

Earth Negotiations Bulletin ^{co}

A Reporting Service for Environment and Development Negotiations

Online at http://www.iisd.ca/climate/cop10/

Vol. 12 No. 249

Published by the International Institute for Sustainable Development (IISD)

Monday, 6 December 2004

TENTH CONFERENCE OF THE PARTIES TO THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE: 6-17 DECEMBER 2004

The tenth Conference of the Parties (COP-10) to the United Nations Framework Convention on Climate Change (UNFCCC) and the 21st sessions of the COP's Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) open today at La Rural Exhibition Center in Buenos Aires, Argentina.

Around 5,000 participants are expected to meet at COP-10. With the Russian Federation's ratification of the UNFCCC's Kyoto Protocol on 18 November 2004, Parties are now able to look forward to the entry into force of that instrument, which will take place on 16 February 2005. COP-10 is thus the final gathering of the Parties before the Protocol becomes legally binding.

At COP-10, delegates will take up the financial mechanism of the UNFCCC, including the Special Climate Change Fund (SCCF) and guidance to the Global Environment Facility (GEF). Further discussion on the good practice guidance for land use, land-use change and forestry (LULUCF) is also expected. Other issues that will be addressed by SBSTA include: smallscale afforestation and reforestation project activities under the Clean Development Mechanism (CDM); technology transfer; greenhouse gas inventories and projections, and issues relating to reporting and reviewing inventories; and "good practices" in policies and measures. SBI will address, among other things: capacity building; national communications from Annex I and non-Annex I Parties; UNFCCC Article 6 (education, training and public awareness); administrative and financial matters; and the implementation of UNFCCC Article 4.8 (adverse effects) and 4.9 (Least Developed Countries).

Three in-session workshops are scheduled to take place during COP-10. The first workshop, planned for Wednesday, 8 December, will address adaptation. The second workshop, on climate change mitigation, will be held on Thursday, 9 December. A final workshop will be held on Saturday, 11 December, to discuss organization of the intergovernmental process. SBI-21 and SBSTA-21 are expected to conclude their work on Tuesday, 14 December.

During the COP's high-level segment, scheduled for 15-17 December, ministers and heads of delegation will meet in four panel sessions to discuss "The Convention after 10 years: accomplishments and future challenges," "Impacts of climate change, adaptation measures and sustainable development," "Technology and climate change," and "Mitigation of climate change: policies and their impacts."

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

Climate change is considered one of the most serious threats to sustainable development, with adverse impacts expected on human health, food security, economic activity, natural resources and physical infrastructure. Global climate varies naturally, but scientists agree that rising concentrations of anthropogenically produced greenhouse gases in the Earth's atmosphere are leading to changes in the climate. According to the Intergovernmental Panel on Climate Change (IPCC), the effects of climate change have already been observed, and scientists believe that precautionary and prompt action is necessary.

The international political response to climate change began with the adoption of the UNFCCC in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases in order to avoid "dangerous anthropogenic interference" with the climate system. Controlled gases include methane, nitrous oxide, and, in particular, carbon dioxide. The UNFCCC entered into force on 21 March 1994, and now has 189 Parties.

THE KYOTO PROTOCOL: In December 1997, delegates met at COP-3 in Kyoto, Japan, and agreed to a Protocol to the UNFCCC that commits developed countries and countries making the transition to a market economy to achieve quantified emission reduction targets. These countries, known under the UNFCCC as Annex I Parties, agreed to reduce their overall emissions of six greenhouse gases by at least 5% below 1990 levels between 2008 and 2012 (the first commitment period), with specific targets varying from country to country. The Protocol also establishes three flexible mechanisms to assist Annex I Parties in meeting their national targets cost-effectively: an emissions trading system; joint implementation (JI) of emissions-reduction projects between Annex I Parties; and the CDM, which allows for projects to be implemented in non-Annex I (developing country) Parties.

At subsequent meetings, Parties negotiated most of the rules and operational details determining how countries will cut emissions, and measure and assess emissions reductions. To date, 129 Parties have ratified the Protocol, including 36 Annex I Parties, representing 61.6% of 1990 Annex I emissions, meeting the requirements for entry into force of the Protocol.

THE BUENOS AIRES PLAN OF ACTION: In November 1998, Parties met at COP-4 in Buenos Aires and agreed to a set of decisions known as the Buenos Aires Plan of Action (BAPA). The BAPA set COP-6 as the deadline for reaching agreement on the operational details of the Protocol and on strengthening implementation of the UNFCCC. In particular, issues to be

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Soledad Aguilar, Emily Boyd, Ph.D., Fiona Koza, Miquel Muñoz, Lisa Schipper, Ph.D., and Hugh Wilkins. The Digital Editor is David Fernau. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Swiss Agency for Environment, Forests and Landscape (SAEFL), the United Kingdom (through the Department for International Development - DFID), the Danish Ministry of Foreign Affairs, the Government of Germany (through the German Federal Ministry of Environment - BMZ), the Netherlands Ministry of Foreign Affairs, and the European Commission (DG-ENV). General Support for the *Bulletin* during 2004 is provided by the United Nations Environment Programme (UNEP), the Government of Australia, Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, the Ministry of Environment and the Ministry of Foreign Affairs of Sweden, the Ministry of Environment and the Ministry of Foreign Affairs of Sweden, the Ministry of Environment the Ministry of Foreign Affairs of Finland, Swan International, the Japanese Ministry of Environment (Inrough the Institute for Global Environmental Strategies - IGES) and the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI). Funding for translation of the *Earth Negotiations Bulletin* in French has been provided by the International Organization of the Francophonie (IOF) and the French Ministry of Foreign Affairs. The opinions expressed in the *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Ea*



addressed were rules relating to the mechanisms, a regime for assessing Parties' compliance, accounting methods for national emissions and emissions reductions, and rules on crediting countries for carbon sinks. Issues under the UNFCCC that required resolution included questions of capacity building, the development and transfer of technology, and assistance to those developing countries particularly vulnerable to the adverse effects of climate change or to actions taken by industrialized countries to combat climate change.

COP-6 PARTS I AND II: COP-6 Part I was held in The Hague, the Netherlands, from 13-25 November 2000. During discussions on the BAPA, negotiators could not agree on a range of topics, particularly on financial issues, the use of the mechanisms, compliance and LULUCF. On Saturday afternoon, 25 November, delegates agreed to suspend COP-6 and resume negotiations in 2001. Parties reconvened at COP-6 Part II from 16-27 July 2001, in Bonn, Germany. After protracted consultations, ministers agreed to adopt a political decision, with a revised section on compliance. This political decision – or "Bonn Agreements" – needed to be operationalized through COP decisions. These decisions were considered a "package," but as agreement had not been reached on the mechanisms, compliance and LULUCF, all draft decisions were forwarded to COP-7.

COP-7: Delegates continued discussions on the "Bonn Agreements" at COP-7 in Marrakesh, Morocco, from 29 October to 10 November 2001. After lengthy negotiations, a package deal on LULUCF, mechanisms, compliance, Protocol Articles 5 (methodological issues), 7 (communication of information) and 8 (review of information), and input to the World Summit on Sustainable Development (WSSD) was proposed. Following extensive negotiations, delegates agreed, and the "Marrakesh Accords" were adopted.

COP-8: Delegates to COP-8 met from 23 October to 1 November 2002, in New Delhi, India. On the final day of COP-8, they adopted the *Delhi Declaration on Climate Change and Sustainable Development*. The Declaration reaffirms development and poverty eradication as overriding priorities in developing countries, and recognizes Parties' common but differentiated responsibilities and national development priorities and circumstances in the implementation of UNFCCC commitments. Parties also considered institutional and procedural issues under the Protocol and adopted several decisions, including on the rules and procedures for the Executive Board (EB) of the CDM.

COP-9: From 1-12 December 2003, Parties met at COP-9 in Milan, Italy. The last outstanding detail of the BAPA was finalized when Parties agreed on modalities and procedures for afforestation and reforestation activities under the CDM for the first commitment period. Negotiations on the operation of the SCCF and the Least Developed Countries' (LDC) Fund proved to be challenging, with protracted discussions on the LDC Fund postponing the closing of the COP. Negotiations on good practice guidance for LULUCF were also lengthy, and remained unfinished.

SB-20: The twentieth sessions of SBI and SBSTA met from 16-25 June 2004, in Bonn. Among other things, SBSTA-20 considered small-scale afforestation and reforestation CDM project activities and good practice guidance on LULUCF. SBI-20 addressed the UNFCCC's financial mechanism and arrangements for intergovernmental meetings. Discussions on these issues are expected to continue at the 21st sessions of SBI and SBSTA in Buenos Aires. Two in-session workshops were also held; one on adaptation, and the other on mitigation.

INTERSESSIONAL HIGHLIGHTS

A number of UNFCCC workshops and other relevant events have taken place since SB-20.

WORKSHOP ON HARVESTED WOOD PRODUCTS:

This workshop met from 30 August to 1 September 2004, in Lillehammer, Norway. The objective of the workshop was to increase the understanding of issues relating to harvested wood products (HWP). Participants discussed various aspects related to definitions and scope of estimating, reporting and accounting of HWP. A report of the workshop will be presented to SBSTA-21.

WORKSHOP ON EMISSIONS PROJECTIONS: The workshop on emissions projections was held from 6-8 September 2004, in Bonn, and aimed to support the preparation of Annex I fourth national communications. The workshop covered methods, assumptions, indicators, key parameters of models and sensitivity analysis, and the dissemination of methodologies for estimating emissions projections. A workshop report will be presented to SBSTA-21.

WORKSHOP ON TECHNOLOGY TRANSFER: The workshop on innovative options for financing the development and transfer of technologies was held from 27-29 September 2004, in Montreal, Canada. The workshop sought to create a better understanding of innovative financing for technology transfer under the UNFCCC. It provided an opportunity for participants to share experiences and information on good practice for financing technology transfer, and to catalyze innovative thinking on the issue, as well as to help narrow any differences that might exist. The discussions and outcomes of the workshop will be taken up by SBSTA-21.

WORKSHOP ON THE PREPARATION OF ANNEX I FOURTH NATIONAL COMMUNICATIONS: This workshop was held from 30 September to 1 October 2004, in Dublin, Ireland. The purpose of the workshop was to facilitate the timely submission of the fourth national communications by Annex I Parties, which are due by 1 January 2006, and to encourage the exchange of views among technical experts on the comparability and transparency of the information in the communications. A report of the workshop will be presented to SBI-21.

IPCC-22: The 22nd session of the IPCC was held from 9-11 November 2004, in New Delhi. The meeting provided an opportunity for continued deliberations on the IPCC's Fourth Assessment Report (AR4) due to be published in 2007. Participants discussed, *inter alia*, the timing, scope, length and content of the AR4 Synthesis Report, approving a process for its development. Delegates agreed to a 30-page Synthesis Report with a five-page Summary for Policymakers to be approved by the IPCC in late October 2007. The session also held discussions on IPCC outreach, noting the need to ensure that special reports and the AR4 reach the broadest possible audience.

ADDITIONAL EVENTS: Since SB-20, there have been numerous meetings of the UNFCCC's constituted bodies, including meetings immediately preceding COP-10. The LDC Expert Group met from 24-25 September in Banjul, the Gambia. A hands-on training workshop on national greenhouse gas inventories for the Latin America and Caribbean region was held from 25-29 October in Panama City, Panama. The CDM EB met for its 15th and 16th sessions in Bonn in September and October, respectively, and its 17th session was held from 2-3 December in Buenos Aires. On 18 November, the first CDM project was registered. The project aims to reduce emissions of methane from a landfill in the state of Rio de Janeiro, Brazil. Other groups that met in Buenos Aires immediately prior to COP-10 include the Expert Group on Technology Transfer, which convened from 2-4 December, and the Consultative Group of Experts on non-Annex I national communications, which met from 2-3 December.