE underscored that the workshops should feed into the formal process but not be a substitute for it.

**METHODOLOGICAL GUIDANCE ON REDD+ (SBSTA):** During the morning informal consultations on REDD+ under the SBSTA, parties considered the co-facilitators’ draft text.

Some parties supported organizing an expert workshop on forest reference levels and forest reference emission levels. Many parties supported language on the “full and effective participation of stakeholders” rather than promoting the “broader participation of stakeholders.”

Many parties suggested including reference to the relevant IPCC guidelines on forest-related greenhouse gas emissions by sources and removals by sinks, forest carbon stocks and forest area changes. One party suggested that the objective of MRV should be to measure the forest-covered area, while another party noted that this does not necessarily address all the activities under REDD+.

Parties also addressed an annex in the draft text, intended to capture parties’ views on the issues discussed. Many parties suggested adding issues to the annex. One party, supported by others, proposed eliminating the annex, stating that the annex does not reflect parties’ common views. Other parties, however, indicated that the annex constitutes a good basis for moving forward and suggested clarifying that it incorporates views expressed by parties. Another party suggested treating the text as the co-facilitators’ text. Other parties underscored taking away “something tangible” from Bonn and some suggested the annex could be useful for producing a document based on its content. Informal consultations continued.

**ADAPTATION (AWG-LCA):** In the morning informal group on adaptation under the AWG-LCA, parties discussed the facilitator’s note on the operationalization of the Adaptation Committee. The facilitator underscored leaving Bonn with text in a decision format and suggested focusing on outlining a draft decision text. He invited parties to share views on modalities and activities of the functions of the Adaptation Committee, noting that this would precede discussion on the Committee’s composition.

Parties expressed divergent views on the level of detail concerning the Committee’s functions, and whether to work towards an exhaustive or non-exhaustive list of activities. Several developing countries advocated simplicity, emphasizing using the five functions listed in Decision 1/CP.16 (outcome of the AWG-LCA’s work), with one suggesting that this will avoid “micro-managing.” Several parties indicated that going beyond a general reference supersedes the mandate from COP 16. A developed country party supported elaborating the Committee’s specific functions, saying this is important for determining the expertise required. Another developed country stated that the text must give “at least an indication” of the activities envisaged for the

Committee. Noting lack of agreement, the facilitator indicated that the text would be based on the facilitator's note and parties submissions. Informal consultations will continue.

#### **DEVELOPED COUNTRY MITIGATION (AWG-LCA):**

The afternoon informal consultations on developed country mitigation under the AWG-LCA focused on international assessment and review (IAR) and associated accounting issues.

Parties suggested possible inputs to the IAR process, including: annual greenhouse gas 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 international consultation and analysis (ICA). They also emphasized that IAR is key to ensuring comparability of mitigation efforts by developed countries.

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.

On accounting rules, many developing countries and several developed countries supported common rules on issues, including targets, base year, sectors, greenhouse gases, banking and trading, and LULUCF. Several developed countries called for flexibility in expressing pledges.

Many developing countries and a developed country underscored the "robust" review mechanism under the Kyoto Protocol, saying the elaboration of the IAR processes should be calibrated against review experiences from the Protocol. Some developed countries supported basing elaboration of the IAR on the current review process under the Convention. Many parties supported a call for submissions, a revised technical paper and a pre-session technical workshop as possible ways to further address IAR before Durban.

#### **DEVELOPING COUNTRY MITIGATION (AWG-LCA):**

In the afternoon informal group on mitigation by developing countries under the AWG-LCA, parties considered the process for ICA by focusing on: inputs; basis for ICA; sequencing and scope; outputs; and next steps after Bonn.

Many parties noted that the biennial reports form the basis for inputs. It was also suggested that ICA should be based on the biennial update reports and consist only of information on unsupported mitigation actions.

Concerning the basis for ICA, 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' nationally appropriate mitigation actions (NAMAs). It was further emphasized that ICA is non-intrusive, non-punitive and respectful of national sovereignty and does not include consideration of the appropriateness of domestic policies and measures. Some parties also noted that the frequency and content of developing country reporting is contingent on the provision of support.

On sequencing and scope, several parties questioned whether the analysis should precede consultation. 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 open to all parties. Other countries 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, while it was also suggested that consultation and sharing of views should be based on written exchanges. As an output, many parties supported a summary report, which does not address non-achievement.

On next steps, many supported submissions from parties on the ICA process. The co-facilitators were also requested to capture areas of convergence, as well as summarize the discussions.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS (SBI):** During an afternoon contact group on arrangements for intergovernmental meetings, parties considered outstanding paragraphs in a draft text.

On the means of enhancing observer organizations' engagement through, *inter alia*, guiding the facilitators of informal consultations to propose that the meetings be open to observers when they consider this would not impede negotiations, SAUDI ARABIA, INDIA and others 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.

On a request to continue discussions on, *inter alia*, increasing capacity-building and support for the involvement of observer organizations, MEXICO and SOUTH AFRICA suggested this should be considered particularly for developing country observer organizations. COLOMBIA said the current shortage of funding for participation by developing country delegates should also be considered.

The Secretariat introduced a non-paper on the possible elements of a provisional agenda for COP 17, which incorporates submissions by parties. SAUDI ARABIA and ARGENTINA inquired whether the consideration of this issue is under the mandate of the SBI. Negotiations continued into the evening.

#### **IN THE CORRIDORS**

As delegates waded through another busy day, the looming closing plenaries of the SBI and SBSTA, scheduled for Thursday, increased the urgency of reaching resolution on a number of issues.

Interest outside of the negotiating rooms lingered on the Bureau meeting. "We've been so caught up with what needs to happen between now and Durban, but the *de facto* answer is 'not much' if there is not going to be an intersessional meeting," uttered one concerned delegate. However, several relieved delegates could be heard discussing travel plans later on in the day, with one joking that he was "looking forward to wearing his Panama hat *in situ*." Yet other delegates articulated continuing concern: "There is still no funding for the intersessional meeting, the Secretariat has already dipped into its reserve funds and almost no funds are available to support the attendance of developing countries at the intersessional meeting."

Meanwhile, SBSTA discussions on the proposed new agenda items held in abeyance were also attracting attention. One delegate rushing towards the room exclaimed that he was optimistic that water would get on the agenda. As the meeting closed to resounding applause, several beaming delegates emerging from the room confirmed the inclusion of water on the agenda, as well as resolution of a "large number of issues," including, according to one seasoned delegate, "common metrics, which has been on the agenda for years."



# Sustainable Development Policy & Practice

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This knowledgebase tracks international activities preparing for the UN Conference on Sustainable Development (UNCSD, or Rio+20).

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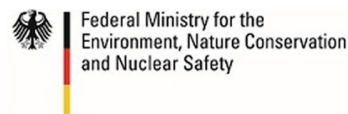
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## SB 34 AND AWG HIGHLIGHTS: THURSDAY, 16 JUNE 2011

Following contact group meetings and informal consultations throughout the day, the SBI and SBSTA closing plenaries took place on Thursday evening.

### SBSTA CLOSING PLENARY

**ORGANIZATIONAL MATTERS:** Parties agreed to elect Colin Beck (Solomon Islands) as the Rapporteur.

Zitouni Ould-Dada (UK) reported on informal consultations on the proposed new agenda items. He explained that parties had supported discussing the impacts of climate change on water resources and integrated water resources management under the agenda item on the Nairobi Work Programme (NWP). He noted that while the vast majority of countries agreed that issues related to blue carbon could be considered under the agenda item on research and systematic observation, one party objected. Facilitator Ould-Dada also reported that no agreement had been reached to include on the agenda the proposed items on the work programme on agriculture, or the rights of nature and the integrity of ecosystems.

SBSTA Chair Konaté proposed adding the item on water resources on the SBSTA agenda. The US noted that they had agreed to discuss the impacts of water resources under the NWP, but did not accept adopting it as a stand-alone item. The Secretariat clarified that the item would first be included on the agenda of SBSTA 34 and that the conclusion of the item at this session would be agreement to consider it at SBSTA 35 under the item on the NWP. The US objected to inclusion of water resources as a stand-alone agenda item. Following informal consultations, parties agreed to reflect in the meeting's report that parties had agreed during informal consultations to discuss the impacts of climate change and integrated water resource management under the NWP at SBSTA 35. The US and ECUADOR welcomed the compromise.

PAPUA NEW GUINEA underscored the willingness of many parties to include mangroves, tidal salt marshes and seagrass meadows under the agenda item on research and systematic observation. She lamented "sinister strategies" to hold certain issues "hostage" and said the consensus rule should not be used to veto the will of all others. She urged all parties to agree to include the consideration of "coastal carbon" on the agenda. HONDURAS, SURINAME, COLOMBIA, BRAZIL, TUVALU, GUATEMALA, the DEMOCRATIC REPUBLIC OF THE CONGO, GUYANA and PAKISTAN supported the proposal. 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. PAPUA NEW GUINEA reiterated their disappointment, underscoring the need to amend the Convention to allow voting as a means of last resort so that progress cannot be "consistently blocked by one party." BOLIVIA noted that they would continue to seek consensus on the inclusion of the proposed agenda item on the rights of nature and the integrity of ecosystems. He also underscored that the proposal by Papua New Guinea and Mexico to amend the Convention concerning voting constituted admission that procedural rules had been violated in Cancun.

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

### DEVELOPMENT AND TRANSFER OF

**TECHNOLOGIES:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.10).

**RESEARCH AND SYSTEMATIC OBSERVATION:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.4).

**METHODOLOGICAL ISSUES UNDER THE CONVENTION: Emissions from international aviation and maritime transport:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.2).

**Reporting guidelines on Annex I annual inventories:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.3).

**Greenhouse gas data interface:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.7).

**METHODOLOGICAL ISSUES UNDER THE PROTOCOL: HCFC-22/HFC-23:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.6).

**Materiality standard under the CDM:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.11).

**Common metrics to calculate the CO<sub>2</sub> equivalence of greenhouse gases:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.8).

**SCIENTIFIC, TECHNICAL AND SOCIO-ECONOMIC ASPECTS OF MITIGATION OF CLIMATE CHANGE:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.9).

**COOPERATION WITH OTHER INTERNATIONAL ORGANIZATIONS:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.5).

**NAIROBI WORK PROGRAMME:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.13).

**METHODOLOGICAL GUIDANCE FOR ACTIVITIES RELATING TO REDD+:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.14).

AUSTRALIA underscored the vital role of REDD+ in mitigation efforts and said they would provide AUS\$ 500,000 for technical work in the lead up to Durban. NORWAY indicated “strong support” for REDD+, saying they would also provide financial support.

BOLIVIA underscored the importance of progress on this issue and highlighted a comprehensive approach, including forest ecosystems.

**MATTERS RELATING TO PROTOCOL ARTICLE 2.3 (adverse impacts of policies and measures):** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.12).

**FORUM ON THE IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES:** The SBSTA adopted conclusions (FCCC/SBSTA/2011/L.16). The joint SBI/SBSTA forum on the impact of the implementation of response measures will reconvene at SB 35.

AUSTRALIA emphasized that the time spent discussing response measures at this session was disproportionate, saying such work will not lead to a balanced outcome in Durban.

**REPORT OF THE SESSION:** Parties adopted the meeting’s report. (FCCC/SBSTA/2011/L.15).

**CLOSING STATEMENTS:** 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.

MEXICO stated that conclusions adopted in Bonn strengthen “the democratic traditions of the Convention,” which were also upheld during the adoption of the Cancun Agreements.

Business Council for Sustainable Energy, for BINGOs, said the Technology Mechanism is a “practical outcome.” Climate Action Network International, for ENGOs highlighted, *inter alia*, full and effective participation of stakeholders. CARE International, for ENGOs, said MRV for forest-based systems must be simple, transparent and effective. International Indigenous Forum on Climate Change, for INDIGENOUS PEOPLES’ ORGANIZATIONS, emphasized that “forests are not just carbon sinks,” calling for REDD+ to consider indigenous communities.

International Trade Union Confederation, for TUNGOs, lamented that employment was not taken up under the NWP. Life e.V., for WOMEN AND GENDER, called for MRV that emphasizes women and gender considerations. Gender CC – Women for Climate Justice, for the YOUNGOs, called for development of ecologically-based indicators for REDD+.

SBSTA Chair Konaté declared SBSTA 34 closed at 11:50 pm.

## SBI PLENARY

**ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS: Budget performance in 2010-2011:** The SBI adopted conclusions (FCCC/SBI/2011/L.5).

**Implementation of the headquarters agreement:** The SBI adopted conclusions (FCCC/SBI/2011/L.13).

**Privileges and immunities:** Faciliator Kunihiko Shimada (Japan) reported that progress had been made to refine treaty arrangements on privileges and immunities, but that unresolved issues remain. The SBI adopted conclusions (FCCC/SBI/2011/L.7). TUVALU expressed disappointment with the lack of progress on this issue.

**ANNEX I NATIONAL COMMUNICATIONS: Status of submission and review of fifth national communications:** The SBI adopted conclusions (FCCC/SBI/2011/L.2).

**Compilation and synthesis of fifth national communications:** The SBI agreed to continue consideration of the issue at SBI 35. The US emphasized that the compilation provides a useful overview of, *inter alia*, greenhouse gas emissions trends and national systems.

**Convention Article 12.5 (frequency of national communications):** The SBI adopted conclusions (FCCC/SBI/2011/L.3).

**NON-ANNEX I NATIONAL COMMUNICATIONS: Consultative Group of Experts on Non-Annex I National Communications (CGE):** The SBI adopted conclusions (FCCC/SBI/2011/L.8).

**Convention Article 12.5:** The SBI agreed to continue consideration of the issue at SBI 35.

**Financial and technical support:** The SBI adopted conclusions (FCCC/SBI/2011/L.9).

**CONVENTION ARTICLE 6 (education, training and public awareness):** The SBI adopted conclusions (FCCC/SBI/2011/L.6). SBI Chair Owen-Jones noted plans to organize a special event on education, training and public awareness in Durban.

**CONVENTION ARTICLES 4.8 AND 4.9: Decision 1/CP.10 (Buenos Aires programme of work):** The SBI adopted conclusions (FCCC/SBI/2011/L.14).

**Matters related to LDCs:** The SBI adopted conclusions (FCCC/SBI/2011/L.4).

**PROTOCOL ARTICLE 3.14 (adverse impacts of response measures):** The SBI adopted conclusions (FCCC/SBI/2011/L.12).

**TECHNOLOGY TRANSFER:** The SBI adopted conclusions (FCCC/SBI/2011/L.10).

**CAPACITY BUILDING (CONVENTION):** Co-Chair Paula Caballero (Colombia) reported that parties had been unable to agree on the second comprehensive review of the capacity building framework. The SBI agreed to continue consideration of the issue at SBI 35.

**CAPACITY BUILDING (PROTOCOL):** Co-Chair Caballero reported that no agreement had been reached. The SBI agreed to continue consideration of the issue at SBI 35.

**PROTOCOL AMENDMENT RELATED TO COMPLIANCE:** The SBI agreed to continue consideration of the issue at SBI 35.

**APPEALS AGAINST DECISIONS BY THE CDM EXECUTIVE BOARD:** Co-Chair Yaw Bediako Osafo (Ghana) reported on productive discussions on the appeals mechanism against decisions by the CDM Executive Board. He noted, however, that divergent views remain, in particular, on the scope of the appeals procedure. The SBI adopted conclusions (FCCC/SBI/2011/L.11).

**NATIONAL ADAPTATION PLANS:** The SBI adopted conclusions (FCCC/SBI/2011/L.16).

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:** SBI Chair Owen-Jones introduced draft SBI conclusions (FCCC/SBI/2011/L.19). SAUDI ARABIA and the US identified the need for further work.

After further informal consultations focusing on enhancing participation by observer organizations, 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 into the COP and COP/MOP be deferred to SBI 36 instead of SBI 35. Parties eventually agreed to defer the consideration of the issue until 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.

**FINANCIAL MECHANISM:** The SBI adopted conclusions (FCCC/SBI/ 2011/L.17).

On the synthesis report of the information provided by countries participating in the National Economic, Environment and Development Study (NEEDS) for Climate Change Project, the Philippines, for the G-77/CHINA, expressed disappointment that the benefits could not be extended. She also lamented unpredictability of funds for the Global Observing System 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.

**LOSS AND DAMAGE:** SBI Chair Owen-Jones introduced draft conclusions on loss and damage (FCCC/2011/SBI/L.20). SAUDI ARABIA and QATAR questioned the process through which the text originated. SAUDI ARABIA lamented that their views were not reflected, highlighting the consideration of response measures along with the adverse effects of climate change. SBI Chair Owen-Jones underscored that he was tabling the draft conclusions at his own responsibility and that the proposed text does not include issues from under other agenda items.

A number of parties, including AOSIS, the EU, MEXICO, NEW ZEALAND and the US, stressed the need to consider loss and damage, and response measures separately. The Cook Islands, for AOSIS, underscored that consideration of loss and damage is mandated by Decision 1/CP.16 (outcome of the AWG-LCA). The EU stated that, according to the rules of procedure, it is for the COP to determine the issues to be considered by the Subsidiary Bodies. AOSIS emphasized that the item on loss and damage relates to adaptation, while response measures fall under the building block on mitigation. She highlighted that response measures are already considered under other agenda items. AUSTRALIA urged parties not to “dilute or delay” the “important work” on loss and damage. She noted that at least 16 hours have been spent in Bonn to consider response measures in the forum on the impact of the implementation of response measures. JAPAN underscored the need to discuss loss and damage.

COLOMBIA urged parties to negotiate in good faith, stating that “tactics of deviation” to delay the process are not acceptable given that the survival of vulnerable populations is at stake. TUVALU suggested that support for the forum on response measures would be contingent on agreement on loss and damage. BARBADOS underscored that 99% of people dying from climate-related events live in developing countries, and, with the GAMBIA, urged Qatar and Saudi Arabia to revisit their position.

SBI Chair Owen-Jones reiterated his proposal that parties adopt the draft SBI conclusions. QATAR opposed, underscoring procedural concerns. SAUDI ARABIA stated they had “only recently” received the text and also opposed its adoption. With EGYPT, he proposed further informal consultations. TUVALU, supported by the COOK ISLANDS, stressed that the text had already been subject to extensive consultations. The COOK ISLAND stated that Saudi Arabia had also participated in these discussions and that concessions had been made to accommodate their views.

After further informal consultations, the SBI plenary reconvened at 1:40 am. Parties agreed to change wording in a paragraph indicating that the SBI agreed to continue 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.

**FORUM ON THE IMPACT OF THE IMPLEMENTATION OF RESPONSE MEASURES:** SBI Chair Owen-Jones reported on the special event on the forum on the impact of the implementation of response measures and two sessions of the forum. The SBI adopted conclusions (FCCC/SBI/2011/L.18).

SBI Chair Owen-Jones then suspended the SBI plenary at 1:45 am.

### **IN THE CORRIDORS**

On the penultimate day of the Bonn Climate Change Conference, a number of delegates found themselves confined in the Maritime Hotel late into the night as the closing plenaries of the SBI and SBSTA worked to get through their respective agendas. After a busy day of attempts to finalize work on all outstanding issues, the plenaries only got underway towards 6 pm. Both were interrupted, however, more than once to allow documents to be produced or parties to consult informally on controversial issues, such as proposed new agenda items, enhancing observer participation, and loss and damage.

On the SBSTA side, the issue of blue carbon played out on center stage. While the majority of parties supported considering related issues under existing SBSTA agenda items, Bolivia and Venezuela opposed this, voicing concerns that market mechanisms will not offer the nature adequate protection. Some observers also shared concern over turning “blue carbon into another REDD+.” One delegate characterized blue carbon as an example of why interlinkages between the Rio Conventions should be reinforced.

Delegates waiting for the SBSTA plenary to resume after 10 pm were entertained by chanting interpreters claiming that “there is no body like the SBSTA, the body of substance.” Some also composed cheerleading refrains on blue carbon. “Give me a B...give me an L...,” they shouted in jest. On the SBI side, one insider tried to reassure tired observers waiting for the outcome of late-night informal consultations: “Give us time, we are trying to do good things here.”

**ENB SUMMARY AND ANALYSIS:** The *Earth Negotiations Bulletin* summary and analysis of the UN Climate Conference in Bonn will be available on Monday, 20 June 2011 online at: <http://www.iisd.ca/climate/SB34>.



# Climate Change Policy & Practice

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## 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.

Reifsnnyder 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.

Reifsnnyder 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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Climate Change Policy & Practice: <http://climate-l.iisd.org/>

To receive the Climate Change Daily Feed and to subscribe to the CLIMATE-L community listserve: <http://climate-l.iisd.org/about-the-climate-l-mailing-list/>

To subscribe to our iCal of climate change events:  
<webcal://climate-l.iisd.org/subscribe/icalendar/>

Climate Change Policy & Practice is supported by the  
Swiss Agency for Development and Cooperation, Global Program Climate Change



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