



UNFCCC COP-10 HIGHLIGHTS: WEDNESDAY, 8 DECEMBER 2004

On Wednesday, COP-10 delegates continued their deliberations in a COP Plenary, contact groups, and a SBSTA in-session workshop. The COP addressed Protocol Article 6 (joint implementation), the report of the CDM Executive Board (EB), and an exchange of views on UNFCCC activities relevant to the international meeting for the 10-year review of the implementation of the Barbados Programme of Action for the Sustainable Development of SIDS (BPOA+10), the World Conference on Disaster Reduction (WCDR) and the process for providing input to the fourteenth session of the Commission on Sustainable Development (CSD-14). Contact groups also met to consider the submission of non-Annex I national communications, capacity building, issues relating to registry systems under Protocol Article 7.4, the UNFCCC's financial mechanism, and technology transfer. In the afternoon, an in-session workshop on impacts of, and vulnerability and adaptation to, climate change was held.

COP PLENARY

PREPARATION FOR COP/MOP-1: Matters relating to Protocol Article 6: Noting a recent workshop on Article 6 held in Moscow, the RUSSIAN FEDERATION emphasized the need for Parties to exchange information on, and prepare, joint implementation (JI) project proposals. The EU said efforts to make JI operational should be intensified. BUSINESS AND INDUSTRY urged the development of long-term approaches, that recognize economic development, poverty eradication and social development priorities.

REPORT OF THE CDM EB: CDM EB Chair John Kilani (South Africa) reported on progress in the implementation of the CDM, focusing on, *inter alia*, work on registration of CDM projects, approval of methodologies, and accreditation of operational entities. JAPAN and the EU urged greater transparency in the EB's work. The EU, COSTA RICA and ARGENTINA stressed the need to prioritize energy projects. ARGENTINA said EB members should be given privacy for their discussions. INDIA expressed concerns regarding the EB's interpretation of the additionality requirements in the Marrakesh Accords. The US, supported by SAUDI ARABIA, said observers should be allowed to physically attend open EB meetings and expressed concern over JI Supervisory Committee and Compliance Committee rules that limit attendance to Parties to the Protocol.

CHILE emphasized the need to safeguard the environmental integrity of CDM projects, and, with others, to provide sufficient resources to the EB. He proposed hiring permanent EB staff to save on costs of hiring consultants. EGYPT and ALGERIA urged greater simplification of modalities and procedures. MOROCCO called for progress on consolidated methodologies for energy efficiency and transportation, and, with BUSINESS AND INDUSTRY, urged greater flexibility on additionality. The CLIMATE ACTION NETWORK welcomed efforts by the EB to restrict HFC-23 (trifluoromethane) projects, and called for the exclusion of nitrous oxide projects and "avoided fuel switch" projects. The INTERNATIONAL COUNCIL FOR LOCAL ENVIRONMENTAL INITIATIVES called on the EB to provide guidance on methodologies for urban projects. Raúl Estrada-Oyuela (Argentina) will chair a contact group on this issue.

EXCHANGE OF VIEWS ON UNFCCC ACTIVITIES RELEVANT TO OTHER INTERGOVERNMENTAL MEETINGS: ECUADOR outlined efforts being taken in Latin America and the Caribbean regarding the WCDR. The UMBRELLA GROUP said that the most appropriate input to these meetings would be a factual report outlining relevant UNFCCC activities and that Parties should not negotiate on the manner in which the Secretariat reports on these activities. SAUDI ARABIA said UNFCCC statements must reflect the consensus of the Parties.

AOSIS, with several others, highlighted the relevance of climate change to the intergovernmental processes and urged the convening of a workshop before COP-11 on developing an international insurance facility to address damages from climate change impacts in SIDS. He said COP-11 should consider the outcomes of the BPOA+10 and provide inputs on climate change and sustainable development to CSD-14. He also suggested establishing a workshop prior to CSD-14 on climate change and energy for sustainable development. The EU said COP-10 should provide input to the Millennium +5 Summit. PANAMA recommended that a compendium of national communications on climate change impacts and measures taken should be forwarded to these meetings. The CLIMATE ACTION NETWORK stressed that synergies and cooperation among UN bodies are essential to building an adequate adaptation regime. A contact group, chaired by José Romero (Switzerland), will address this issue.

CONTACT GROUPS

NON-ANNEX I NATIONAL COMMUNICATIONS: This contact group was co-chaired by Soobaraj Nayroo Sok Appadu (Mauritius) and Anders Turesson (Sweden) and



addressed the submission of second and, where appropriate, third national communications. Delegates discussed the draft decision forwarded from SBI-20, and two submissions, one by the G-77/China and the other by the US, that focus on the timing of financing and completion of second or third non-Annex I national communications. Parties exchanged initial views on the submissions, stressing the importance of maintaining the capacity in national teams that was built during the preparation of initial national communications, assuring continuity in the project cycle, and accessing funds promptly.

In response to the US' suggestion that non-Annex I Parties provide regular updates to their greenhouse gas inventories, the G-77/CHINA said that inventories are a "non-issue" in the context of the contact group's work as no COP decisions require such updates and therefore the contact group should not address inventories. A revised draft text will be compiled based on the submissions and the existing draft decision.

CAPACITY BUILDING: This contact group was co-chaired by Roger Cornforth (New Zealand) and Shirley Moroka (South Africa). Referring to decisions 2/CP.7 (capacity building in developing countries) and 3/CP.7 (capacity building in countries with economies in transition), Co-Chair Cornforth pointed to the need for a review of the implementation of the capacity-building frameworks. TANZANIA, for the G-77/China, underscored the principles outlined in decision 2/CP.7 and said the Group will provide a submission on 9 December to serve as a basis for further discussion. The EU, US and others suggested instead that the Co-Chairs draft a text based on input from all interested Parties and relevant documents. Delegates agreed to consider the G-77/China's text at the next meeting of the contact group.

PROTOCOL ARTICLE 7.4: Murray Ward (New Zealand) chaired the contact group, which addressed registries and the proposed standard electronic reporting format. On issues relating to registry systems, the Secretariat introduced a draft text and presented an overview of the main issues.

FINANCIAL MECHANISM: This contact group was co-chaired by Rawlestone Moore (Barbados) and Jozef Buys (Belgium). Co-Chair Buys requested comments on the agenda sub-items on the Special Climate Change Fund (SCCF) and matters related to the implementation of decision 5/CP.8 (review of the financial mechanism), and said that guidance to the GEF will be addressed at a later meeting. SOUTH AFRICA, for the G-77/China, reiterated concerns on the GEF adding conditionalities to access the SCCF and suggested that the review of the financial mechanism be addressed by SBI-22. On the review of the financial mechanism, the EU recommended considering the results of the GEF Third Overall Performance Study. The US and CANADA said parameters from the previous review could be used.

TECHNOLOGY TRANSFER: This contact group was co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Holger Liptow (Germany). Co-Chair Kumarsingh explained that SBSTA had requested the group to prepare draft conclusions and a draft decision. JAPAN, supported by the US, noted that the group did not need to produce a draft decision. BANGLADESH proposed to consider biotechnology as a technology for carbon capture. The US, supported by CANADA, stated that technology transfer should be considered in the context of Article 4.5 (technology transfer). The G-77/CHINA called for targeted financial support for the enhancement of indigenous technologies and technology transfer, and joint research between developed and developing countries. He proposed that the UNFCCC technology clearing house (TT:CLEAR) be funded by the core budget. Some

delegates proposed that the Secretariat compile a report on technology needs derived from national reports. Others said such work is already being done by other organizations.

SBSTA IN-SESSION WORKSHOP ON IMPACTS OF, AND VULNERABILITY AND ADAPTATION TO, CLIMATE CHANGE

This in-session workshop was chaired by SBSTA Chair Benrageb. Delegates heard presentations by experts, interspersed with question-and-answer discussions, and concluded with a wrap-up session.

PRESENTATIONS: Richard Klein, Potsdam Institute for Climate Impact Research, Germany, addressed the research demands generated by adaptation to climate change. He noted that scenarios and models used to assess climate change impacts are not always useful for assessing adaptation. Klein signaled a mismatch between impact research that uses models with large spatial and temporal scales, and adaptation research that uses qualitative methods based on local data with a shorter-term approach. He suggested that research should seek to match impact assessment with adaptation assessment, and incorporate local conditions to provide decision makers with information that is temporally and spatially pertinent. He said such assessments should identify the probability of impacts, the costs and benefits of different adaptation measures and the opportunity costs of inaction in this field.

In the ensuing discussion, participants highlighted the value of local knowledge. Klein said that all knowledge – local and traditional – should be considered and subject to the same scrutiny as conventional scientific knowledge. FRANCE asked how climate models could help authorities address severe weather occurrences such as heat waves, and Klein explained that in this case vulnerable sectors are determined by social factors not related to climate. Responding to a question concerning the uncertainty of these models, Klein replied that all models have a measure of uncertainty, as does adaptation research, and therefore researchers must seek to identify and reduce uncertainty to the largest extent possible.

Linda Mearns, National Center for Atmospheric Research, US, presented on the use of regional climate models in impact assessments and adaptation studies. She noted that regional models are particularly useful in assessing the impact of climate change in islands, mountains, coastlines and areas of complex land-use patterns. She said regional models could help to bridge the gap between "top-down" standards and "bottom-up" adaptation, but noted that such models must account for uncertainties of future emissions pathways. She emphasized that regional and global models are useful tools, but that their limitations should be recognized.

JAMAICA asked if regional models had been developed for the Caribbean. Mearns pointed to regional climate assessments funded by the GEF. CHINA commented on uncertainties in using global climate models. Mearns said that although models have become more sophisticated, assessments would benefit from including local knowledge.

Rupa Kumar Kolli, The Energy and Resources Institute, India, presented his experience in applying regional high-resolution models in climate change scenarios for India. He highlighted that local topographic characteristics are important to define the intensity of climate phenomena such as monsoons. He demonstrated how global model simulations have insufficient detail for country-level assessments, and how regional models that operate on a 50 km² resolution provide more accurate results even if they use data taken from global models. On the



evaluation of the results of regional models, Kolli underlined that the distribution of weather stations on the ground determines the capacity for evaluation. He said uncertainty may be reduced by providing more feedback to the system on areas of high uncertainty, such as coastlines.

Judy Lawrence, Ministry of Environment, New Zealand, spoke on tools to assess vulnerability and adapt to climate change in a temperate developed agricultural economy. She explained how New Zealand is enabling farmers to address the impacts of climate change, by extending seasonal crop growth, diversifying types of crops, and providing access to reliable climate information. She noted that top-down assessments of impacts and vulnerability in the agricultural sector have previously failed to reach farmers, but that stakeholder participation in assessments is becoming more common. She noted that New Zealand is also developing a national sustainable development action plan on water.

Participants then discussed adaptation in the water sector, research on vegetation, and cross-regional partnerships.

Marjorie Soto Franco, Red Cross Nicaragua, spoke on the general approach, strategy and methods used for preparing for climate-related disasters in a pilot project carried out on the Caribbean coast of Nicaragua. She said the Red Cross' climate change programme aims to link climate change experts and disaster preparedness communities at all levels through awareness raising, capacity building and advocacy. Describing the participatory nature of the project, she noted that it addresses climate risks through the development of methods and tools, the creation of institutional dialogue, and the assessment of vulnerability and capacity.

Robert Correll, Arctic Impact Assessment Council, US, presented the results of the ongoing assessment of climate change impacts in the Arctic. He noted the unique temperature and precipitation characteristics of the Arctic, and highlighted that the impacts are more severe and rapid than in other regions. Correll underlined that the assessment, which draws on a variety of sources, including indigenous knowledge, has identified that in the next 100 years temperatures are expected to change by as much as 10 degrees Celsius in some regions of the Arctic. He stated that as ice disappears, livelihoods will be affected by changes in ecosystems and animal range areas, and by the appearance of new maritime transport routes. He explained that there is evidence of ocean salinity loss due to massive quantities of water flowing from ice-caps and that this will affect the thermohaline ocean circulation, thus severely altering one of the main regulators of the climate.

Joseph Konno, Environmental Protection Agency, Micronesia, reviewed a project in his country that uses a "climate proofing" risk-based approach to adaptation. He reviewed the project's application to road surface improvements, land-use planning regulatory amendments, and national strategic development planning. Noting challenges such as data scarcity, limited resources, and difficulties in accessing funding and defining acceptable risk, he said climate-proofed development projects minimize long-term costs and improve long-term return on investment.

Osvaldo Canziani, Universal Ecological Foundation, Argentina, spoke on the fate of indigenous communities in the context of climate change. He noted the work of the Millennium Ecosystem Assessment and said that indigenous peoples are challenged by several environmental issues, including climate change. He pointed to food insecurity and water scarcity as two impacts of climate change on indigenous peoples, noting that

access to water will be reduced dramatically by 2080.

Participants then engaged in a discussion on levels of anthropogenic influence in the Arctic region, the role of indigenous peoples in impact assessments, and how to transfer the Arctic assessment experience to other regions.

WRAP-UP: TUVALU stressed the urgency of addressing the needs of the most vulnerable countries, and of moving from information-sharing and assessment to action. He stated that without taking appropriate action to adapt to climate change, the sustainable development of SIDS will be seriously impaired. BRAZIL pointed to the Regional Climate Change Scenarios for South America programme that will provide information on climate change impacts, vulnerability assessments and adaptation, and said the information will be accessible to South American countries.

The EU noted that adaptation is a short- to medium-term response to climate variability that cannot counter the long-term impacts of climate change. With JAPAN, he noted that more effective action on mitigation is required to avoid exceeding critical thresholds. CANADA supported a vulnerability approach to inform adaptation decision making. He said adaptation is not a new issue, and needs to be understood in the context of risk management. The INTERNATIONAL STRATEGY ON DISASTER REDUCTION stressed links between adaptation, and risk management and reduction. Noting that the risk management community has many tools to offer, he encouraged greater engagement between the adaptation and risk management communities.

PANAMA highlighted a GEF regional adaptation project being implemented in Central America, Mexico and Cuba, which aims to assess current vulnerability to climate hazards through a process involving all stakeholders. He said the final phase of the project will present a number of specific adaptation options. CHINA said development and transfer of technology play an important role in adaptation. SAUDI ARABIA emphasized the importance of adaptation to the impacts of response measures, and, with JAPAN and others, stressed the value of exchanging information. FRANCE underlined the importance of providing information to local decision makers. Many countries noted the urgent need to take action. The COOK ISLANDS underscored the need to address adaptation on a wider scale and noted the difficulties that people in vulnerable countries have in obtaining relevant insurance. SUDAN stated that, as climate phenomena increase in intensity, adaptive abilities are lost and therefore sustainable livelihood approaches are crucial.

IN THE CORRIDORS

A number of delegates expressed surprise and confusion on Wednesday over what they viewed as attempts to curtail discussions on the Barbados Programme of Action on SIDS and the World Conference on Disaster Reduction and to prevent conclusions on the issue before discussions had taken place. Some delegates were also concerned about talk of loosening rules on additionality in the discussion on CDM, as this would undermine emissions reduction efforts by developed countries. Others suggested that increased flexibility is necessary to promote investment in developing countries.

On a more positive note, many participants were enthusiastic regarding the afternoon in-session workshop on adaptation, noting that the exchange of information and experiences highlighted the urgency for taking action. Some expressed hope that the workshop would catalyze the rumored "action" on adaptation.



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**SUMMARY REPORT OF THE INTERNATIONAL CONFERENCE
FOR RENEWABLE ENERGIES - RENEWABLES 2004:
1-4 JUNE 2004**

The International Conference for Renewable Energies (*renewables 2004*) took place from 1-4 June 2004, in Bonn, Germany. Approximately 3600 participants from 154 countries attended the Conference, including several Heads of State, 121 Ministers and representatives from governments, intergovernmental organizations (IGOs), non-governmental organizations (NGOs), the scientific community and the private sector.

The *renewables 2004* programme consisted of nine Plenary Sessions, including a Multi-Stakeholder Dialogue and a Ministerial Segment. The Multi-Stakeholder Dialogue addressed: the value of, and opportunities for, renewable energy - policy frameworks and regulatory certainty; and promoting renewable energy - finance and capacity for the future. Other Plenary Sessions addressed best-practice examples and success stories.

The Ministerial Segment included three Ministerial Roundtables that considered policies for renewable energy market development, financing options, and strengthening capacities, research and policy



Members of major groups and delegations in the main plenary room.

developing countries, and the mobilization of financial resources for new and renewable sources of energy. However, it was only following the 1992 UN Conference on Environment and Development (UNCED) that renewable energy issues began to feature more promi-

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IISD produced a well-designed bulletin including informative text and pictures of all important meetings, discussions and results of the main conference events. This bulletin was very useful for participants to follow events they could not attend or were also interested in.

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Dr. Heinrich Schneider
Ministry of the Environment
Twinning Project CENIA
Prague, Czech Republic

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"Your Meeting" Bulletin is a 4-6 page daily report and summary issue that includes coverage of policy discussions and/or negotiations, and extensive reporting from side events and special events during the conference.

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