



UNFCCC SB 22 HIGHLIGHTS: THURSDAY, 26 MAY 2005

On Thursday evening, delegates convened in an SBI Plenary to adopt draft conclusions and decisions agreed in contact groups and informal consultations. Work on most outstanding SBI agenda items was concluded. In addition, numerous SBSTA and SBI contact groups and informal meetings were held throughout the day and into the evening. SBSTA contact groups and informal meetings took place on technology transfer, mitigation, adaptation, SIDS, emissions from aviation and maritime transport, and the IPCC report on safeguarding the ozone layer and global climate system. SBI contact groups and informal meetings were held on LDCs and the budget for 2006-2007.

SBI

SBI Chair Thomas Becker (Denmark) opened the meeting on Thursday evening, indicating that he wanted to conclude agreement on all outstanding issues.

NON-ANNEX I COMMUNICATIONS: On the Submission of second and, where appropriate, third national communications from Parties not included in Annex I to the Convention (FCCC/SBI/2005/L.9), the Co-Chairs of the informal consultations, Soobaraj Nayroo Sok Appadu (Mauritius) and Anders Turesson (Sweden), reported agreement. SBI adopted the conclusions and forwarded the draft decision to COP 11. SBI also adopted conclusions on the Work of the Consultative Group of Experts on National Communications from non-Annex I Parties (FCCC/SBI/2005/L.11); a compilation and synthesis of initial national communications (FCCC/SBI/2005/L.8), and provision of financial and technical support (FCCC/SBI/2005/L.7).

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS: Karsten Sach (Germany) reported on contact group discussions and introduced draft conclusions (FCCC/SBI/2005/L.4), which addressed arrangements for COP 11 and COP/MOP 1, future sessional periods, organization of the intergovernmental process, and observer organizations in the Convention process. On future sessional periods, he noted text accepting a request by the IPCC to postpone COP 13 by four weeks, and said he believed Parties could now accept this. On the intergovernmental process, he noted agreement to "further explore possible options for improvement." Noting complaints about the multiple contact groups and heavy agenda, he urged Parties to reflect on possible solutions prior to COP 11 /MOP 1, observing that "we don't want to learn this lesson the hard way." SBI adopted the conclusions.

SPECIAL CLIMATE CHANGE FUND (SCCF): Contact group Co-Chairs Emily Ojoo-Massawa (Kenya) and Jozef Buys

(Belgium) reported that, despite some progress, delegates had been unable to reach agreement. SBI forwarded the conclusions as presented (FCCC/SBI/2005/L.13), which contained a number of brackets. SBI Chair Becker urged delegates to arrive at COP 11 with more flexible mandates to allow for an agreement. The EU reiterated support for the SCCF, noted that the EU has already pledged US\$35 million, and said he will work with the GEF to ensure the SCCF is implemented properly.

OTHER MATTERS: Level of Emissions for the Base

Year of Croatia: Jim Penman (UK) reported that informal consultations had resulted in agreement on this matter (FCCC/SBI/2005/L.3). Chair Becker thanked Jim Penman for his work in resolving this longstanding issue. SBI agreed to forward the draft decision to the COP.

Climate Neutral UNFCCC Meetings: Chair Becker explained that he had consulted informally and prepared draft conclusions (FCCC/SBI/2005/L.12). The short text was adopted by SBI without comment.

Issues Relating to the Implementation of Decision 1/CP.10:

Chair Becker also noted that three submissions had been made at SB 22 on Decision 1/CP.10 (Buenos Aires Programme of Work on Adaptation and Response Measures). These were contained in a document (FCCC/SBI/2005/Misc.2) that will be referenced in the final report of SBI 22, under the item, "Any Other Matters."

ADMINISTRATIVE AND FINANCIAL MATTERS:

Budget Performance for the Biennium 2004-2005: SBI adopted conclusions on this sub-item (FCCC/SBI/2005/L.5).

Implementation of Paragraph 7(c) of the Financial Procedures of the Convention Concerning Financial Support for Participation in the UNFCCC Process: SBI adopted conclusions on this sub-item (FCCC/SBI/2005/L.10) following textual amendments proposed by Australia.

Implementation of the Headquarters Agreement: SBI adopted conclusions on this issue without comment (FCCC/SBI/2005/L.2).

Internal Review of the Activities of the Secretariat:

Chair Becker noted that a contact group had developed draft conclusions (FCCC/SBI/2005/L.6 and L.6/Add.1). SBI adopted the conclusions.

Chair Becker also reported on a meeting involving Chairs of the SBs and UNFCCC expert groups on cooperative activities, noting that a joint meeting on adaptation was being considered.

MATTERS RELATING TO THE LEAST DEVELOPED COUNTRIES: Following lengthy negotiations throughout the day (see the "Contact Groups and Informal Consultations" section, below), SBI adopted the conclusions (FCCC/SBI/2005/L.14) and agreed to recommend the draft decision to COP



11 (FCCC/SBI/2005/L.14/Add.1). Bangladesh, for the LDCs, noted that the final text was not LDCs' preferred outcome, but that they had compromised. He said it is now up to the GEF to operationalize the guidance in a way that truly responds to the need to implement the NAPAs.

PROGRAMME BUDGET FOR THE BIENNIUM 2006-2007: At 12:35 am Friday morning, Chair Becker announced that a final agreement on the budget for 2006-2007 had still not been reached. He therefore suspended the meeting until 10:30 am.

CONTACT GROUPS AND INFORMAL CONSULTATIONS

IPCC REPORT ON SAFEGUARDING THE OZONE LAYER AND GLOBAL CLIMATE SYSTEM: At a SBSTA contact group held in the morning, delegates agreed on the draft conclusions presented by Chair Goetze, which will be forwarded to SBSTA for adoption. The final text includes text on measurement and systematic observation, and two paragraphs setting out a process for considering the issue, including a request for submissions by 13 February 2006. The text also suggests that SB 24 finalize consideration of this agenda item.

ADAPTATION: Delegates met Thursday morning for ongoing consultations on the SBSTA programme of work on impacts, vulnerability and adaptation to climate change, and in the afternoon and evening to consider draft SBSTA conclusions and a draft COP decision. On objectives of the work programme, Samoa, on behalf of the G-77/CHINA, supported by JAPAN and opposed by the US, proposed text including reference to the most vulnerable and to Decision 1/CP.10. SWITZERLAND, with NORWAY, called instead for specific reference to SBSTA's work under Decision 1/CP.10. The US, opposed by the EU, suggested referring to climate risks, impacts and vulnerability instead of to climate change. SAUDI ARABIA called for reference to response measures. SBSTA Chair Benrageb offered to conduct an informal workshop before SB 23 to facilitate the development of the work programme. Delegates accepted his offer and agreed to the draft conclusions, which will be forwarded to SBSTA.

TECHNOLOGY TRANSFER: After lengthy negotiations throughout the day and into the evening, delegates reached agreement on the terms of reference for the EGTT and on draft conclusions. Agreement on the EGTT terms of reference was reached at midday, after differences over long-term strategies and review of progress were resolved. Paragraph-by-paragraph discussions continued throughout the day over draft conclusions, on paragraphs referencing adaptation technology, technologies to be addressed by EGTT and technology needs assessments, joint research, and public domain and publicly owned technologies. The last obstacle to agreement, a reference to Decision 4/CP.4 paragraph 7(b) (publicly-owned environmentally sound technologies), was finally resolved in the evening. A contact group was convened to formalize agreements, which were forwarded to SBSTA for consideration.

MITIGATION: Delegates consulted informally and in a contact group to continue discussions on an appropriate forum for parties to present their views on lessons learned from the mitigation workshops and future steps under this agenda item. No progress was made, with the EU and CANADA proposing to have such a forum, opposed by G-77/CHINA, the US, and AUSTRALIA. After lengthy discussions, delegates accepted a proposal by SAUDI ARABIA, seconded by the US, to remove reference to a forum. Draft SBSTA conclusions containing three paragraphs were agreed and forwarded to SBSTA for consideration. These acknowledge Party submissions, welcome the in-session workshop, take note of the Chair's summary, and request the Secretariat to prepare a concise report on the topics presented at the in-session workshop.

EMISSIONS FROM INTERNATIONAL AVIATION AND MARITIME TRANSPORT: Informal consultations on this issue focused on whether to set out a process, which the EU and others supported, but SAUDI ARABIA and a number of other developing countries opposed.

SMALL ISLAND DEVELOPING STATES (SIDS): Delegates were unable to agree on text on this matter during consultations held earlier in the day. Compromise text apparently aimed at accommodating requests by AOSIS and others for a UNFCCC follow-up on the Mauritius Strategy, was withdrawn. In discussions convened in a small drafting group, the US opposed suggested language on an ongoing process, preferring shorter text taking note of the Mauritius Strategy. AOSIS and the EU opposed a shorter text. No resolution was reported by Thursday evening.

PROGRAMME BUDGET FOR THE BIENNIUM 2006-2007: Following lengthy informal consultations, contact group Chair John Ashe introduced SBI draft conclusions to the contact group containing draft COP 11 decisions on the UNFCCC and Kyoto Protocol budgets for 2006-2007. The EU and G-77/CHINA supported the proposed budget. However, the US suggested reducing the Convention budget by US\$2 million, while Japan proposed reducing the overall budget by US\$3 million. UNFCCC Executive Secretary Joke Waller-Hunter said a \$2 million reduction would "seriously affect the operations of the Secretariat." Noting the lack of consensus, Chair Ashe suggested forwarding the text to SB 23, and closed the meeting.

Informal multilateral and bilateral consultations soon resumed. However, as of 12:30 am Friday morning, delegates had been unable to reach a final agreement.

MATTERS RELATING TO THE LEAST DEVELOPED COUNTRIES: SBI Chair Becker chaired this contact group meeting, presented draft SBI conclusions and COP 11/MOP 1 decisions, and proposed two revisions: that full-cost funding from the LDC Fund shall be to meet the "agreed" costs of activities to adapt to the adverse effects of climate change as identified and prioritized in the NAPAs; and that adaptation to climate change is the reason for such funding rather than the "sole" reason. Uganda, for LDCs, noted that it could agree to "additional" instead of "agreed," and proposed deleting reference to adaptation as the reason for such funding. The EU, CANADA, and others offered support for the Chair's proposals. Lacking agreement, the Chair adjourned the contact group. However, informal consultations eventually produced a compromise that includes a footnote defining "additional costs" and deleting the reference to adaptation to climate change as the reason for such funding.

IN THE CORRIDORS

Delegates seemed relieved at the completion of most of SBI's work late on Thursday night, although not everyone was celebrating. With agreement on the programme budget for 2006-2007 still elusive as of 12:30 am Friday morning, some delegates left the meeting clearly frustrated. On the other hand, celebrations at a final agreement on a decision on LDCs appeared genuine, although tempered by a few comments that the result was not as strong as some would have liked. There also seemed to be real satisfaction at the significant step towards concluding work on another longstanding agenda item relating to Croatia's base year emissions. However, frustrations were evident in some quarters over the short text on several issues, such as mitigation and climate neutral UNFCCC meetings.