

## SB 24 & AWG HIGHLIGHTS:

**TUESDAY, 23 MAY 2006**

Contact groups and informal consultations continued throughout Tuesday on numerous issues, including adaptation, the Adaptation Fund, arrangements for intergovernmental meetings, deforestation, IPCC 2006 Guidelines and harvested wood products, privileges and immunities, and the Special Climate Change Fund. In addition, an in-session workshop was held on mitigation in relation to agriculture, forestry and rural development. In the evening, the AWG reconvened in plenary following informal discussions in the morning.

### AD HOC WORKING GROUP

On Tuesday evening, the AWG reconvened in plenary. Evans Njewa (Malawi) was elected AWG rapporteur. Chair Michael Zammit Cutajar began by inviting statements from civil society. CAN INTERNATIONAL expressed deep concern at the lack of urgency and stressed the need for an intense work programme with intersessional sessions and a deadline. BUSINESS COUNCILS FOR SUSTAINABLE DEVELOPMENT urged agreement on the second commitment period no later than 2008 and a long-term framework consistent with the investment cycle, as well as using the CDM and other market mechanisms. BUSINESS GROUPS urged parties to pursue a long-term framework and underscored market incentives, scientific research, adaptation and technology.

Summarizing discussions during informal consultations held over recent days, Chair Zammit Cutajar explained that the focus of the group is the establishment of further commitments by Annex I parties by amending Annex B. He indicated that other issues discussed so far have included: legal matters; a deadline for the AWG; the need for information on scientific and socioeconomic issues before establishing new targets; a "reality check" on emissions trends; a workshop in Nairobi; assessment of the Protocol's implementation; and a work schedule.

The G-77/CHINA and the AFRICAN GROUP said an agreement on the AWG's timetable is necessary given the time required for ratification. SAUDI ARABIA emphasized that the process should be party-driven. The EU said the Chair's list could be useful in framing the work and identified "what" and "where" as the key procedural questions. Calling for scientific analysis, JAPAN said the AWG's work should be based on science and stated that "a political deal will not solve the problem." NEW ZEALAND stressed the need for properly verified scientific information to prevent countries from

invoking science selectively. The RUSSIAN FEDERATION called for a constructive dialogue and BELARUS said Annex B should not be a "closed club," stressing his country's efforts to undertake emission reduction commitments. SWITZERLAND highlighted the mutual influence of the different processes on future commitments and called for a forum for frank and comprehensive dialogue. CANADA indicated that analysis should include lessons learned from climate change policy implementation.

### CONTACT GROUPS

**ADAPTATION:** Informal consultations on the five-year programme of work on adaptation continued throughout the day, with Co-Chair Plume presenting draft SBSTA conclusions in the late afternoon, and the Secretariat presenting a preliminary estimation of required, secured and additional resources for the programme of work until December 2007. Delegates continued informal consultations on the new text late into the night.

**ADAPTATION FUND:** Delegates met informally in the morning and in a contact group in the afternoon to discuss a Co-Chairs' text that compiles parties views on operation of the Fund, and to add new options to the text, but not to negotiate wording. This compilation text is intended to form the basis of negotiations at SB 25. Discussion took place on language on membership of the governing body, the share of proceeds and other funding and, particularly, on eligibility criteria. On eligibility criteria, BRAZIL proposed adding language that references developing country parties and regions prone to severe weather events and language from Convention Article 4.8 on countries with forested areas and forest decay to a list of parties to be given priority by the Fund. SOUTH AFRICA and COLOMBIA said a list was not needed since the general language proposed on eligibility is consistent with Article 12.8 of the Kyoto Protocol (Clean Development Mechanism). MICRONESIA noted the need to be consistent with the language agreed to in Article 12.8. Discussions will continue informally on Wednesday morning before the contact group reconvenes.

**ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS:** On Tuesday evening, delegates convened in the contact group and exchanged views on draft text relating to the organization of COP 12 and COP/MOP 2, future sessional periods, review of arrangements for COP 11 and COP/MOP 1, and organization of the intergovernmental process. On COP 12 and COP/MOP 2, parties focused on how much detail to provide in guidance on organizing the meeting. The G-77/CHINA suggested removing a sentence that proposed

“limiting the duration of contact group meetings and shortening the lunch break to one hour.” The EU preferred not losing too many specific suggestions. Parties generally agreed on limiting evening and night meetings, although there was some disagreement on how late meetings should generally go, with AUSTRALIA, the US, and the G-77/CHINA preferring a 6:00 pm deadline except in extreme cases.

Regarding the general working hours at future meetings, the US suggested text recommending holding meetings within normal UN working hours. He also suggested ending SBs on Thursday instead of Friday.

There was also discussion on the participation of observer states in informal consultations in future meetings. AUSTRALIA objected to text stating that Convention parties could participate in informal consultations under the Protocol unless parties to the Protocol “formally object,” arguing that Convention parties are always able to participate. The EU suggested noting the emerging practice of inclusiveness. Further discussions are likely on Wednesday.

**DEFORESTATION:** The contact group convened for its closing session to finalize text already agreed at informal consultations held the previous day on the scope of an upcoming workshop. Parties agreed to the conclusions and decided to forward them to SBSTA for adoption.

**PRIVILEGES AND IMMUNITIES:** In this contact group, delegates considered new proposals to the text presented by the Chair and by Brazil that set out various options for protecting individuals serving on constituted bodies under the Protocol. Chair Watkinson recognized wide support for continuing consultations with the Secretary-General’s office on the 1946 Convention on the Privileges and Immunities of the UN. Delegates agreed that other options set out in the text are valuable, but did not support their inclusion in the SBI conclusions. Chair Watkinson will prepare draft SBI conclusions to be considered in informal consultations on Wednesday morning.

**SPECIAL CLIMATE CHANGE FUND:** Delegates convened in a contact group in the evening and broke for informal consultations to discuss text on financing activities set out in Decision 7/CP.7, paragraph 2 (d) (funding under the Convention) before returning to the contact group. Summarizing the informal consultations, several participants noted that while progress was made in understanding other parties’ views, no progress was made on the text. Delegates agreed to proposed SBI conclusions that note that SBI 25 will continue deliberating on this matter on the basis of the text produced at SB 22.

### **INFORMAL CONSULTATIONS**

**IPCC 2006 GUIDELINES AND HARVESTED WOOD PRODUCTS (HWP):** Informal consultations continued on the IPCC 2006 Guidelines and HWP. Discussions centered on whether to call for parties’ submissions on their views on the 2006 Guidelines, and whether HWP should be considered in the context of the Guidelines for inventories or as a broader agenda item. Parties agreed to consider the matter further at SBSTA 26.

### **WORKSHOP ON MITIGATION: AGRICULTURE, FORESTRY AND RURAL DEVELOPMENT**

An in-session workshop on mitigation relating to agriculture, forestry and rural development was convened on Tuesday. SBSTA Chair Kumarsingh explained that the workshop is the first in a series of five workshops to examine scientific, technical and socioeconomic aspects of mitigation to better implement the

Convention. He noted that the workshop was structured around proposals by parties and would represent diverse perspectives from both developed and developing countries.

Fourteen panelists examined existing practices and future prospects for mitigation in the forestry and agriculture sectors in various parts of the world. Specific issues examined included the economic potential of mitigation options (such as carbon sequestration in forestry in the US), industry partnerships as an example of successful approaches in the Australian agricultural sector, and no-tillage as an important practice for soil carbon sequestration in the US. Panelists also considered: the use of biogas and future technology needs for mitigation and rural development in China; the co-benefits of mitigation in terms of biodiversity conservation and poverty alleviation; the prospects for achieving sustainable forest management in the context of the Convention; the status of techniques for monitoring emission reductions from deforestation in tropical forests; the contribution of the EU’s common agricultural and rural development policies to address climate change; the potential options for mitigating livestock emissions in New Zealand; and experiences from modern biomass utilization in the power sector in Denmark.

In the ensuing discussion, some participants expressed concern regarding the comparability of estimated mitigation potentials from the US agricultural sector with other sectors, and the effects of climate impacts on mitigation potentials. Additional concerns related to the need to differentiate forest types for accounting of avoided deforestation emissions and the lack of reliable forest data in developing countries.

Several participants agreed on the importance of markets, incentive structures and price signals for mitigation, the availability of a variety of mitigation options, and the co-benefits for poverty alleviation and biodiversity conservation offered by mitigation options. Others questioned the replicability of the EU agricultural and rural development schemes at a global level. Delegates also discussed the possibility of consolidation in the EU farm and livestock industry similar to that in the US agricultural sector, and the effects on mitigation. SBSTA Vice-Chair Amjad Abdullah closed the session noting that a summary report of the workshop will be made available to the SBSTA.

### **IN THE CORRIDORS**

The consequences of making slow progress at SB 24 were being discussed in the corridors on Tuesday, as many delegates spent the day shuffling among the various contact group meetings and informal consultations. Optimists noted that while progress was sluggish, some movement could be detected on such matters as financing and on streamlining the five-year programme of work on adaptation. However, those of a more cynical persuasion saw things a little differently, particularly on the financing front. Several participants suggested that the growing size and scope of the compilation texts being prepared for SB 25 would add rather than subtract from the many hours of work needed in Nairobi. Resignation rather than surprise seemed to be the general mood, particularly among the veterans. “What did you expect?” asked one old hand in the process, adding, “there doesn’t seem to be either the bodies or the will to resolve much here.”

Even the AWG’s plenary session generated less excitement than some had expected, with several participants noting a lack of momentum among parties to push the agenda forward too quickly.