



UNFCCC SB-20 HIGHLIGHTS: SATURDAY, 19 JUNE 2004

Deliberations continued at SB-20 on Saturday, with Parties convening in contact groups and a SBSTA in-session workshop. The contact groups discussed non-Annex I national communications, capacity building and implementation of decision 5/CP.7 (implementation of UNFCCC Article 4.8 and 4.9 on adverse effects). The SBSTA in-session workshop on scientific, technical and socioeconomic aspects of mitigation heard presentations on the relationship of climate change mitigation to other policy and development objectives, case studies of mitigation, and climate mitigation and new technologies.

CONTACT GROUPS

NON-ANNEX I NATIONAL COMMUNICATIONS: This contact group was chaired by Sok Appadu (Mauritius), who invited Parties to consider draft text on submissions of second non-Annex I national communications. The US proposed text on operational procedures, stating that greenhouse gas inventories should be submitted voluntarily on a more frequent basis. BRAZIL, for the G-77/China, opposed reference to greenhouse gas inventories and raised concern over the frequency of reporting due to lack of technical and financial capacity in developing countries. AUSTRALIA, supported by CANADA and the EU, said frequent submissions of inventories could help ensure improved quality of national communications. The EU said the new GEF streamlined procedures for funding would help the preparation and submission of national communications. Chair Appadu requested Parties to submit further views in writing.

CAPACITY BUILDING: Delegates discussed the draft conclusions proposed by Chair Dechen Tsering, and agreed on text noting the documents on capacity building prepared by the Secretariat. TANZANIA, for the G-77/China, ROMANIA, for EITs, and the US, opposed by the EU and JAPAN, said the information contained in the documents was incomplete and further work was needed on the comprehensive review. AUSTRALIA, supported by NEW ZEALAND, welcomed a substantive discussion to identify gaps in the review. The meeting moved into informal discussions.

IMPLEMENTATION OF DECISION 5/CP.7: Parties continued deliberations on the draft COP decision. Delegates discussed alternative textual proposals on whether, how or when to consider the outcomes of the workshop on the status of modeling activities and action on these outcomes. SAUDI ARABIA supported discussing modeling in the context of economic diversification. Parties then discussed options for text on impacts of response measures, and text on addressing and promoting economic diversification. Delegates also debated the inclusion of headings and sub-headings in the draft decision. Delegates were unable to reach consensus on the preambular text. A new negotiating text will be drafted, based on submissions by the G-77/CHINA, US, EU, AOSIS and others.

SBSTA IN-SESSION WORKSHOP

SESSION 1: THE RELATIONSHIP OF CLIMATE CHANGE MITIGATION WITH OTHER POLICY AND DEVELOPMENT OBJECTIVES: Ajay Mathur, Senergy-Global, India, presented on energy sector development and climate mitigation in developing countries, noting the current potential to introduce efficient technologies, as infrastructure is built for the future. He urged distinguishing between household, and economic and industrial energy use. He called for addressing how international cooperation could reduce risks associated with technology dissemination, and create demand for energy efficiency and lowered energy intensity.

Sara Scherr, Forest Trends, US, spoke on LULUCF as a tool for sustainable rural development, calling for climate change to be integrated into the Millennium Development Goals. Noting the wealth of knowledge on pro-poor initiatives and on-going schemes for ensuring rigorous forest carbon projects, she called for increasing the scope for CDM LULUCF activities and engaging rural development community organizations in the negotiations.

Yang Hongwei, China Energy Research Institute, presented on energy development in China, saying that socioeconomic development, driven mainly by industrial development, is China's highest priority. He stressed China's low per-capita energy consumption, and noted substantive progress in optimizing energy mix and improving energy efficiency.

Christobal Burgos, Directorate General for Energy and Transport, European Commission, spoke on the EU's activities aimed at mitigating emissions. Noting that Europe's dependence on external energy sources is forecast to rise from 50% to 70% by 2030, he highlighted policies for, *inter alia*: doubling the share of renewable energy by 2010; establishing a clear legal framework; enforcing more efficient performance; diversifying the energy base; and stimulating research and investment. He emphasized the EU's role in improving global energy cooperation, and noted its commitment to developing the largest internal market in cleaner energy as an incentive to promoting investment.

Bob MacGregor, Agriculture and Agri-Food, Canada, presented on climate change mitigation policy for agriculture and efforts for horizontal policy integration in Canada. He noted agriculture's role in meeting Protocol goals and, emphasizing mitigation as an integrated part of sustainable development, said Canada is capitalizing on sink enhancement management practices.

In the discussion, FRANCE enquired about transport development in China and India. Mathur said that while transport-related emissions will increase, new mobility technologies are being transferred to developing countries and the shift from public to private transport is being addressed. CANADA asked about key barriers to integrating climate change into development. Panelists noted the low priority of rural development, information gaps and insufficient pilot projects. Responding to a question by GERMANY on incentives for renewable energy, Mathur empha-



sized technology adaptation to user needs. Regarding AUSTRIA's question on viable options for providing electricity to rural areas, Mathur noted solar roof systems, and Hongwei pointed to mini-hydro power generation.

SESSION 2: CASE STUDIES OF MITIGATION: Stephen Karakezi, African Energy Policy Research Network, Kenya, presented on renewable energy initiatives in Africa as case studies of mitigation. He noted renewed global interest in renewables in Africa due to the oil crises and high unemployment rates. He urged policymakers to consider geothermal and co-generation as viable climate policy options.

Marco Antonio Rondon, International Center for Tropical Agriculture, Colombia, outlined greenhouse gas mitigating opportunities in Latin America through managing agriculture and livestock in savannas, restoring degraded lands in the Amazon and greening sugar cane harvest. He said introducing pastures into savannas results in their conversion from a net source to a net sink. He noted the adverse effects on biodiversity and local and global geochemical cycles of such practices. He said other opportunities for mitigating greenhouse gases include improving cattle diet, expanding no-tillage agriculture and improving water management in rice fields.

Igor Bashmakov, Center for Energy Efficiency, Russian Federation, addressed implications of Protocol commitments for the energy sector in Russia. He stressed that doubling GDP growth as planned will require aggressive energy policies resulting in improved energy efficiency, and highlighted district heating systems as an area with potential for improvement. He said ratifying the Protocol would pull the Russian Federation out of energy inefficiency and provide opportunities to develop new energy resources.

Sirintomthep Towprayoon, King Mongkut's University of Technology, Thailand, spoke on greenhouse gas mitigation options from rice fields. She described experiments that tested different cultivation options, including water management and fertilizer treatments. She noted that findings illustrate complex relationships between management, global warming potential, and market prices. She concluded that rice cultivation is a potential mitigation option, but requires careful implementation and consideration of socioeconomic impacts.

SESSION 3: CLIMATE MITIGATION AND NEW TECHNOLOGIES: Edward Rubins, Carnegie Mellon University, US, spoke on technology innovation for climate mitigation and its relation to government policies. He noted that policies should support a combination of options and approaches, and highlighted the importance of government support for education and training. He said policies should not be affected by short-term political pressures, and emphasized the importance of environmental policy for technology innovation.

Bettina Hedden-Dunkhorst, Center for Development Research, University of Bonn, Germany, presented on the potential of climate change mitigation through technology innovations in agriculture. She called for: policies that address rural poverty reduction through payment of environmental services and market opportunities; legal instruments for property rights; information and education through media support; policy coordination and sectoral linkages through participation in policy design and decentralization; and targeted funding.

Teodoro Sanchez-Campos, Intermediate Technology Development Group (ITDG), Peru, presented on promoting renewable energies in isolated rural areas in Peru. He explained that small-scale energy sources such as hydrological, solar photovoltaic and wind can contribute to livelihoods of isolated and vulnerable communities. He noted that barriers to clean energy include lack of affordable technology, financial mechanisms, capacity, and legal frameworks. He said that use of local human resources reduces project operational and maintenance costs by one fifth. He highlighted that direct intervention of local people in management and operation increases sustainability, and said projects contribute to

local capacity building. He underscored the role of government in promoting alternative energy technology and urged policymakers to consider simplified and flexible rules for small-scale CDM.

Takashi Tomita, Sharp Corporation, Japan, spoke on the contribution of photovoltaic systems to the reduction of greenhouse gas emissions. He emphasized the importance of, *inter alia*, cooperation, research and development, subsidies, feed-in tariffs, and training of researchers to promote photovoltaic systems. He estimated that by 2030, the annual electricity production generated by photovoltaic systems will amount to 300 GW. He noted the possibility to use photovoltaic technology for electricity in homes and irrigation.

Gerald Rys, New Zealand Ministry of Forestry and Agriculture, presented on non-carbon dioxide mitigation for pastoral agriculture in New Zealand. He noted several measures to reduce emissions of methane and nitrous oxide from sheep and cattle, such as breeding, improved nutrition, vaccination and avoidance of anaerobic soil conditions. He concluded that a package of measures will be required, stressed the need to consider all greenhouse gases, and emphasized the relationship between sustainable agriculture and mitigation.

In the discussion, AUSTRIA expressed concern that policies fall short of providing effective incentives. Rubins explained that effective incentives depend on how policy design and regulation create opportunities. The US asked Sanchez-Campos how ITDG mobilizes stakeholders. Sanchez-Campos said communities are enthusiastic if they are involved from the start, while engaging governments is more challenging. FRANCE stated that effective market transformation is driven by retailers and manufacturers. Rubins highlighted the role of efficiency standards in this regard. DENMARK stressed the social dimension of technology application and highlighted the importance of cooperation among project partners. On the time-frame for market incentives and government intervention, FRANCE noted that progress in technological innovations is evident before regulation. In response, Rubins commented on the value of extension services. JAPAN identified oil shocks and other economic and social conditions as incentives for technology innovation.

CONCLUSIONS: Chair Benrageb closed the session, and noted that an oral report will be presented to SBSTA on Monday, 21 June.

IN THE CORRIDORS

The first week of SB-20 saw several signs of repetition in the negotiations while waiting for the Protocol's entry into force. In one case, delegates chose to simply refer back to previous well-known positions, rather than repeat their views in the contact group. In another, participants narrowly avoided re-negotiating a paragraph taken from the UNFCCC, before its origin was pointed out. While participants commented on the need to deal with issues "stuck in Neverland," some observers called for creativity to reinvigorate the process.

THINGS TO LOOK FOR TODAY

SBSTA: SBSTA is scheduled to meet at 10:00 am in Plenary I to address scientific, technical and socioeconomic aspects of impacts of, and vulnerability and adaptation to, climate change, and scientific, technical and socioeconomic aspects of mitigation (adaptation and mitigation).

CONTACT GROUPS: UNFCCC Article 6 (education, training and public awareness) will meet at 10:00 am in Lenne. Arrangements for intergovernmental meetings will convene in Schumann at 11:30 am. Policies and measures will meet at 3:00 pm in Liszt. Non-Annex I national communications will meet at 3:00 pm in Haydn. Capacity building will convene at 5:00 pm in Liszt. Technology transfer will meet in Haydn at 5:00 pm. Adaptation and mitigation will convene at 7:00 pm in Schumann. Small-scale afforestation and reforestation will meet at 9:00 pm in Plenary II.