



## UNFCCC SB-16 HIGHLIGHTS FRIDAY-SATURDAY, 7-8 JUNE 2002

On Friday, SBSTA convened in the morning to continue consideration of cooperation with relevant international organizations and to discuss UNFCCC Article 6 (education, training and public awareness), the relationship between efforts to protect the stratospheric ozone layer and to safeguard the global climate system, and the special circumstances of Croatia under UNFCCC Article 4.6 (flexibility for Annex I Parties with economies in transition). Contact groups met throughout the day to consider Protocol Articles 5 (methodological issues), 7 (communication of information) and 8 (review of information), LULUCF under the CDM, reporting and review of greenhouse gas inventories, the IPCC TAR, Article 6, and policies and measures (P&Ms). The contact group on AIJ completed its work.

On Saturday, contact groups were convened to continue work on Articles 5, 7 and 8, the IPCC TAR, P&Ms, greenhouse gas inventories, and LULUCF under the CDM.

### SBSTA

**INTERNATIONAL ORGANIZATIONS:** After a presentation from a representative of RAMSAR, the EU suggested that SBSTA consider a draft decision on cooperation with other conventions and, with SWITZERLAND, TUVALU, and NORWAY, proposed inviting the Secretariat to explore methodological issues relating to emissions from international transport, and report results to SB-17. This proposal was opposed by AUSTRALIA, the US and SAUDI ARABIA. The EU said it is considering applying unilateral measures to reduce emissions from international transport if no significant progress is achieved within the International Civil Aviation Organization (ICAO) and International Maritime Organization (IMO). Chair Thorgeirsson said he would prepare draft conclusions on cooperation with UN bodies, and that informal consultations would be conducted on cooperation with other conventions.

**ARTICLE 6:** On education, training, and public awareness, IPCC Executive Secretary Geoffrey Love reported on the status of translation of IPCC documents into UN languages other than English. Parties discussed the report from a recent workshop to develop a work programme on Article 6 activities (FCCC/SBSTA/2002/INF.10). Many Parties welcomed the discussion on the issue. MALAYSIA, SENEGAL, NAMIBIA, BRAZIL, and ERITREA underscored the need for Article 6 activities to be country driven. A contact group was convened.

**RELATIONSHIP BETWEEN OZONE AND CLIMATE EFFORTS:** Chair Thorgeirsson recalled a COP-5 decision (17/CP.5) requesting information on available and potential ways and means of limiting emissions of hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), including their use as replacements for ozone-depleting substances. Several Parties stressed the importance of the IPCC and the Technical and Economic Assessment Panel (TEAP) of the Montreal Protocol in providing information on this matter. INDIA said reduction in the use of HFCs and PFCs

could affect developing countries' economies. The US said actions undertaken to reduce HCFs and PFCs must not undermine the phase-out of ozone-depleting substances. SWITZERLAND favored a draft decision outlining actions for presentation to COP-8. The EU noted that despite the current low contribution of HFCs and PFCs to total greenhouse gas emissions, efforts are necessary to avoid significant growth in these emissions. Chair Thorgeirsson said Richard Bradley (US) would undertake informal consultations on this issue.

**OTHER MATTERS:** Parties addressed the proposal by Croatia under UNFCCC Article 4.6 to adjust the base year for its greenhouse gas inventory from 1990 to 1991. CROATIA, supported by CG-11, stressed its special circumstances. The EU urged careful consideration of this matter, and said that implementation of Article 4.6 must not undermine the integrity of the Protocol. UGANDA cautioned that a decision on this matter would set a precedent under this Article. Chair Thorgeirsson asked Jim Penman (UK) to facilitate informal consultations to prepare draft conclusions and a possible draft decision on this matter.

### CONTACT GROUPS

**ARTICLES 5, 7 AND 8:** On Friday, the contact group considered the draft document on the expedited procedure for the review for reinstatement of eligibility to use the mechanisms, while a small drafting group worked on overall timeframes. Participants agreed that Parties should give advance notice to the Secretariat on requests for a review. The EU and INDIA supported extending review time, if necessary, to ensure thoroughness. AUSTRALIA and others opposed this, stressing resource implications and the Party's responsibility to provide information.

On Saturday, the group reviewed the parts of the guidelines under Articles 7 and 8 pending since COP-7, namely: reporting of supplementary information under Article 7.1; reporting of supplementary information under Article 7.2; review of information on assigned amounts pursuant to Article 3.7 and 3.8, ERUs, CERs, AAUs and RMUs; and review of national registries. BRAZIL, for the G-77/CHINA, said it was waiting for outcomes from the group on LULUCF under the CDM. NEW ZEALAND distributed a non-paper to facilitate work.

Co-Chair Helen Plume asked delegates to submit any proposals on review of national registries in writing to the Secretariat and said a new copy of the Working Paper incorporating Party views would be available Monday morning. Parties also engaged in an initial exchange of views on review of demonstrable progress under Article 3.2, to be revisited during SBSTA's second week. The Secretariat distributed draft conclusions.

**AIJ:** The contact group on the uniform reporting format (URF) for AIJ under the pilot phase completed its work on the draft revised URF (FCCC/SB/2000/6/Add.1) on Friday. Delegates agreed to several amendments to the sections on summarizing the AIJ project and on financing, and approved the draft annexes. Following informal consultations, participants approved the section on mutually agreed assessment procedures. They also

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inserted a sentence in the chapeau clarifying that the content provided by the revised URF is “for informational purposes only and should not be construed as adopting the underlying concepts.”

Parties concluded their work by approving draft conclusions for consideration by SBSTA, as well as a draft COP-8 decision. The draft conclusions agree on the revised URF and encourage Parties involved in AIJ to submit reports using this URF. The draft decision adopts the revised URF and urges Parties involved in AIJ to use it.

**GREENHOUSE GAS INVENTORIES:** On Friday, Co-Chair Newton Paciornik reminded Parties of the work ahead, including the revision of outstanding text on reporting guidelines, the common reporting format (CRF) tables, and pending issues held over from Thursday. The EU read a proposal for a new paragraph on capturing carbon from flue gases and Co-Chair Paciornik deferred it for consideration at a later meeting. On uncertainties for reporting, CANADA said these should be quantified and reported, but not in the CRF, which compares data across parties. PERU recommended the inclusion of uncertainties, while the US said uncertainties should fall under national inventory reporting (NIR). On the NIR, Co-Chair Paciornik said the EU, CHINA, PERU and US should elaborate a solution to unresolved differences. CHINA opposed a US proposal that CRF tables contain key source categories, proposing that uncertainties cover all categories. Co-Chair Audun Rosland invited Parties to reach conclusions on pending issues by Saturday morning. A sub-group met in the evening to consider the CRF tables, with key outstanding issues including table 7 on uncertainties for key sources (FCCC/SBSTA/2002/2/Add.3).

On Saturday, Co-Chair Rosland explained the technical sub-group’s proposed editorial changes to the tables of the CRF, and outlined proposals for resolving pending issues, including those relating to base-years, key sources and uncertainties. Discussion focused on the proposed structure of NIR, on when to use “shall” or “should” in the guidelines, and on how the guidelines will apply to Parties that choose 1995 as their baseline under Protocol Article 3.8.

**LULUCF UNDER THE CDM:** This group met in afternoon and evening sessions on Friday and an evening session on Saturday. On Friday, Co-Chair Karsten Sach introduced a revised TOR and agenda for work to develop definitions and modalities for including LULUCF under the CDM. Participants debated how to take into consideration accounting, reporting and review aspects when developing these, as proposed by the G-77/CHINA. CANADA cautioned against moving beyond the group’s mandate.

The G-77/CHINA suggested compiling an options paper on modalities for accounting, reporting and review aspects, while the EU, CANADA and JAPAN preferred integrating these issues into the other options papers. In the agenda for work, CHINA proposed moving up deadlines to allow more time for preparation. Regarding submissions on modalities, MALAYSIA stressed the need for initial exchange of views.

On Saturday, Parties agreed on text relating to draft TOR and an agenda for work to develop definitions and modalities, including afforestation and reforestation activities under the CDM. On definitions, Parties discussed a Canadian proposal to change the baseline year under definitions of “reforestation” from 1989 to 1999.

**IPCC TAR:** On Friday evening, delegates met to consider the Co-Chairs’ proposed draft conclusions on how the TAR can support the work of the UNFCCC subsidiary bodies, particularly the SBSTA. Co-Chair Rawleston Moore requested views on elements omitted from the draft conclusions, and CHINA suggested specific issues related to technology transfer, which the G-77/CHINA suggested could be addressed by the Expert Group on Technology Transfer (EGTT). The EU suggested a greater focus on the IPCC Special Report on Technology Transfer.

Parties continued their deliberations on Saturday morning, basing their discussions on a Co-Chairs’ list of issues raised Friday, including financial matters, the Protocol, adaptation, science and organizing principles. CHINA said any discussion on the Protocol should consider the impacts of implementation, and SAUDI ARABIA called for a scientific assessment of these impacts. On

adaptation, Co-Chair David Warrilow noted that no specific subsidiary body agenda item addresses adaptation. The G-77/CHINA supported more information on adaptation policy options, and JAPAN said a mitigation portfolio was also necessary. A revised text will be prepared by the Co-Chairs.

**ARTICLE 6:** Parties suggested key words/concepts to guide the Co-Chairs’ work in clarifying a draft work programme on facilitating the implementation of Article 6, including: “country driven,” “appropriate international support and funding,” “information exchange,” “cost effectiveness,” “integration within sustainable development priorities,” “targeted audiences,” “practical,” and “sustained.” On the objectives of the work programme, the US and others suggested using those contained in Article 6. On priorities, Parties discussed identifying financial resources, facilitating the exchange of information and improving IPCC outreach as short-term needs, and improving national communications, evaluation methods, and education curricula. The group will reconvene Monday to consider draft conclusions and a draft COP decision.

**POLICIES AND MEASURES (P&Ms):** The contact group on P&Ms met on Friday night and Saturday afternoon. On Friday, Co-Chair Pierre Giroux (Canada) outlined the relevant COP-7 decision (13/CP.7) and requested comments on how to move forward on implementing this decision.

Several Parties emphasized the value of exchanging information and sharing experiences. AUSTRALIA and the US supported a stock taking exercise to review available information, including from recent workshops. SAMOA, speaking for AOSIS, said the stock taking exercise is set for SB-17. He endorsed continuing information exchange, an examination of policy formulation processes, and sectoral analysis. The EU called for a work programme to support concrete activities. SWITZERLAND suggested developing a scoping paper addressing topics such as reporting and review, and methodological issues. The US proposed information sharing on cost-benefit analyses used to evaluate P&Ms, and JAPAN highlighted the importance of national circumstances.

On Saturday, Co-Chair Giroux introduced a one-page document containing a table reflecting issues raised the previous evening. The table included headings on the consideration of initial results from actions taken under the COP-7 decision, and on a framework for action. Several Parties said the table was a useful basis for their work, and made suggestions for amendments or additions to the headings and content. Co-Chair Giroux said text would be developed based on Parties’ comments and would be available by Tuesday.

### IN THE CORRIDORS

The “hot” issue among delegates over the weekend had less to do with climate change than with national pride. As negotiations continued on Friday and Saturday, many participants’ attention seemed to be on events thousands of miles away in Asia – and, perhaps surprisingly, it was not those taking place in Bali.

Dozens of delegates had their eyes glued to television screens showing the latest World Cup action, with many seemingly unable to tear themselves away from “crucial” games such as England’s thriller against Argentina. The level of interest was so great that delegates postponed a LULUCF meeting to avoid a clash with Brazil’s fixture against China. Indeed, the passion displayed for the “beautiful game” here in Bonn had one observer jokingly questioning what further tense clashes on the pitch might mean for North-South relations.

On a more serious note, Canada’s proposal to change the baseline year for “reforestation” caused a flurry of diplomatic activity late Saturday night.

### THINGS TO LOOK FOR TODAY

**SBI:** The first meeting of the SBI will convene at 10:00 am in Plenary I. The SBI is scheduled to consider its entire agenda, including national communications, review of the financial mechanism, and other issues.

**CONTACT GROUPS:** Contact groups will be held on the IPCC TAR, greenhouse gas inventories, and other issues. Check the television monitors for further details.