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## HIGHLIGHTS OF FCCC COP-2 MONDAY, 8 JULY 1996

The Second Conference of the Parties (COP-2) to the Framework Convention on Climate Change (FCCC) convened this morning in Geneva. The Plenary elected the President of the Conference, heard opening statements, adopted the programme of work and debated Rules of Procedure including the election of officers other than the President.

## **OPENING PLENARY**

In the opening address Angela Merkel, Federal Minister for the Environment, Nature Conservation and Nuclear Safety (Germany) and COP-1 President said the time-frames specified by the Berlin Mandate are very ambitious. A convergence of views on central issues is not yet in sight. The Second Assessment Report (SAR) of the Intergovernmental Panel on Climate Change (IPCC) is alarming. The results of the review of the first national communications of Annex 1 Parties are a matter of concern. Fifteen developed countries with 55% of the Greenhouse Gas (GHG) emissions of the group currently expect emissions levels by the year 2000 to exceed those of 1990. She called for ambitious reduction targets in the short and medium term. The credibility of all Parties is at stake.

She then introduced Item 2 of the Provisional Agenda, the election of the COP President Chen Chimutengwende, Minister of Environment and Tourism (Zimbabwe), was elected by acclamation. He said outstanding issues include reporting by Annex 1 Parties, preparation of guidelines for submission of initial communications by non-Annex 1 Parties, new and additional financial resources to meet the agreed full incremental costs incurred by developing country Parties, the role of the GEF, and the role of activities implemented jointly and other mechanisms. He invited heads of delegations to a roundtable on 17 July on political issues arising from the agenda.

Nitin Desai, UN Under-Secretary General delivered the message of the UN Secretary General. Noting recent strides in understanding the science of climate change, he urged Parties to strengthen earlier commitments. Climate change is a global issue that cannot be solved without a global effort undertaken in a cooperative and integrated manner. He noted the complementary nature of Agenda 21, the Rio Declaration, and the FCCC and encouraged parties to acknowledge linkages among the three in revising their commitments.

Claude Haegi, State Counselor of Geneva, stated that political and economic decisions cannot be made in isolation but must consider human impacts on the environment. He stressed the need to modify current energy consumption and production patterns and to use all energy sources, with the aim of developing clean and renewable sources.

Michael Zammit Cutajar, FCCC Executive Secretary, noted that sharper definition of FCCC goals and a timetable in which they should be accomplished is needed. He called on the COP to provide better guidance to the GEF and not to overlook Articles 5 (research) and 6 (education), suggesting that UNEP take the lead in overseeing the implementation of Article 6.

G.O.P. Obasi, Secretary General of WMO, said the SAR provides evidence that makes the FCCC an absolute necessity. He called for: completion of negotiations on the stabilization of CO<sub>2</sub> emissions; provision of a solid scientific basis for deliberations by the subsidiary bodies; reinforcement of national capabilities to provide data; and consideration of assistance to developing countries and those with economies in transition to enable them to limit emissions. He also noted the need to fund the Climate Agenda, an initiative to establish a framework for international climate-related scientific programmes.

Elizabeth Dowdeswell, Executive Director of UNEP, noted that the lack of full scientific certainty should not be used as an excuse to postpone action and that the atmosphere will continue to change until Parties choose to control their emissions. She called for a global emission cap, access to financial mechanisms and technology transfer for developing countries, and access to reliable information by decision makers. She noted opportunities for action, including: reaping the benefits of integrated resource management; ensuring rationality in actions to protect the environment; engaging the private sector and civil society; and analyzing market and non-market mechanisms.

Bert Bolin, Chair of the IPCC, reiterated the conclusion of the SAR that suggests "a discernable human influence on global climate." He highlighted: masking of global warming by aerosol emissions; emission limits necessary to stabilize carbon dioxide concentrations; additional IPCC papers on climate stabilisation, environmental implications of emissions limitations and policies and measures; and critical evaluation of the SAR. He objected to criticism that the IPCC had violated its procedures in preparation of the SAR.

Mohamed El-Ashry, Chair and CEO of the GEF, stated that between February 1995 and April 1996, the GEF Council

approved US\$215 million for climate change activities. He emphasized that the recently adopted GEF Operational Strategy contained a chapter on climate change that had been developed under COP-1 guidance. He called upon COP-2 to consider the permanent financial mechanism of the FCCC.

Robert Priddle, Executive Director of the International Energy Agency of the OECD, focused on the Berlin Mandate. He highlighted the long time necessary to achieve infrastructural change in the energy sector, calling for long term commitments from Annex I countries including policy instruments and funding for research and development.

Anders Wijkman, UNDP, called on governments to create a level playing field between all energy suppliers, enforce the polluter pays principle, and focus research and development on increasing energy efficiency and identifying renewable energy sources. He said OECD countries should provide a leadership role and that the GEF should be strengthened.

Assad Kotaite, Executive Director of the International Civil Aviation Organisation (ICAO), highlighted the need for cooperation between the ICAO and developed countries, noting that unilateral measures for addressing aircraft emissions should be avoided. The greatest obstacle to progress is the lack of a scientific assessment on the impact of emissions. Once an assessment is completed, the extent to which technology can be used to remedy the effects can be determined.

The President then sought adoption of the programme of work. The RUSSIAN FEDERATION proposed that the Plenary be extended to allow the parties to determine how the SAR should be used in making decisions, particularly regarding the Berlin Mandate and how countries will fulfill their obligations. He said these decisions should not be made by subsidiary bodies. The Executive Secretary noted items 3,4(a) and (b) of the provisional agenda for the SBSTA stipulate that subsidiary bodies will make initial recommendations on which the Parties will vote. The out-going SBSTA Chair, Tibor Farago, said his group would report its findings on the SAR to the COP. SAUDI ARABIA cautioned against a selective approach to the SAR findings before SBSTA's report.

Parties proceeded to the adoption of the Agenda (FCCC/CP/1996/1). Under Item 4 (a) on National Communications from Parties Included in Annex 1, the President reported that the United Republic of Tanzania and Qatar are to become signatories to the FCCC before the end of the Conference, and Israel will become a non-Annex 1 Party in August. The Czech Republic, Morocco, and Slovakia have applied to become Annex 1 Parties. Introducing Agenda Item 4 (b), Adoption of the Rules of Procedure, the President said he would conduct consultations to resolve the issue of rule 42 (voting). SAUDI ARABIA said agreement on rule 22 (election of officers) is also pending. Rule 22 should be limited to regional group representatives. The President said each of the five regional groups are to be represented by two Bureau members and one Bureau member will represent the small island developing states (SIDS). SAUDI ARABIA objected to the nomination of a Bureau member from Samoa to represent SIDS. The US said it was important to follow precedent in the election of officers to the Bureau and include the SIDS nominee. Parties proceeded to the election of the Bureau. GERMANY said the SIDS were represented in the Bureau of the INC in 1991. SAUDI ARABIA said he could not support the elections as proposed. The President postponed the election of vice-presidents.

Delegates then agreed on the admission of intergovernmental and non-governmental organisations as observers. Some delegations then returned to the election of officers and requested clarification. The Executive Secretary stated that the COP had elected a president in the morning session and, in the afternoon, heard nominations for 10 other members of the Bureau. For 6 of the 7 Vice-Presidents, delegates received the nominations of Alexander Bedritsky (Russian Federation) Rene Castro (Costa Rica), John Ashe (Antigua and Barbuda), Anthony Clark (Canada), Cornelia Quennet-Theilen (Germany) and Tuiloma Neroni Slade (Samoa). Delegates also received the nominations of Mohamed M. Ould El Ghaouth (Mauritania) as SBI Chair and Tibor Farago (Hungary) as SBSTA Chair. The representatives of the Asian Group presented nominations from Kuwait and the Philippines, but had not agreed which representative would serve as Rapporteur and which as Vice-President. Delegates then discussed rule 22 as applied and a number of possibilities were put forward. It was suggested that the Parties elect the two officers for SBSTA and SBI. Regarding the other posts, he noted that the group now has the "beginnings" of a Bureau. He also noted that the two ad hoc groups, AGBM and AG13, already had chairs. SBSTA and SBI have only chairs and the COP has a president. SAMOA questioned how the COP could proceed with only part of the Bureau. The President said that he will conduct consultations and resume the Plenary later to discuss this item.

The Executive Secretary then discussed documentation for COP-2, and called for a more rational work load spread through 1997. The President described the allocation of work among the subsidiary bodies, and called upon the SBSTA Chair to report on the technical advisory panels. The Chair reported that SBSTA could not agree on modalities for the TAPs.

The President stated that he would consult with the Chairs of the subsidiary bodies on the division of labor between SBSTA and SBI, in preparation for a formal decision to be taken at COP-3.

## IN THE CORRIDORS

An informal meeting held last week in Frankfurt, sponsored by the government of Germany, formed the basis for closer cooperation between the secretariats of the Convention on Biological Diversity (CBD) and the GEF. According to one participant, relations between the GEF and the CBD are complicated by language in the convention stating that the GEF shall operate under the "authority" of the CBD, as well as by the absence of an intersessional mechanism to discuss financial issues (unlike the FCCC). The meeting established a process for consultations between the two bodies in a revised Memorandum of Understanding.

## THINGS TO LOOK FOR TODAY

SUBSIDIARY BODY ON SCIENTIFIC AND TECHNICAL ADVICE: The third session of SBSTA will convene at 10:00 a.m. in room XIX and meet again in the afternoon.

**AD HOC GROUP ON ARTICLE 13:** A panel discussion and presentation on procedures relevant to AG13 will convene at 9:30 a.m. in room XXIII.

**SUBSIDIARY BODY ON IMPLEMENTATION:** The third session of SBI will convene at 3:00 p.m. in room XX.