



## UNFCCC SB-16 HIGHLIGHTS MONDAY, 10 JUNE 2002

The Subsidiary Body for Implementation (SBI) convened for its opening meeting on Monday morning, followed by a further session in the afternoon. The SBI addressed organizational matters, national communications, the financial mechanism, preparations for the WSSD, arrangements for intergovernmental meetings, and administrative and financial matters.

In addition, contact groups met to continue their work on: Protocol Articles 5 (methodological issues), 7 (communication of information), and 8 (review of information); greenhouse gas inventories; UNFCCC Article 6 (education, training and public awareness); and the IPCC Third Assessment Report (TAR).

### SBI

**OPENING PLENARY AND ORGANIZATIONAL MATTERS:** SBI Chair Raúl Estrada-Oyuela (Argentina) opened the first meeting of SBI-16. In an opening statement, UNFCCC Executive Secretary Joke Waller-Hunter stressed a focus on implementation and noted the important role of SBI in this context.

On the adoption of the agenda (FCCC/SBI/2002/1 and Add.1), CANADA raised uncertainties over the status of the agenda item on implementation of Protocol Article 2.3 (minimization of adverse effects), as noted in the opening meeting of the SBSTA. The G-77/CHINA, opposed by the EU and JAPAN, supported including this item on the agenda. JAPAN requested that the item be suspended, and SWITZERLAND noted that work could continue despite disagreement on some agenda items. The US cautioned against potential overlap between consideration of UNFCCC Article 4.8 and 4.9 (adverse effects) by SBI and consideration of the IPCC TAR by SBSTA. He also proposed an additional agenda item entitled "transparency in the UNFCCC process." Adoption of the agenda was deferred and Parties agreed to continue consideration of other agenda items.

**ANNEX I NATIONAL COMMUNICATIONS:** On national communications from Annex I Parties, the Secretariat introduced a document on consideration of the reviews of communications (FCCC/SBI/2002/3). The document presents information on trends in greenhouse gas emissions for Annex I Parties from 1990-99, and suggests options for improving the process of considering national communications and for the review process of countries' communications. Chair Estrada invited Parties to comment on the document and make suggestions for using national communications more effectively.

Observing that trends in emissions levels since 1990 left "no grounds for complacency," the EU said the document's suggestions merited further consideration, and proposed that draft conclusions be considered at SB-17. CHINA, for the G-77/CHINA, highlighted the review of national communications as important work in which all Parties should be involved. SWITZERLAND

said the Secretariat's suggestions deserved closer scrutiny. CANADA, the US and AUSTRALIA stated that the current process works well, and opposed an additional process or any modifications at this time. NORWAY suggested linking SBSTA's work on policies and measures with SBI's on national communications.

Regarding the status report on the review of third national communications, Chair Estrada highlighted the report (FCCC/SBI/2002/INF.4) and remarked that the Secretariat will prepare a compilation and synthesis report for SB-18, pending the submission of additional national communications. Chair Estrada will prepare draft conclusions on the agenda item for consideration by SBI on Friday.

**NON-ANNEX I NATIONAL COMMUNICATIONS:** On the work of the Consultative Group of Experts (CGE) on national communications from non-Annex I Parties, Chair Estrada drew delegates' attention to reports on an experience-sharing workshop (FCCC/SBI/2002/INF.3) and on the fourth meeting of the CGE (FCCC/SBI/2002/2). CGE Chair Isabelle Niang-Diop (Senegal) reported on CGE activities and stressed the importance of financial and technical support for preparing national communications. Consideration of the remaining issues under this agenda item was deferred.

**PREPARATIONS FOR THE WSSD:** Yahyaoui Abdelaziz (Morocco) reported on preparations for the World Summit on Sustainable Development (WSSD), indicating that negotiations on the means for implementation remain unresolved. PAKISTAN, for the G-77/CHINA, expressed the Group's commitment to the WSSD and noted concerns that Parties were failing to fulfill their Rio commitments.

**FINANCIAL MECHANISM:** On the review of the financial mechanism, Chair Estrada invited Parties to provide feedback on the performance of the Global Environment Facility (GEF). THAILAND, for the G-77/CHINA, said he looked forward to the second review. The EU supported the GEF's funding of medium-sized projects and welcomed its effort to streamline the project cycle. CANADA hoped the review would focus on a small number of practical recommendations. The RUSSIAN FEDERATION stressed accountability. Parties agreed to hold informal discussions chaired by Rawlestone Moore.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:** The Secretariat introduced a document on arrangements for intergovernmental meetings (FCCC/SBI/2002/4) containing information on COP-8, arrangements for the first Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP-1), the programme for future sessions, the budget for conference services, and COP-9.

On COP-8, the Secretariat suggested replacing the high-level segment containing national statements with a round-table discussion. The EU, NEW ZEALAND, SWITZERLAND and SAUDI ARABIA advocated participation of ministers and heads of dele-

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gation. Chair Estrada requested the COP Bureau to work on the round-table issue, and consult on a list of items for the ministers to discuss.

On arrangements for COP/MOP-1, the EU supported work on common issues for the COP and COP/MOP and the definition of necessary rules and procedures. CANADA, NEW ZEALAND, NORWAY and AUSTRALIA supported the use of existing UNFCCC rules of procedure, while noting that one of the key rules has not yet been agreed. AUSTRALIA opposed consolidated meetings.

On the programme for future sessions, the Secretariat highlighted its concern about the growing number of workshops. The EU and JAPAN called for an efficient process, with NORWAY proposing that workshops be held immediately prior to sessions of the subsidiary bodies. IRAN expressed concern it would impose a burden on small delegations. Chair Estrada suggested prioritizing workshops and improving workshop preparation.

On the budget for conference services, the US, JAPAN and CANADA said conference expenses should be borne by the UNFCCC budget and not the budget of the UN General Assembly (UNGA). ANTIGUA and BARBUDA said the issue of conference financing from the UNGA remained open.

On the issue of COP-9, Chair Estrada indicated that its venue has not yet been determined.

**ADMINISTRATIVE AND FINANCIAL MATTERS:** The Secretariat introduced the report on the interim financial performance for the biennium 2002-2003 (FCCC/SBI/2002/INF.5). She drew attention to the fact that there were currently 190 contributions outstanding. Chair Estrada said he would draft SBI conclusions on this item.

Regarding possible options for responding to late payment of contributions, the Secretariat stated that publishing this information encouraged timely payment, and drew attention to a draft decision forwarded by SB-15 for adoption by COP-8.

On implementation of the Headquarters Agreement, Germany gave a progress report, noting that plans for a UN campus and new conference facilities in Bonn are moving ahead. UNFCCC Executive Secretary Waller-Hunter welcomed the plans and thanked the German Government.

### CONTACT GROUPS

**ARTICLES 5, 7 AND 8:** Delegates considered a draft COP-8 decision on demonstrable progress under Protocol Article 3.2. The G-77/CHINA and AOSIS stressed concerns regarding evaluation of progress made, and said they would provide a textual proposal. Turning to draft SB-16 conclusions on guidelines under Articles 5, 7 and 8, CANADA cautioned that the parts of the guidelines that remain pending might not be agreed at SB-16, and the conclusion was amended to suggest forwarding a draft co-chairs' text that would form the basis for work on the guidelines. The draft conclusions stating that Parties would complete the technical guidance for adjustments under Article 5.2 were amended to leave flexibility for work to continue during COP-9, if necessary.

Parties considered the draft on Review of National Registries, to be incorporated in the guidelines for review under Article 8. NEW ZEALAND explained his proposed amendments, stressing, *inter alia*, that the review process, which will be electronic, should not be prejudged. He noted that the discussion on technical standards for the exchange of data is ongoing.

**GREENHOUSE GAS INVENTORIES:** This contact group met in afternoon and evening sessions, with delegates considering methodological issues addressed in the report of an expert meeting to assess experience in the use of the UNFCCC reporting and review guidelines (FCCC/SBSTA/2002/2 and Add.1).

In the evening, Co-Chair Audun Rosland reported that technical consultations had resolved issues on the revised guidelines, including those on source categories, editorial changes to the appendix, and the CRF tables. Parties then revisited the reporting guidelines. On the publication of CRFs on the Internet, the EU said

the UNFCCC website should contain CRFs to ensure a more transparent process and provide efficient access to information. NEW ZEALAND said the Secretariat should not be burdened with that task. Parties then resumed discussion on the methodological annex, with consultations continuing late into the night.

**ARTICLE 6:** Co-Chair S. N. Sok Appadu introduced the Co-Chairs' proposals for draft conclusions and a draft decision on a work programme on Article 6. Parties discussed textual changes paragraph-by-paragraph. PERU, opposed by BRAZIL, suggested linking activities under Article 6 on climate change with similar activities on local pollution problems. CANADA argued for postponing debate on the proposed draft decision until SB-17 to give Parties sufficient time to assess its potential implications. A representative of the GEF urged careful consideration of language regarding financial resources. Consultations continued late into the night.

**IPCC TAR:** Co-Chair Rawlestone Moore introduced updated draft conclusions, which he said attempted to incorporate the various views expressed by Parties during previous contact group meetings. A number of Parties, including the G-77/CHINA, EU, CANADA, AUSTRALIA, US and JAPAN, said the text was a good basis for their work, and stressed the need for a balanced approach.

Parties then considered the draft conclusions paragraph-by-paragraph. On text requesting the Secretariat to prepare a document on using the TAR to facilitate consideration of routine agenda items in the future, the G-77/CHINA proposed an amendment to request submissions from Parties instead. With the SEYCHELLES, he suggested that an additional six months would allow for a more careful consideration of the TAR by developing countries. JAPAN, AUSTRALIA, NEW ZEALAND and other Annex I Parties questioned the necessity of a further round of submissions, and preferred text supporting action by the Secretariat in time for SB-17.

Following extensive comments by Parties on several of the remaining paragraphs, Co-Chair Moore said a revised text taking Parties' views into account would be presented on Tuesday.

### IN THE CORRIDORS

It was back to the grind as delegates returned to the Maritim Hotel on Monday morning, among them several newcomers sporting suntanned faces indicating arrivals from Bali. Participants were in a festive mood in the evening at a reception to celebrate the tenth anniversary of the opening for signature of the UNFCCC. Although a small group of negotiators missed the party due to a session on the IPCC TAR that one participant described as "fractious," the buzz of conversation at the reception focused on the matter of the SBI agenda, whose adoption was deferred earlier in the day. Two agenda items by now familiar to all delegates proved unacceptable to some Parties – the Canadian proposal on cleaner or less-greenhouse gas emitting energy and the Saudi Arabian proposal to include a discussion on Protocol Article 2.3. Some delegates speculated how these two issues might be played against each other on Tuesday.

### THINGS TO LOOK FOR TODAY

**SBI:** SBI will meet at 10:00 am in Plenary I to consider national communications from non-Annex I Parties, UNFCCC Article 4.8 and 4.9 (adverse effects), LDCs and capacity building.

**SBSTA:** SBSTA will convene at 3:00 pm in Plenary I, and is expected to adopt its agenda. It will then consider technology transfer, the proposal on cleaner or less-greenhouse gas emitting energy, and the proposal on including consideration of the implementation of Protocol Article 2.3, as well as matters referred to it by the SBI. They will also consider methodological issues on AIJ, and good practice guidance on LULUCF.

**CONTACT GROUPS:** Contact groups will be convened on Articles 5, 7, and 8, P&Ms, guidelines on greenhouse gas inventories, Article 6 and the IPCC TAR.