

**SUMMARY OF THE FIRST SESSION OF THE  
AD HOC WORKING GROUP ON LONG-TERM  
COOPERATIVE ACTION AND THE FIFTH  
SESSION OF THE AD HOC WORKING GROUP  
ON FURTHER COMMITMENTS FOR ANNEX  
I PARTIES UNDER THE KYOTO PROTOCOL:  
31 MARCH - 4 APRIL 2008**

The first session of the *Ad Hoc* Working Group on Long-term Cooperative Action (AWGLCA 1) and the fifth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (AWG 5) took place from 31 March to 4 April 2008 in Bangkok, Thailand. Approximately 1000 participants attended the meeting, representing governments, intergovernmental and non-governmental organizations, academia and the private sector. Over 100 media representatives also attended.

The AWGLCA was established by the 13th Conference of the Parties (COP 13), held in Bali, Indonesia, in December 2007, as a follow-up process to the “Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention.” This new subsidiary body is mandated to launch a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action up to and beyond 2012. The AWGLCA must complete its work by COP 15 in Copenhagen in 2009.

In Bangkok, AWGLCA 1 exchanged views on key elements in the Bali Action Plan (decision 1/CP.13), including “a shared vision for long-term cooperative action,” mitigation, adaptation, technology and finance. The main focus of AWGLCA 1 was on developing its work programme for 2008, which was adopted just after midnight on Saturday morning. The work programme aims to further discussions on all elements of the Bali Action Plan at every session of the AWGLCA in a coherent, integrated and transparent manner. It establishes a timetable and elements to be addressed, as well as eight in-session workshops to be held during 2008.

The AWG was set up by the first Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol

(COP/MOP 1) in Montreal, Canada, in late 2005, to consider Annex I parties’ commitments beyond the Protocol’s first commitment period ending in 2012. At its fifth meeting, the AWG convened an in-session workshop on analyzing the means for Annex I parties to reach their emission reduction targets. In its conclusions, AWG 5 indicated that emissions trading and the project-based mechanisms under the Protocol should continue in the post-2012 period, and be supplemental to domestic actions in Annex I countries.

Although the AWGLCA work programme for 2008 was not adopted until early Saturday morning, many were pleased that they fulfilled their mandate and have provided the framework for discussions on all elements of the Bali Action Plan, including a timetable for in-session workshops. The AWG also achieved its objectives, and moved discussions forward on how to address key issues in the second commitment period, including land use, land-use change and forestry (LULUCF), mechanisms, sectoral approaches and bunker fuels. Now the stage has been set for the next round of discussions in Bonn, beginning on 2 June 2008.

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## 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 the environment, human health, food security, economic activity, natural resources and physical infrastructure. Scientists agree that rising concentrations of anthropogenically-produced greenhouse gases in the Earth's atmosphere are leading to changes in the climate. The Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC), completed in November 2007, finds with more than 90% probability that human action has contributed to recent climate change and emphasizes the already observed and projected impacts of climate change. It also analyzes various options for mitigating climate change.

The international political response to climate change began with the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid "dangerous anthropogenic interference" with the climate system. The UNFCCC entered into force on 21 March 1994, and now has 192 parties.

**KYOTO PROTOCOL:** In December 1997, delegates at COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits developed countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known under the UNFCCC as Annex I parties, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment period), with specific targets varying from country to country.

Following COP 3, parties began negotiating many of the rules and operational details governing how countries will reduce emissions and measure their emission reductions. The process was finalized in November 2001 at COP 7 in Marrakesh, Morocco, when delegates reached agreement on the Marrakesh Accords. These Accords consisted of a package of draft decisions for adoption at COP/MOP 1 and laid down detailed rules on the Protocol's three flexible mechanisms, reporting and methodologies, LULUCF, and compliance.

**COP 10:** At COP 10 held from 6-17 December 2004 in Buenos Aires, Argentina, parties began informal negotiations on the complex and sensitive issue of the post-2012 period. As a result of these discussions, a seminar was held in Bonn in May 2005 to address some of the broader issues facing the climate change process.

**COP 11 AND COP/MOP 1:** COP 11 and COP/MOP 1 took place in Montreal, Canada, from 28 November to 10 December 2005. COP/MOP 1 took decisions on the outstanding operational details of the Kyoto Protocol, including formally adopting the Marrakesh Accords. The meetings also engaged in negotiations on long-term international cooperation on climate change. COP/MOP 1 addressed possible processes to discuss post-2012 commitments and decided to establish a new subsidiary body, the *Ad Hoc* Working Group on Further Commitments for Annex

I Parties under the Kyoto Protocol (AWG). COP 11 agreed to consider long-term cooperation also under the UNFCCC "without prejudice to any future negotiations, commitments, process, framework or mandate under the Convention" through a series of four workshops constituting a "Dialogue" on the matter through to COP 13.

**AWG 1 AND CONVENTION DIALOGUE 1:** The AWG and the Convention Dialogue each convened for the first time in Bonn, Germany, in May 2006, alongside the 24th meeting of the Subsidiary Bodies (SB 24). The AWG adopted conclusions on "Planning of future work." It identified the need to assemble and analyze information on a number of scientific, technical and socioeconomic topics to enhance common understanding of the level of ambition of further commitments for Annex I parties and of the potential for achieving these commitments.

During the first Convention Dialogue workshop, participants exchanged initial views, experiences and strategic approaches on the four thematic areas to be addressed during the Dialogue.

**AWG 2 AND CONVENTION DIALOGUE 2:** The second sessions of the AWG and the Convention Dialogue took place in November 2006, in Nairobi, Kenya, alongside COP 12 and COP/MOP 2. The AWG held an in-session workshop and agreed on a work programme focusing on the following three areas: mitigation potentials and ranges of emission reductions; possible means to achieve mitigation objectives; and consideration of further commitments by Annex I parties.

The second Convention Dialogue workshop engaged in discussions on "advancing development goals in a sustainable way" and "realizing the full potential of market-based opportunities," including the Stern Review on the Economics of Climate Change.

In parallel, COP/MOP 2 carried out the first review of the Protocol under Article 9, and held discussions on a proposal by the Russian Federation on procedures to approve voluntary commitments for developing countries.

**AWG 3 AND CONVENTION DIALOGUE 3:** In May 2007, alongside SB 26, AWG 3 and the third Convention Dialogue workshop convened in Bonn, Germany. The AWG held a roundtable discussion on the mitigation potentials of policies, measures and technologies. It also adopted conclusions on the analysis of mitigation potential and agreed to develop a timetable to complete its work so as to avoid a gap between the first and subsequent commitment periods.

The third Convention Dialogue workshop involved sessions on adaptation and realizing the full potential of technology. It also began addressing the issue of what should happen procedurally after the Convention Dialogue workshops report to COP 13.

**AWG 4 AND CONVENTION DIALOGUE 4:** The first part of AWG 4 and the fourth and final Convention Dialogue workshop took place from 27-31 August 2007 in Vienna, Austria.

The AWG focused on mitigation potentials and possible ranges of emission reductions for Annex I parties. It adopted conclusions referring to some of the key findings of the IPCC Working Group III, including that global greenhouse gas emissions need to peak in the next 10-15 years and then be

reduced to well below half of 2000 levels by the middle of the 21st century in order to stabilize atmospheric concentrations to the lowest level assessed by the IPCC. The AWG's conclusions recognized that to achieve this level, Annex I parties as a group would be required to reduce emissions by a range of 25-40% below 1990 levels by 2020.

The final Convention Dialogue workshop focused on bringing together ideas from the previous workshops and addressing overarching and cross-cutting issues, including financing. It also addressed next steps after COP 13.

**COP 13, COP/MOP 3 AND AWG 4:** COP 13 and COP/MOP 3 took place from 3-15 December 2007 in Bali, Indonesia, alongside the resumed fourth session of the AWG. The main focus of the Bali conference was on long-term cooperation, and negotiators spent much of their time seeking to agree on a two-year process, or "Bali roadmap," to finalize a post-2012 regime by COP 15 in December 2009.

Under the Convention, negotiations on the follow up to the Convention Dialogue resulted in the establishment of the AWGLCA with a view to launching a comprehensive process on long-term cooperative action to be completed in 2009. COP 13 identified four areas for enhanced action to be addressed by the AWGLCA, namely mitigation, adaptation, finance and technology. Its decision also contains a non-exhaustive list of issues to be considered under each of these areas and calls for addressing a shared vision for long-term cooperative action.

At its resumed fourth session, the AWG focused on reviewing its work programme and developed a detailed outline for its activities and meetings for 2008-2009.

COP/MOP 3 considered preparations for the second review of the Protocol under Article 9 by COP/MOP 4 at the end of 2008. Delegates identified a number of issues to be addressed during the review, such as the Clean Development Mechanism (CDM), IPCC AR4, adaptation, effectiveness, implementation and compliance. They also requested that the Secretariat organize a preparatory workshop.

### REPORT OF THE MEETING

The first session of the *Ad Hoc* Working Group on Long-term Cooperative Action (AWGLCA 1) and the fifth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol to the United Nations Framework Convention on Climate Change (AWG 5) opened on Monday, 31 March 2008.

Sahas Bunditkul, Deputy Prime Minister of Thailand, identified the need to negotiate "an attractive package" for COP 15, including comprehensive action on adaptation and mitigation.

Calling for global solidarity, Noeleen Heyzer, Executive Secretary of the Economic and Social Commission for Asia and Pacific, underscored the need for financial and technological support from developed countries to achieve both emission reductions and development goals in developing countries.

In a video address, UN Secretary-General Ban Ki-moon called for an environmentally sound, long-term solution based on common but differentiated responsibilities, and a "delicate

balance" between globally inclusive action and poverty eradication.

COP 13 President Rachmat Witoelar, Indonesia, emphasized that the Bali roadmap must be paved with strong, concrete actions and rigorous implementation. He called for a global emissions goal, possibly achieved through a mid-term goal, and urged stepping up efforts to reach agreement by 2009.

Janusz Zaleski, Undersecretary of State, Ministry of Environment, Poland, said the Bangkok meeting should identify issues where work needs to be done and in what order, areas needing further clarification and how relevant actors such as financial institutions, business and civil society could contribute to the process.

UNFCCC Executive Secretary Yvo de Boer stressed the need to respond to the great expectations generated by the Bali outcome and called for progress in both AWGs. Highlighting limited time to conclude negotiations, he emphasized the importance of negotiating a clear work programme for the AWGLCA.

The AWGLCA and the AWG held their opening plenaries on Monday. From Tuesday morning to Thursday afternoon, the AWGLCA met in an informal plenary to exchange views on the key elements of the Bali Action Plan. From Tuesday to Friday, it also convened in an informal drafting group to consider the AWGLCA's work programme for 2008, which was adopted by the closing plenary just after midnight on Friday. From Tuesday to Thursday, the AWG held an in-session workshop on analysis of means to reach emission reduction targets. On Thursday afternoon, the AWG convened a contact group to exchange views on its conclusions, which were finalized during informal consultations and adopted on Friday. This report summarizes the discussions and conclusions from AWGLCA 1 and AWG 5, including the AWG's in-session workshop on analysis of means to reach emissions reduction targets.

### AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION

The first session of the AWGLCA opened on Monday afternoon, 31 March 2008 with Luiz Machado (Brazil) as the Chair and Michael Zammit Cutajar (Malta) as the Vice-Chair. Machado stated that it was necessary to advance step-by-step to build a solid basis for agreement. Parties adopted the agenda and organization of work (FCCC/AWGLCA/2008/1). They agreed to convene mostly in informal plenary settings, to allow for greater participation. They also agreed that opening statements would only be made under the agenda item on the development of a work programme.

Switzerland, for the Environmental Integrity Group, highlighted linkages between the AWGs and the need for cooperation.

#### DEVELOPMENT OF A WORK PROGRAMME:

The agenda item on development of the AWGLCA's work programme was first taken up in plenary on Monday afternoon. Chair Machado introduced the relevant documents (FCCC/AWGLCA/2008/2 and FCCC/AWGLCA/2008/Misc.1 and Add.1-3).

The US called for an effective outcome that is economically sustainable and consistent with sustainable development. Antigua and Barbuda, for the G-77/China, and Algeria, for the African Group, stated that the AWGLCA should focus on enhancing implementation of existing commitments under the Convention and Protocol, and stressed the principle of common but differentiated responsibilities. Saudi Arabia indicated no agreement exists to supersede the Convention or replace its principles, including the balance of obligations. Argentina said historical contributions and current circumstances must be considered and called for short-term measures, while advancing long-term goals.

The G-77/China, Switzerland and others highlighted the equal importance of the building blocks. The G-77/China and others also called for an iterative work programme. Australia, Slovenia, for the European Union (EU), Norway, Samoa, for the Alliance of Small Island States (AOSIS), and others supported addressing all elements this year and called for considering all four building blocks at each session.

Key elements of the Bali Action Plan were then discussed in five informal plenary sessions from Tuesday morning to Thursday afternoon. An informal group chaired by Chair Machado convened from Tuesday evening until late Friday evening to draft conclusions on the work programme. The AWGLCA closing plenary convened after midnight on Saturday morning to adopt the conclusions.

This report will first summarize the discussions on the key elements of the Bali Action Plan in the informal plenary, followed by a summary of the negotiations leading to the adoption of the AWGLCA's work programme for 2008.

**Shared Vision:** On Tuesday and Wednesday mornings, the AWGLCA informal plenary exchanged views on the meaning of "a shared vision for long-term cooperative action, including a long-term global goal for emission reductions" in the Bali Action Plan. The key issues discussed included: the nature of a shared vision, a global goal, mitigation commitments, adaptation and necessary activities to include in the AWGLCA's work programme.

On the nature of a shared vision, Australia, supported by the Republic of Korea and others, said the shared vision should be a statement of aspiration rather than legally binding. Brazil, the Philippines, Cuba, India, China, Maldives, for the Least Developed Countries (LDCs), and others emphasized the importance of the Convention's principles and commitments in defining a shared vision. The EU said Convention Article 2 (objective) is not sufficient, and AOSIS stated that the task is to operationalize Article 2 in light of scientific advances.

On the global goal, the EU, Brazil, Japan, Cuba and others identified the need for a long-term global goal. The EU proposed reducing Annex I emissions by 30% by 2020 and 60-80% by 2050. Brazil highlighted burden sharing and historical responsibility. India identified similar commitments by all developed countries, including non-Kyoto parties, as a precondition for developing country action. He called for equal distribution and convergence of emission rights. Saudi Arabia called for a bottom-up approach in defining a long-term goal.

The US emphasized the need for differentiation among parties, depending on changing social and economic conditions, as well as current emissions and emission trends.

The African Group emphasized equal treatment of adaptation and mitigation, and the special needs of Africa, small island developing states (SIDS) and the LDCs. Bangladesh, Ghana, Egypt and others supported developing an adaptation protocol.

**Mitigation:** On Wednesday, the AWGLCA informal plenary discussed issues related to mitigation. Several delegates emphasized that developed and developing countries should have distinct responsibilities. Brazil, supported by South Africa, explained that developed countries must reduce emissions, while developing countries should take action to reduce emission growth, and clarified that the distinction also applied to measuring, reporting and verifying (MRV). China and Brazil highlighted that in developing countries, MRV should take place nationally. Brazil and South Africa underscored the need for international incentives for developing country action and the recognition of existing actions. India elaborated on an equity, or convergence, emissions paradigm for mitigation.

Japan called for mid-term national targets using sectoral approaches, stressing they would not replace quantified targets and would differ for developed and developing countries. AOSIS stressed that sectoral approaches for developed countries must be considered in the context of national targets. The US, the EU and others supported further exploring the idea of sectoral approaches. Argentina, Australia, the US, the EU and the Russian Federation proposed looking at possible criteria for differentiation. The EU supported parallel discussions on developed and developing country comparability of efforts and further exploring MRV.

The G-77/China identified the need to clarify "comparability of efforts" among developed countries. Brazil and others stated this was particularly relevant for Kyoto non-parties. Saudi Arabia stressed the need to consider economic and social consequences of response measures and, with Ghana, urged considering expanding the list of greenhouse gases.

**Adaptation:** Discussions on issues related to adaptation took place during the informal plenary on Wednesday. Zambia urged bringing adaptation action to the same level as mitigation. China said adaptation should be given more importance than mitigation. Venezuela called for addressing the issues holistically.

Several delegates highlighted the need to focus on vulnerable countries and regions. The G-77/China expressed concern over the lack of adaptation funding and the fragmentation of programmes and funds, particularly outside the Convention. South Africa, with others, stressed the need to avoid replicating work and to focus on implementation. She proposed streamlining financing mechanisms and reconsidering the institutional framework. New Zealand proposed that the Secretariat conduct a stocktaking assessment of adaptation activities.

Zambia called for a country-driven approach. Japan said adaptation planning should be mainstreamed into development planning and called for cooperation among donors. Togo and China stressed financial and technological needs. India and others proposed extending the adaptation levy to all Kyoto

mechanisms and creating other financial instruments. Australia supported further analytical work to assess adaptation funding. AOSIS proposed an economic report on climate impacts on SIDS and, with the LDCs, an adaptation fund under the Convention. Samoa suggested developing an insurance pool scheme made up of contributions from developed countries.

The US supported differentiation among countries on the basis of projected impacts and adaptive capacity. Palau advocated the transfer of locally-appropriate technologies and best practices, and disseminating information to local communities.

Costa Rica urged looking at other relevant processes such as the International Strategy for Disaster Reduction. Saudi Arabia supported a workshop addressing resilience to both climate change and response measures.

**Technology:** Issues related to technology were addressed by the informal plenary on Thursday morning. The G-77/China emphasized technologies for both mitigation and adaptation, financing and international cooperation. Ghana highlighted the importance of innovative mechanisms, incentives and, with Brazil and others, North-South and South-South cooperation. Uganda said policies and political will were required, and, supported by Argentina, urged promoting South-South cooperation in transferring adaptation technologies. China stressed innovative funding mechanisms and the purchase of climate-friendly technologies by developed countries for preferential transfer to developing countries. Pakistan called for a fast-track procedure for technology transfer, and South Africa highlighted the role of incremental costs and market mechanisms.

Brazil urged considering existing technologies and undertaking technological research in developing countries and, with Canada, called for analyzing experiences in other international fora. The EU identified the need for an enhanced international framework based on countries' needs. Japan stressed the effectiveness of sectoral approaches.

Cuba, India, Tanzania, Indonesia and others urged addressing intellectual property rights (IPRs). Saudi Arabia noted compulsory licensing under the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property as an option to access climate-friendly technologies, and suggested such technologies should not necessarily be patented. The US emphasized IPRs were not a barrier but a catalyst for technology transfer, and said IPR critics were those very countries who have taken advantage of the IPR regime. China stressed IPRs should not be a fundamental obstacle for fulfilling developed countries' commitments on technology transfer.

Bangladesh, Sierra Leone, Timor-Leste, the Maldives, Tanzania and others stressed capacity building. Sierra Leone, Uganda and Timor-Leste highlighted country-specific circumstances. Switzerland identified clear policy and self-assessment as preconditions for technology transfer. Belarus said technology transfer was also a concern for Annex I countries.

Australia called for considering technology transfer outside the Convention, and better integrating the business and research communities and the Expert Group on Technology Transfer into the process. South Africa highlighted the need to avoid

duplicating work. The US stressed eliminating tariff and non-tariff barriers to trade in environmental goods and services. Egypt urged considering how to encourage private sector involvement on a voluntary basis.

Indonesia called for developing performance indicators and innovative funding. Mexico, Indonesia and India suggested creating a multilateral fund under the Convention with foreseeable and scalable contributions by developed countries and a transparent and inclusive governance structure. Argentina highlighted positive experiences with the Multilateral Fund for the Implementation of the Montreal Protocol on Substances That Deplete the Ozone Layer. Antigua and Barbuda called for increasing official development assistance, which offers a predictable funding source for technology. Turkey supported the creation of a technology transfer fund.

The EU highlighted linkages between finance and technology and suggested a toolbox on financing, and said carbon markets and enabling environments are essential. Switzerland stressed the importance of existing instruments, specifically the CDM. The Republic of Korea emphasized the role of market mechanisms, private sector initiatives and a predictable investment environment. Egypt urged new funding mechanisms and improving existing ones, such as the CDM. He also supported an adaptation protocol, which would facilitate technology transfer.

**Finance:** Discussions on issues related to finance took place in the informal plenary on Thursday afternoon. Delegates discussed issues of: sources of financing, mechanisms, financial needs for adaptation, parallel financial initiatives and necessary activities to be included in the work programme.

The G-77/China and others called for adequacy and accessibility of financing and developing a mechanism to mobilize resources, with the G-77/China proposing to create an umbrella multilateral fund under the Convention.

On funding sources, the US indicated that the private sector would generate the majority of financing and noted US bilateral initiatives on financing adaptation. South Africa supported consolidating funding sources into one instrument that can be easily accessed, and said public financing, not the private sector, must provide the main sources of financing. China said developed countries must fulfill their legal obligations under the Convention to provide funding to developing countries.

The G-77/China expressed concerns over parallel financial initiatives, while the US and Japan highlighted their national initiatives. Japan and Switzerland supported streamlining roles and objectives of coexisting financial mechanisms.

AOSIS noted the high costs of some adaptation options, particularly in coastal areas, and proposed creating an adaptation fund under the Convention on the basis of the "polluter pays" principle. The LDCs emphasized the inadequacy of existing financing and highlighted their urgent adaptation needs, particularly in preparing, updating and implementing National Adaptation Programmes of Action (NAPAs). Bangladesh called for adequate, predictable and sustainable funding, as well as new and additional resources, and said the 2% levy on the CDM was inadequate.

**AWGLCA's Work Programme:** The contents of the AWGLCA's work programme for 2008 were first addressed in parties' opening statements on Monday afternoon and Tuesday morning. Negotiations on the details took place in a closed informal drafting group chaired by Chair Machado from Tuesday evening until late Friday night, as well as in small group consultations. The AWGLCA closing plenary adopted conclusions on the work programme for 2008 just after midnight on Saturday morning.

In their opening statements on Monday and Tuesday, delegates elaborated on what they saw as key elements for the work programme. Many emphasized that the building blocks were equally important and urged discussing all of them at each session. They also highlighted that the work programme should be iterative. The G-77/China and the US stressed the need to keep the two AWGs as separate and parallel processes, while others, including Switzerland, Canada and Australia, highlighted interlinkages.

Delegates also made several proposals for issues to be addressed at upcoming sessions, including: shared vision; mid- and long-term goals; legal issues related to the post-2012 regime; LULUCF; sectoral approaches; MRV; carbon capture and storage (CCS); technology-related issues, and risk management and insurance.

During the exchange of views in the informal plenary, several delegates proposed workshops on the key elements of the Bali Action Plan. Many identified the need for a workshop on shared vision. The EU proposed holding a workshop, roundtable and high-level discussion at COP 14 on this issue. The EU, China, Belize, Panama, Saudi Arabia, AOSIS and others proposed several specific workshops related to adaptation. Japan and others supported a workshop on sectoral approaches. The US proposed a workshop addressing technology options, availability and costs. Several developing countries called for a workshop on comparability of mitigation efforts by developed countries. Saudi Arabia proposed a workshop on economic and social consequences of response measures. Several delegates also proposed workshops relevant to technology transfer and issues related to finance.

During the informal discussions from Tuesday through Friday evening, delegates discussed Chair Machado's proposed draft conclusions and the work programme for 2008, contained in an annex with a timetable, proposed agenda items and specific activities for each session. Delegates agreed to discuss all four building blocks and a shared vision at every session, and the need for stocktaking at COP 14. Discussions focused on the timing, format and contents of proposed workshops.

One of the most contentious issues the group addressed was a proposed workshop on sectoral approaches and its timing in the work programme. Japan supported a workshop on sectoral approaches during AWGLCA 2, while several developing countries opposed holding such a workshop in 2008, and proposed postponing the discussions until 2009. After extensive consultations, delegates agreed to hold a workshop on cooperative sectoral approaches and sector-specific actions during AWGLCA 3.

Another contentious issue was whether to hold a workshop on comparability of efforts and MRV. Countries' positions were divided on whether to consider issues related to the paragraph 1b(i) (MRV and comparability of efforts for developed country commitments or actions) and paragraph 1b(ii) (MRV for developing country actions) of the Bali Action Plan separately or in one workshop. Several developing countries opposed addressing the two issues in one workshop, while some developed countries insisted on linking the two. After lengthy consultations on Friday evening, delegates agreed to postpone holding special activities on MRV and comparability of efforts until 2009, with the assurance that all elements of the Bali Action Plan will be addressed at each of the upcoming sessions in 2008.

Delegates also debated timing of a workshop on shared vision for long-term cooperative action, with the EU initially proposing to hold this workshop at AWGLCA 2, and a ministerial level roundtable on the issue at COP 14 in Poznan. Developing countries opposed holding this workshop so early in the process and felt that clarity is needed on other issues first. Delegates agreed that a workshop on a shared vision will take place in Poznan during AWGLCA 4.

Delegates also agreed to hold workshops on, *inter alia*: finance, technology, Reducing Emissions from Deforestation and Degradation (REDD), research and development, and risk management and risk reduction strategies.

Just after midnight on Saturday morning, Chair Machado presented the draft conclusions to the closing plenary. Following consultations in the plenary hall, he proposed, and delegates agreed, to clarify text on inviting other relevant intergovernmental processes, the business and research communities and civil society to take note of the AWGLCA's work programme.

China stressed the need to clarify that all elements of the Bali Action Plan, including MRV, would be on the agenda at all sessions in the meeting's report, and Chair Machado indicated the explanation would be made for the record and also included in his summary report.

**AWGLCA Conclusions:** In its conclusions (FCCC/AWGLCA/2008/L.2), the AWGLCA, among other things:

- agrees to undertake its work, seeking progress on all elements assigned to it by the Bali Action Plan, in a coherent, integrated and transparent manner, and agrees to include work on all elements at each session;
- recognizes sufficient time should be allowed for negotiations in order to enable COP 15 to reach agreement;
- agrees to complete its work programme for 2009 no later than at its fourth session in 2008;
- recognizes that its work should be facilitated by workshops and other activities to deepen understanding and clarify elements included in the Bali Action Plan;
- requests the Secretariat to compile and make available an information note on ongoing work under the Convention related to issues identified in the Bali Action Plan; and
- invites other relevant intergovernmental processes, the business and research communities and civil society to take

note of its work programme so that the process is informed of their outputs and insights.

The conclusions also contain an annex setting out a timetable for activities for the next three AWGLCA sessions, and stating that all five elements of the Bali Action Plan will be on the agenda and considered at each session.

The annex contains a list of the following workshops:

- AWGLCA 2: advancing adaptation through finance and technology, including NAPAs, investment and financial flows, and issues related to technology development, deployment, diffusion and transfer;
- AWGLCA 3: policy approaches and positive incentives using REDD and LULUCF; and cooperative sectoral approaches and sector-specific actions; and
- AWGLCA 4: risk management and risk reduction strategies, including risk sharing and transfer mechanisms; cooperation on research and development of current, new and innovative technology; and shared vision for long-term cooperative action.

**CLOSING PLENARY:** At 12:30 am on Saturday morning, the AWGLCA closing plenary convened. Under other matters, Switzerland thanked the UNFCCC Executive Secretary for his consultations with UN agencies, stressing that this cooperation was consistent with the Bali Action Plan. Parties adopted the report of the session (FCCC/KP/AWGLCA/2008/L.1) without amendment. They also adopted the conclusions (FCCC/KP/AWGLCA/2008/L.2).

Chair Machado stated he was very pleased with the AWGLCA's work in Bangkok and that agreement on the work programme would help shape future discussions on the Bali Action Plan. He closed the meeting at 1:00 am.

#### **AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES**

The first part of the fifth session of the AWG opened on Monday morning, 31 March 2008, with Harald Dovland (Norway) as the new AWG Chair and Mama Konate (Mali) as the AWG Vice-Chair. Dovland stressed that the task in 2008 is to analyze and reach conclusions on means to reach emission reduction targets, including flexible mechanisms, LULUCF, a basket of greenhouse gases and covered sectors. Parties adopted the agenda (FCCC/KP/AWG/2008/1). Switzerland, for the Environmental Integrity Group, highlighted linkages between the AWGs and the need for cooperation.

During the Monday morning plenary, country groups delivered opening statements. Stressing the AWG's legal mandate, Antigua and Barbuda, for the G-77/China, expressed concern about suggestions to link the AWG with the new AWGLCA process. Canada highlighted links between the AWG and AWGLCA and called for coordinating the processes. Brazil noted that the AWG's success depends on its ability to focus on Annex I commitments.

Argentina stressed that the Kyoto Protocol should remain the foundation for future Annex I commitments and be strengthened. Venezuela indicated there is no need to renegotiate the existing legal framework. Maldives, for the LDCs, highlighted the need

for Annex I emission reductions in the range of 25-40% below 1990 levels by 2020, and Bangladesh called for deep cuts. Samoa, for AOSIS, said greenhouse gas (GHG) concentrations must be stabilized well below 450 parts per million (ppm) and suggested the inclusion of new gases under the Protocol.

New Zealand stated that rules must be improved and finalized before new commitments are made. China stressed that if the rules are changed, the 25-40% indicative range of Annex I emission reductions must be increased. Japan highlighted the potential of sectoral approaches in achieving global emission reductions, and New Zealand supported analyzing other types of commitments in addition to quantified targets. China stated that sectoral approaches cannot replace targets but can be used as a means of achieving them.

Several parties, including Japan, Tuvalu and Slovenia, for the EU, identified the need to address international aviation and maritime transport emissions. Australia, New Zealand, Iceland and others urged reviewing the rules on LULUCF and flexible mechanisms. Australia suggested broadening the scope of mechanisms, especially in relation to sinks, CCS and afforestation and reforestation. Indonesia identified the need to review the rules for the CDM, and Malaysia proposed addressing complex procedures and high transaction costs under the CDM. Tuvalu suggested auctioning Assigned Amount Units (AAUs).

The Climate Action Network stressed that emission reductions in industrial sectors should not be substituted with emission reductions in other sectors, such as LULUCF, and stressed the need to protect biodiversity and indigenous rights. The International Trade Union Confederation called on parties to consider social and economic dimensions of emission reduction targets.

#### **ANALYSIS OF MEANS TO REACH EMISSION**

**REDUCTION TARGETS:** During the first part of AWG 5, delegates focused on the agenda item on analysis of means to reach emission reduction targets and the identification of ways to enhance their effectiveness and contribution to sustainable development. The issue was first taken up in plenary on Monday. AWG Chair Dovland introduced documents outlining provisions relating to means to reach emission reduction targets by Annex I parties under the Protocol (FCCC/KP/AWG/2008/INF.1) and views and information submitted by parties (FCCC/KP/AWG/2008/MISC.1 and Add. 1-3). From Tuesday morning to Thursday morning, the AWG convened an in-session workshop on means to reach emission reduction targets. The workshop included sessions on: flexible mechanisms; LULUCF; GHGs, sectors and sources; and sectoral approaches.

On Thursday afternoon, a contact group convened to exchange views on the workshop and the AWG's conclusions on means to reach emission reduction targets. Chair Dovland then undertook informal consultations to finalize the AWG's conclusions from the session.

This report will first summarize the discussions on means to reach emission reduction targets during the in-session workshop, followed by a summary of the negotiations leading to the adoption of the AWG's conclusions from the first part of its fifth session.

**In-Session Workshop: Flexible mechanisms:** On Tuesday, the in-session workshop focused on issues related to emission trading and the project-based mechanisms.

The first set of presentations provided an overview of the Kyoto mechanisms. Andrew Howard, UNFCCC Secretariat, explained the legal basis for the flexible mechanisms in the Kyoto Protocol and the relevant COP/MOP decisions. He noted that six Annex I parties fulfill the eligibility criteria and most others will follow by the end of April.

Dennis Tirpak, IPCC Working Group III Coordinating Lead Author, reviewed the IPCC's assessment of market mechanisms, including the potential to establish a carbon price, reduce mitigation costs and spur technological investment.

Henry Derwent, International Emissions Trading Association, highlighted rapid growth in the carbon market in terms of both monetary flows and emission reductions. He also discussed the carbon market's effectiveness in reducing emissions and removing bottlenecks in the CDM approval process.

The second set of presentations focused on emissions trading. Artur Runge-Metzger, European Commission, discussed lessons learned from the EU Emissions Trading Scheme and noted the proposal to auction emission allowances in the post-2012 period and to require member states to use 20% of revenues for mitigation and adaptation.

Mark Storey, New Zealand, outlined his country's draft for a cap and trade scheme, which would cover all sectors and gases by 2013, including forestry and agriculture.

In the ensuing discussion, Canada supported broadening the market mechanisms and clarifying the rules. New Zealand called for transparency and revisiting the commitment period reserve. Tanzania highlighted the potential for other innovative market mechanisms.

The third set of presentations focused on the flexible mechanisms of CDM and Joint Implementation. Rajesh Sethi, CDM Executive Board Chair, identified the need to ensure environmental integrity, cost effectiveness, transparency, reasonable timelines, and incentives for accurate accounting as the key challenges for the CDM.

Georg Borsting, Joint Implementation (JI) Supervisory Committee Chair, noted that most of the 129 JI projects are in the Russian Federation, Ukraine and Bulgaria and involve renewable energy, methane and energy efficiency. He said questions remain concerning the continuation of JI after 2012.

Martin Krause, UN Development Programme, noted the need to align multiple funding sources with the CDM, including from private and domestic public funds, official development assistance and development banks.

Concerning the CDM in the post-2012 period, China highlighted the need for efficiency, simplification, transparency, certainty and environmental integrity. He urged strengthening the CDM's role in technology transfer, and suggested removing the additionality test from certain project types and enhancing the host country's role.

Japan highlighted the need to fundamentally review the CDM for the post-2012 period, as it currently takes place between a party with an emission target and a party without a target.

Responding to Australia, he said this would also affect the additionality criteria. He said geographical distribution, as well as nuclear, CCS and energy efficiency projects, should also be considered.

Tanzania stressed the need to simplify the CDM and review its rules, including the criteria for sustainable development and the requirement of financial additionality. He also stressed REDD's potential in Africa. Ukraine highlighted legislation facilitating implementation of JI projects in Ukraine and stressed that attracting foreign carbon investment is a priority for the Ukrainian government. The EU stated that advanced developing countries must move beyond offsetting and proposed exploring a no-lose sectoral crediting mechanism. He said JI should also play a role in the post-2012 period.

Tuvalu and others expressed concerns over proposals to expand the CDM by relaxing additionality criteria, and highlighted maintaining environmental integrity. Tuvalu expressed the need to accrue real, additional and verifiable emission reductions. He suggested creating revenues for low emitting countries by auctioning AAUs and reviewing accessibility and geographical allocation rules.

The Republic of Korea supported expanding the scope of the CDM to attract eco-friendly investment and technology. Indonesia, Benin and the Democratic Republic of Congo called for addressing the lack of sink projects under the CDM. Senegal highlighted the importance of an attractive carbon price, and Burkina Faso stated that sink projects are attractive only if the carbon price is at the level of at least US\$20. Benin stressed the need to improve the geographical distribution of CDM projects, while New Zealand warned of difficulties in dictating geographical and sectoral distribution of projects.

The Russian Federation stressed that the success of flexible mechanisms depends on national circumstances. Brazil suggested maintaining the current eligibility criteria for LULUCF projects in the next commitment period, opposed including CCS under the CDM, and noted that programmatic CDM opens a "window of opportunity" for substantial Certified Emission Reductions.

Canada supported exploring sectoral approaches, suggested establishing multi-project baselines for the CDM and simplifying rules for LULUCF, and noted that the Executive Board might become a full-time body in the future. Argentina called for an independent assessment of the CDM, with a regional component, to explore issues such as: financing, technology transfer and registered projects.

South Africa highlighted the need to consider implications of new approaches on the carbon price. The EU stated that even if it decided to offset all European GHG emissions, this would not constitute the global emission reductions envisaged. Belarus proposed the inclusion of marsh rehabilitation in the second commitment period.

Chair Dovland identified key elements, including: all parties supported continuing the use of the flexible mechanisms in the second commitment period; some wanted to expand approaches to the carbon market and establish a common carbon price; flexible mechanisms should be complemented by technology transfer, financing and capacity building; and a strong market



signal in the form of stringent emission reduction targets is needed to drive the carbon price. He also noted suggestions that emission trading could support adaptation finance through the auction of AAUs.

Regarding project-based mechanisms, he identified calls to maintain environmental integrity and the additionality requirement and contribute to sustainable development. Some parties suggested simplification of CDM rules, focus on including more LULUCF activities and addressing geographical imbalances by enhanced capacity building and enabling environments. The link to the Protocol's Article 9 review was also noted. Some of the new issues raised by parties, he noted, included, sectoral programmes and no-lose sectoral crediting and extending present market mechanisms.

**Land Use, Land-use Change and Forestry:** Issues related to LULUCF were discussed at the in-session workshop on Wednesday. Maria José Sanz, UNFCCC Secretariat, provided an overview of the provisions and decisions related to LULUCF under the Protocol.

Peter Holmgren, United Nations Food and Agriculture Organization, stressed the need for monitoring in accounting, and synergies between forest monitoring in addressing climate change and other environmental problems.

Jim Penman, IPCC, noted scientific advances addressing many of the pre-Kyoto fears regarding forest management. He suggested: considering LULUCF in the context of REDD; simplifying rules for CDM sink projects; dealing with harvested wood products (HWP); and, regarding permanence risks, implementing longer averaging periods or taking on conservative assessments to account for possible losses.

Japan presented on national experiences, highlighting enhanced sink policies and measures, which are broadening participation and utilization of products and biomass.

The EU suggested reviewing and simplifying accounting rules, without creating perverse incentives, and enhancing removals from sustainable biomass for energy and HWP.

New Zealand discussed experiences in incorporating LULUCF in its emissions trading scheme and identified LULUCF rules under the Protocol that should be reviewed, especially those related to land use change, which has had significant effects on the dynamic land use in New Zealand, and the practicality of forest management rules.

Canada proposed three key enhancements: improving incentive structures for sustainable land management; assessing the life cycle of carbon stocks; and greater focus on distinguishing anthropogenic emissions and removals. He proposed a LULUCF sub-group take up this issue.

Australia noted that parties should not foreclose new options for mitigation under LULUCF and favored the review of current rules to ensure simplicity without perverse incentives. He said effective monitoring systems are now available to allow for more accurate accounting.

Tuvalu urged parties not to rewrite the existing rules and principles, noting it may be necessary to reconsider IPCC guidelines on managed and unmanaged land. He stated that

CDM activities should remain restricted to afforestation and reforestation projects.

Supporting Tuvalu, Brazil said that if activities under Article 3.4 (additional human induced activities) were expanded, the IPCC should be invited to re-assess the issue of "factoring out" to enhance understanding of anthropogenic versus natural carbon stock changes.

In the discussion on LULUCF, as outlined in Protocol Articles 3.3, 3.4 and 3.5 pertaining to Annex I countries, China opposed major modifications for the second commitment period and stressed that provisions on LULUCF should apply only to Annex B countries. Tuvalu called for a political link between LULUCF rules and commitment levels. Malaysia called for streamlining and strengthening of rules, such as forest management. He also proposed standardizing rules to be consistent for removals from peatlands and noted potential linkages with REDD. The Russian Federation supported simpler, more efficient inventory procedures.

On LULUCF under the CDM, Uganda supported amending the rules, citing socioeconomic development and mitigation benefits of forests. Brazil and Samoa warned against sacrificing the environmental integrity of the CDM, while Australia and Switzerland asserted that rules can be simplified while maintaining stringency in environmental outcomes. Benin and Senegal highlighted linkages between Africa's participation in the carbon market and the role of forestry.

The Global Environmental Centre and Wetlands International called for a process to evaluate the contribution of peatland management to the LULUCF sector. Climate Action Network International called for the protection of biodiversity and indigenous rights in the LULUCF sector.

In summing up the key elements, Chair Dovland identified LULUCF as one of the most complex issues and recognized consensus on continuing the use of the principle from decision 16/CMP.1 (LULUCF) and ensure environmental integrity. Regarding the second commitment period rules, he suggested there were divergent views with some encouraging holistic approaches to LULUCF and agriculture and others wanting very few modifications to the rules agreed for the first commitment period. However, he noted that there was a general desire to avoid discontinuity between commitment periods or adopting dramatically different systems. Contentious issues related to new pools, such as HWP. He also noted the potential for LULUCF to contribute to sustainable forest management and biodiversity protection.

**Sectoral Approaches:** On Wednesday afternoon, parties discussed sectoral issues for the first time in the AWG. In the overview presentations, Richard Baron, International Energy Agency, outlined three sectoral approaches: mitigation potentials on a sectoral level; sectoral international cooperative action; and sector-specific action in developing countries.

Jake Schmidt, Center for Clean Air Policy, outlined sectoral methods to encourage developing country mitigation while deploying low carbon technology. He also illustrated how sectoral approaches can help in defining Annex I targets.

Jane Hupe, International Civil Aviation Organization (ICAO), described the organization's activities on the sectoral approach to aviation, including: mitigation, emissions quantification, technology, standards, and operational measures. She called for cooperation between the UNFCCC and the Group on International Aviation and Climate Change processes.

Brian Flannery, International Chamber of Commerce, recommended continuation of voluntary initiatives, prioritizing cost effectiveness, maintaining flexibility and avoiding competitiveness among sectors and countries, and assessing the economic and trade implications of sectoral approaches.

In the discussion, the EU, New Zealand, China and Canada stressed that sectoral approaches should support, not replace, national targets. Switzerland, Australia, Tuvalu, New Zealand and others supported addressing sectoral approaches in the AWGLCA. New Zealand suggested a workshop on sectoral approaches to report to both AWGs, and Japan noted that sectoral approaches were useful in bridging the AWGs. India expressed concerns with issues of competitiveness being raised in the discussion.

Chair Dovland cited general agreement that sectoral approaches should not replace targets but could be a complementary tool to achieve them. He noted that several voluntary agreements and initiatives had been presented, but there was no consensus as to which process, the AWG or AWGLCA, should take this forward.

**Greenhouse Gases, Sectors and Sources:** On Thursday, the AWG held an in-session workshop concentrating on GHGs, sectors and sources. Katia Simeonova, UNFCCC Secretariat, discussed sectors and source categories, and related decisions, as well as reporting and review processes, under the Protocol.

Thelma Krug, IPCC, highlighted the IPCC's "evolutionary approach," responding to new scientific information and noted the limitations of global warming potentials (GWPs) to compare short-lived GHGs with long-lived GHGs.

Jane Hupe, ICAO, presented on challenges faced by the aviation sector, including: sources, access, quality and comparability of data; and methodological issues. She highlighted legal considerations and difficulty in attributing emissions from transboundary and multinational flights and flights crossing areas outside national jurisdiction.

Norway suggested that the Protocol's reporting guidelines should form the basis for the second commitment period with relevant modifications. He also called for the inclusion of aviation and maritime transport (bunker fuels) emissions, and proposed market-based mechanisms, including a cap on carbon dioxide (CO<sub>2</sub>) emissions from shipping, a CO<sub>2</sub> charge for all bunker fuels sold, and channeling revenues for adaptation. He proposed a workshop to consider methodological issues and targets.

The EU stressed the importance of environmental integrity, and suggested using the latest IPCC findings on GWP. Regarding bunker fuels, he stressed that these emissions must be covered in the second commitment period; welcomed ICAO's endorsement of emissions trading in the aviation sector; called for cooperation between ICAO, the International Maritime Organization and the

UNFCCC; outlined promising schemes, noting that different approaches are necessary for maritime and aviation emissions; and emphasized the potential for revenues to be spent on adaptation action in developing countries.

Japan said bunker fuel emissions must be controlled, and that reduction measures and methodologies should be treated simultaneously. Australia, Japan, Canada, Singapore and China argued that work on bunker fuels should be taken up in relevant international organizations, such as the ICAO and the IMO. Brazil, Panama, India and the EU identified the UNFCCC as the right forum for bunker fuel discussions.

Egypt and Brazil stated that bunker fuel coverage must apply the principle of common but differentiated responsibilities. The Russian Federation, with South Africa and Thailand, stated that issues of competitiveness must be addressed. The Russian Federation called for more information on bunker fuel emissions growth, while the EU highlighted that sufficient information exists to justify the consideration of bunker fuels.

Tuvalu and Argentina supported further work on maritime and aviation transport emissions but urged considering implications of their coverage, such as to tourism. Argentina and New Zealand suggested that national circumstances, such as geographical remoteness, required consideration. New Zealand highlighted the possible perverse outcomes associated with altering GWPs.

Vice-Chair Konate highlighted parties' support for the continuity of the current coverage of gases, sectors and sources. On the inclusion of new gases, he noted that there were very different views, with some suggesting that the IPCC 2006 Guidelines for National GHG Inventories should form the basis of the second commitment period rules with a few minor modifications. Regarding bunker fuels, Konate stated that many parties had said they were an important and growing source of emissions, but there was no consensus for their inclusion in the second commitment period or the role ICAO and IMO should play in regulating emissions. He highlighted an idea for the UNFCCC to set a global emissions goal and for countries to take on a sectoral approach to meet these targets; potential mechanisms to generate revenue for adaptation funding; possible strengthened cooperation among ICAO, IMO and the UNFCCC; and that due consideration should be given to national circumstances and the needs of countries with heavy reliance on international transport.

**Negotiations on AWG Conclusions:** Negotiations on the AWG's conclusions took place from Thursday to Friday in one contact group meeting, chaired by Chair Dovland and in closed informal and small group consultations. On Friday evening, the AWG closing plenary convened to adopt the conclusions.

At the contact group meeting on Thursday evening, Chair Dovland highlighted time constraints and proposed keeping the conclusions general. Discussions focused on the flexible mechanisms, LULUCF, bunker fuels and sectoral approaches.

On continuing the market mechanisms after the first commitment period, the G-77/China proposed including language on maintaining the environmental integrity of the Protocol and its contribution to sustainable development.

India stressed that determining CDM projects' contribution to sustainable development should remain the host country's prerogative, while Uganda proposed examining sustainability requirements and considering international criteria.

The G-77/China stressed that the text should include reference to mechanisms being supplemental to domestic actions in Annex I parties. Switzerland opposed. The final text indicates that "the use of mechanisms should be supplemental to the implementation of domestic actions." At the AWG's closing plenary, Switzerland requested that his concerns be noted in the meeting's report.

With regard to LULUCF modalities, rules and guidelines, Chair Dovland said he did not want to resolve contentious issues at AWG 5 and favored an uncomplicated text. Parties agreed that measures related to LULUCF activities should continue to be available to Annex I parties as a means to reach their emission reduction targets. They also noted it was necessary to further address these issues, given that the LULUCF modalities, rules and guidelines are only in place for the first commitment period. Some developing countries stressed environmental integrity and the need to retain the principles on the treatment of LULUCF set out in decision 16/CMP.1 (LULUCF). Australia, New Zealand and Canada, however, sought greater flexibility for LULUCF in the second commitment period. Parties agreed that further discussions on this issue should "take into account" the principles on the treatment of LULUCF in decision 16/CMP.1.

Regarding bunker fuel emissions, Chair Dovland noted lack of agreement during the in-session workshop discussions on whether to address bunker fuels in the second commitment period. The agenda item related to bunker fuels has been held in abeyance for several years under the Subsidiary Body for Scientific and Technological Advice and some delegates were pleased to discuss the substantive issues at AWG 5. Brazil, Panama, India, the EU, Norway and others identified the UNFCCC as the appropriate forum for bunker fuel decision-making. Others, including Australia, Japan and China, preferred addressing this issue through ICAO and IMO. In the conclusions, parties agreed to continue considering whether approaches to limit or reduce bunker fuel emissions could be used by Annex I parties, "taking into account" Protocol Article 2.2, which states that limitations or reductions should be pursued "working through" ICAO and IMO.

On sectoral approaches, the G-77/China noted sectoral targets should be a means to meet Annex I targets domestically but should not replace national targets. Australia and Japan supported taking up sectoral approaches in the AWGLCA. Text on limiting sectoral approaches as "complementary to, but not replacing, national emission reduction targets of Annex I Parties" was removed and, in the conclusions, the parties simply agree to further discuss the issue at the resumed AWG 5.

New Zealand supported reference to national circumstances considerations for which means would be appropriate. The initial wording of the draft conclusions acknowledged that means to reach emission reduction targets "depends on national circumstances." Some opposed, indicating that this could foster a "pick-and-choose" attitude towards emissions reductions. The

final conclusions contain additional language acknowledging that the choice and effective use of means for Annex I emission reduction targets must be in accordance with agreed rules and relevant decisions under the Protocol where they apply.

**AWG Conclusions:** In its conclusions (FCCC/KP/AWG/2008/L.2), the AWG, among other things:

- agrees that the flexible mechanisms under the Protocol should continue to be available to Annex I parties as means to meet their emission reduction targets and could be appropriately improved;
- notes that, in considering possible improvements to the mechanisms, due attention should be paid to promoting, *inter alia*, the environmental integrity of the Protocol and the contribution to sustainable development;
- notes that the use of the flexible mechanisms should be supplemental to the implementation of domestic actions at the disposal of Annex I parties;
- agrees that measures related to LULUCF activities should continue to be available to Annex I parties;
- notes that some of the definitions, modalities, rules and guidelines relating to LULUCF activities, contained in the annex to decision 16/CMP.1, apply only to the first commitment period;
- acknowledges that further discussions on this issue should take into account the principles that govern the treatment of LULUCF, as set out in decision 16/CMP.1;
- acknowledges that the choice and effective use, in accordance with agreed rules and relevant decisions under the Protocol where they apply, of means that may be available to Annex I parties to reach their emission reduction targets depend on national circumstances and the international context;
- notes that the AWG will continue work on the analysis of means that may be available to Annex I parties to reach their emission reduction targets; and
- notes that the AWG will require the participation of experts and should take into account relevant results achieved and work underway in other bodies and processes under the Convention and Protocol.

The AWG also agrees to consider, at the resumed AWG 5 and the first part of AWG 6, with due attention to improving the environmental integrity of the Protocol, issues related to:

- the flexible mechanisms, including possible improvements;
- the treatment of LULUCF in the second commitment period;
- sectoral approaches;
- possible broadening of the coverage of GHGs, sectors and source categories and its implications, based on sound science; and
- how approaches to limit or reduce bunker fuel emissions could be used by Annex I parties as a means to reach their emission reduction targets, taking into account Article 2, paragraph 2, of the Kyoto Protocol.

It agrees to consider implications for the carbon market resulting from changes to the means that may be available to Annex I parties to reach their emission reduction targets.

The AWG conclusions also include an annex containing a summary report of the AWG Chair and Vice-Chair on the workshop discussions.

**CLOSING PLENARY:** After informal negotiations, the AWG plenary convened at 7:00 pm on Friday evening. Parties adopted the draft report of the session (FCCC/KP/AWG/2008/L.1) and the conclusions (FCCC/KP/AWG/2008/L.2) without amendment.

The G-77/China stressed that flexible mechanisms were important elements for the second commitment period. The EU noted success in sending a strong signal to the private sector concerning the flexible mechanisms. Japan highlighted possible improvements to emissions trading and project-based mechanisms, as well as sectoral approaches. Argentina noted the upcoming workshop on the second review of Article 9 and emphasized the importance of considering the value of GWPs.

AWG Chair Dovland thanked participants for their positive attitude and good spirit of compromise and adjourned the meeting at 7:45 pm.

## A BRIEF ANALYSIS OF THE MEETINGS

Delegates gathering in Bangkok had a clear objective upon arrival: to agree on a detailed work programme to advance the Bali roadmap and secure a successful outcome at COP 15 in Copenhagen. After all the excitement and publicity surrounding the historic Bali conference in December, some may have regarded this as a rather mundane task. However, most delegates in Bangkok were well aware of the value of a clear and comprehensive work programme for a process tasked with nothing less than accomplishing what the UNFCCC Executive Secretary has said may well end up being “one of the most complex international agreements that history has ever seen.”

Given that the meeting was intended to focus on procedural and organizational matters, some were surprised to see over 1000 delegates and over 100 accredited media in Bangkok. Many others, however, accepted that the process, from Bali to Copenhagen, will continue to attract a high level of international attention. They alluded to the historic nature of the agreement reached in Bali, the increased attention given to the issue of climate change more generally, and the urgency to reach an agreement on a post-2012 regime by the end of 2009.

This brief analysis examines: the main issues and sticking points in developing the AWGLCA’s work programme, including procedural matters; linkages between the two AWGs; the main substantive issues discussed in Bangkok; and prospects for the future up to Copenhagen, where the final agreement is expected to be adopted.

### **TO LINK OR NOT TO LINK: THAT IS THE QUESTION**

Since beginning in Montreal in 2005, negotiations on long-term cooperation on climate change have been procedurally complex, consisting of several “tracks.” Rather than simplifying matters, the Bali roadmap retained much of this complexity. The roadmap includes the Bali Action Plan, which formally launched comprehensive negotiations on mitigation, adaptation, technology and finance under the UNFCCC, while the parallel

track to define further commitments for industrialized countries under the Kyoto Protocol continues.

To ensure adequate progress under the Convention, the AWGLCA’s work programme was the most important issue to be discussed in Bangkok. While there were some proposals to prioritize the five elements in the Bali Action Plan, it did not take long for everyone to agree that the four building blocks (mitigation, adaptation, finance and technology) and a shared vision for long-term cooperative action would be addressed at every session “in bite-sized chunks,” allowing for effective negotiations.

Most delegations had chosen the strategy of proposing workshops on issues they wanted to see covered in the future agreement but knew to be contentious. Given widely diverging views on mitigation action by developing countries, including on the concept of “measuring, reporting and verifying” (MRV) in the Bali Action Plan, it was hardly surprising that the workshops advocated by countries on related issues, such as sectoral approaches and MRV, proved to be the most contentious ones.

Those delegations urging the US to take on emission reduction targets also hoped to see in the work programme the issue of “ensuring the comparability of efforts,” which is mentioned in the Bali Action Plan in the context of mitigation by developed countries.

Given the debates in the informal plenary and the deep divisions on issues that seemed to persist, some wondered how much detail the work programme would include. However, at the end of the meeting, a number of workshop proposals had been agreed to, which are intended to facilitate the AWGLCA process and to deepen understanding and clarify elements of the Bali Action Plan. A multitude of workshops were proposed throughout the week, and, although not everyone got their proposed workshop included in the 2008 work programme, AWGLCA Chair Machado reassured those delegates whose proposals were not included that all elements of the Bali Action Plan would still be addressed at every session. In the end, many said it was an acceptable “starting point” because it provides a timetable for the 2008 sessions, identifies issues needing further clarification, and, while not all contentious issues will be addressed in workshops, it ensures that all the elements of the Bali Action Plan will be discussed. As one delegate put it on the final day after hours of negotiating the timing and content of workshops, “We have to hope the end justifies the frustrations.”

Another important procedural question concerned links and cooperation between the two negotiating tracks. The G-77/China and the US, which have not taken on emission commitments under the Protocol, were opposed to any links between the two processes. However, most developed countries are looking for much broader participation in mitigation efforts in the post-2012 period and have rather different ideas regarding linkages. While no formal link was made or extensively discussed in Bangkok, clearly the two processes are already linked in the minds of many. One delegate predicted that everyone in Annex B would at least wait to see what happens in the AWGLCA before accepting further commitments under the Protocol. Some expressed concern that some might even “jump ship” to the new regime

under the Convention if it proves to be more attractive to their interests. With the chance of the US joining the Kyoto Protocol next to nil – unless the whole Kyoto framework is completely revamped – many are focusing attention on negotiations in the AWGLCA and how much the developed and developing countries are willing to take on in that process.

### ***SUBSTANTIVE ISSUES DISCUSSED: OLD VERSUS NEW***

While the focus of the AWGLCA was on developing a work programme, many countries reiterated their positions on substantive issues, indicating some of the tensions that will surely permeate future negotiations. Given the comprehensive scope of the Bali Action Plan and the fact that some decisions in the Marrakesh Accords only apply for the first commitment period, a space has been created for introducing new issues and proposals and for revisiting some of the old ones. Many agree that this is welcome and necessary given the need to come up with creative and effective solutions to address the challenge of climate change. Some of the substantive issues discussed during the Bangkok meeting included sectoral approaches, differentiation among countries taking into account their development levels, and financing.

The Japanese proposal for a “sectoral approach,” whereby national targets would consist of sector-by-sector targets across national boundaries proved to be one of the most contentious issues of the meeting and raised suspicions of developing countries. Many feared this would undermine legally-binding commitments by developed countries, such as Japan who already has a high level of energy efficiency in many industries, and have implications for future commitments of developing countries, such as China, who would have to drastically increase the energy efficiency to be competitive in certain sectors, like steel. This tension played out in discussions on whether and when to hold a workshop on the issue of sectoral approaches, and also was behind an attempt by Japan to defer agreement on the AWG’s draft conclusions, especially with regard to the Clean Development Mechanism, until sectoral approaches gained consideration in the AWGLCA process.

Another issue of concern for developing countries was the proliferation of funds outside the Convention, which, they argued, would be donor-driven, have conditions attached and compete for funds under the Convention. On the sidelines of the meeting, the World Bank promoted proposals for a Clean Technology Fund, and a proposed “pilot programme for climate resilience,” which some claim would undermine the Adaptation Fund under the Protocol. Developing countries made strong cases for channeling funds through the Convention. Other parties, such as the US, felt that the private sector will be responsible for the bulk of funding in the future and said that the larger developing countries will have to generate some of the funding for actions. Clearly, the issue will be revisited during upcoming sessions.

In the AWG process, those frustrated by the “perpetual abeyance” of the SBSTA agenda item on bunker fuels were happy to finally have a substantive discussion on the issue. Be that as it may, the EU, Norway and others supported considering

the issue under the UNFCCC and will be given an opportunity to present their ideas and continue discussions in Bonn in June.

Many of the issues, such as LULUCF and the mechanisms, were only settled for the first commitment period and, therefore, modifications would require consideration. While no one talked about scrapping any of these key components, and instead focused on reviewing and improving the rules, divides among the parties on the details clearly persisted. Yet many acknowledged that, in an effort to reach consensus and produce a clean, simple document, these should not be addressed in Bangkok.

Overall, many characterized the mood in the AWG as very cooperative and constructive. As one seasoned negotiator pointed out, many in the AWG have worked together for many years on these issues, and the level of trust is high, displayed by the open and frank discussions and laying out of positions during the negotiations. Even if the AWG’s conclusions were not as ambitious as some had hoped they signaled to the world that progress was being made and particularly to the private sector, which has been waiting for indications that the market-based mechanisms and the carbon market would continue in the second commitment period. This was clearly reflected in the conclusions that referenced continuing and improving the market mechanisms.

### ***PROSPECTS FOR THE FUTURE***

“The train to Copenhagen has left the station,” commented UNFCCC Executive Secretary Yvo de Boer during the closing press conference. One delegate noted that “we are in a difficult phase” because it is a new process, and people will be “finding their footing” for the first year, and that negotiations wouldn’t really begin in earnest until 2009, after a “common understanding on key issues” is reached. “Bonn will be busy, and Poznan will be insanely busy,” and “the road to Copenhagen will be a bumpy one,” another said. In fact, the entire process will only get busier and more intense in 2009, with up to eight weeks (as opposed to six in 2008) scheduled for formal AWGLCA meetings, let alone other meetings and workshops that will feed into the process. So those deeply involved in climate change negotiations will spend much of the year on the road, with one delegate joking that he would try to negotiate a more “family-friendly” agreement.

Looking forward to Copenhagen, what is achievable by the end of 2009? Very little time remains to reach agreement on a post-2012 regime, with just over a year and half left until COP 15 in Copenhagen, and many stops along the way. While this is only the beginning of the journey, during which an incredible amount of work must be done in very little time, the work programme agreed to in Bangkok has successfully laid the groundwork for substantive discussions to come. The level of ambition versus realism will certainly come into play. Some call for ambitious targets, while others acknowledge political realities and do not see any point in agreeing to something they will not be able to achieve. But it is far too early to tell what form an actual agreement might take, and how the two tracks might converge in Copenhagen. For now, delegates will have their work cut out for them in 2008.

## UPCOMING MEETINGS

### WORLD HEALTH DAY 2008: PROTECTING HEALTH FROM CLIMATE CHANGE:

World Health Day will be held on 7 April 2008. The aims of World Health Day are to: raise awareness; advocate for partnerships on health and climate change; demonstrate the role of the health community in climate change; and spark commitment and action. For more information, contact: WHO Secretariat; tel: +41-22-791-5526; fax: +41-22-791-4127; e-mail: whd2008@who.int; internet: <http://www.who.int/world-health-day/en>

### UNFCCC INFORMAL MEETING OF REPRESENTATIVES FROM PARTIES ON THE OUTCOMES OF COMPLETED ACTIVITIES UNDER THE NAIROBI WORK PROGRAMME:

This meeting will convene from 7-9 April 2008, in Bangkok, Thailand. It will bring together representatives of parties alongside experts and representatives of relevant organizations to consider the outcomes of the activities of the NWP completed prior to the meeting. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); internet: [http://unfccc.int/adaptation/sbsta\\_agenda\\_item\\_adaptation/items/4290.php](http://unfccc.int/adaptation/sbsta_agenda_item_adaptation/items/4290.php)

### 28TH SESSION OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC 28):

This meeting will convene from 9-10 April 2008 in Budapest, Hungary. For more information, contact: IPCC Secretariat; tel: +41-22-730-8208; fax: +41-22-7 30-8025/13; e-mail: [IPCC-Sec@wmo.int](mailto:IPCC-Sec@wmo.int); internet: <http://www.ipcc.ch/>

### THE INTERNATIONAL RENEWABLE ENERGY CONFERENCE IN AFRICA:

This conference will be held from 16-18 April 2008 in Dakar, Senegal. The focus of the meeting is "Making renewable energy markets work for Africa: Policies, Industries and Finance for Scaling-Up." The conference is jointly organized by the African Union, the Government of Senegal, the German Ministry of Economic Cooperation and Development and UNIDO. For more information, contact: Alois Mhlanga, UNIDO; tel: +431-260-265-169; fax: +431-260-266-855; e-mail: [a.mhlanga@unido.org](mailto:a.mhlanga@unido.org); internet: <http://www.unido.org/en/doc/76539>

### FOREST DAY: SHAPING THE DEBATE ON FORESTS AND CLIMATE CHANGE IN CENTRAL AFRICA:

Forest Day will be held on 24 April 2008 in Yaoundé, Cameroon. Forest Day aims to provide a regional perspective on the issue of forests and climate change. A broad range of forest stakeholders are expected to analyze the social, economic, scientific, technological and political issues, to provide a stepping stone for informed climate policies in the region. For more information, contact: Janneke Romijn; tel: +237-2222-7449/7451; fax: +237-2222-7450; e-mail: [ForestDay-Cameroon@cgiar.org](mailto:ForestDay-Cameroon@cgiar.org); internet: [http://www.cifor.cgiar.org/Events/CIFOR/forest\\_day\\_cameroon.htm](http://www.cifor.cgiar.org/Events/CIFOR/forest_day_cameroon.htm)

### INTERNATIONAL GEF WORKSHOP ON EVALUATING CLIMATE CHANGE AND DEVELOPMENT: RESULTS, METHODS AND CAPACITIES:

This meeting will convene from 10-13 May

2008, in Alexandria, Egypt. The GEF Evaluation Office is organizing this workshop, which will permit sharing of experiences in evaluating projects and programmes aimed at the nexus between climate change and development. For more information, contact the Secretariat of the International Workshop: tel: +1-202-458-8537; fax: +1-202-522-1691; e-mail: [IntWorkshop@TheGEF.org](mailto:IntWorkshop@TheGEF.org); internet: <http://www.esdevaluation.org>

**G8 ENVIRONMENT MINISTERS' MEETING:** The meeting will take place from 24-26 May 2008 in Kobe, Japan. This meeting will convene in preparation for the 2008 G8 Summit, to be held 7-9 July 2008 in Hokkaido, Japan. For more information, contact: Preparatory Task Force for the G8 Environment Ministers' Meeting, Ministry of the Environment; tel: +81(0)3-5521-8347; fax: +81(0)3-5521-8276; e-mail: [G8\\_KOBE@env.go.jp](mailto:G8_KOBE@env.go.jp); internet: <http://www.env.go.jp/earth/g8/en/index.html>

**28TH SESSIONS OF THE UNFCCC SUBSIDIARY BODIES:** The 28th sessions of the Subsidiary Bodies of the UNFCCC are scheduled to take place from 2-13 June 2008, in Bonn, Germany. In addition, the second meeting of the *Ad Hoc* Working Group on Long-Term Cooperative Action and the resumed fifth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol are also scheduled to be held. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); internet: <http://unfccc.int/meetings/sb28/items/4328.php>

**HIGH-LEVEL CONFERENCE ON WORLD FOOD SECURITY AND THE CHALLENGES OF CLIMATE CHANGE AND BIOENERGY:** This conference will meet from 3-5 June 2008 in Rome, Italy. The UN Food and Agriculture Organization (FAO) is organizing this conference, which will address food security and poverty reduction in the face of climate change and energy security. For more information, contact: Office of the Assistant Director-General, Natural Resources Management and Environment Department; tel: +39 06 57051; fax: +39 06 570 53064; e-mail: [cccb-secretariat@fao.org](mailto:cccb-secretariat@fao.org); internet: [http://www.fao.org/foodclimate/home.html?no\\_cache=1&L=7](http://www.fao.org/foodclimate/home.html?no_cache=1&L=7)

**A NEW GLOBAL DEAL? ACHIEVING REAL COLLABORATION FOR A LOW CARBON FUTURE:** This conference will take place from 16-17 June 2008 in London, UK. It will take stock of current climate change action and adopt a real-world approach to international collaboration on key issues. For more information, contact: Conference Unit, Chatham House; tel: +44 (0)20 7957 5753; fax: +44 (0)20 7321 2045; e-mail: [conferences@chathamhouse.org.uk](mailto:conferences@chathamhouse.org.uk); internet: <http://www.chathamhouse.org.uk/events/conferences/view/-/id/118/>

**ICAO WORKSHOP: AVIATION AND CARBON MARKETS:** This workshop will meet from 18-19 June 2008 in Montreal, Canada. It will bring together top financial, industry and environment experts to explore possible ways of including international civil aviation in a global carbon market. For more information, contact: Environmental Unit; Air Transport Bureau, International Civil Aviation Organization; tel: +1-514-954-8219,

ext. 6321; fax: +1 514-954-6077; e-mail: envworkshop@icao.int; internet: www.icao.int/2008wacm/

**G8 SUMMIT:** The Summit will meet from 7-9 July 2008 in Hokkaido, Japan. For more information, contact: Japanese Ministry of Foreign Affairs, tel: +81- (0) 3-3580-3311; internet: <http://www.mofa.go.jp/policy/economy/summit/2008/index.html>

**28TH MEETING OF THE OPEN-ENDED WORKING GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER:** This meeting is scheduled to take place from 7-11 July 2008 in Bangkok, Thailand. For more information contact: Ozone Secretariat; tel: +254-20-762-3850/1; fax: +254-20-762-4691; e-mail: [ozoneinfo@unep.org](mailto:ozoneinfo@unep.org); internet: <http://ozone.unep.org/>

**THIRD SESSION OF THE AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE UNFCCC AND SIXTH SESSION OF THE AWG UNDER THE KYOTO PROTOCOL:** The third meeting of the *Ad Hoc* Working Group on Long-Term Cooperative Action is expected to take place in August/September 2008, with the location and date to be determined. The sixth session of the AWG on Further Commitments for Annex I Parties under the Protocol will also take place at the same time. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); internet: <http://unfccc.int>

**INTERNATIONAL CONFERENCE ON “FINANCING FOR CLIMATE CHANGE - CHALLENGES AND WAY FORWARD”:** This conference will convene from 15-17 August 2008 in Dhaka, Bangladesh. This conference, arranged by a Bangladesh-based think tank, Unnayan Onneshan, will focus on financial mechanisms for supporting mitigation activities to combat climate change. For more information, contact: Nazmul Huq, Unnayan Onneshan, Dhaka, Bangladesh; tel: +880-2-815-8274; fax: +880-2-815-9135; e-mail: [nazmul.huq@unnayan.org](mailto:nazmul.huq@unnayan.org); internet: <http://www.unnayan.org>

**INTERNATIONAL CONFERENCE: ADAPTATION OF FORESTS AND FOREST MANAGEMENT TO CHANGING CLIMATE WITH EMPHASIS ON FOREST HEALTH: A REVIEW OF SCIENCE, POLICIES, AND PRACTICES:** This meeting will convene from 25-28 August 2008, in Umeå, Sweden. The meeting will be co-hosted by the FAO, the International Union of Forest Research Organizations (IUFRO) and the Swedish University of Agricultural Sciences and will focus on the current state of knowledge of ongoing changes in climatic conditions in different regions of the world, and the implications of these changes for forest health, forest management and conservation. For more information, contact: Björn Hånell, IUFRO; tel: +46907868297; e-mail: [bjorn.hanell@ssko.slu.se](mailto:bjorn.hanell@ssko.slu.se); internet: <http://www.forestadaptation2008.net/home/en/>

**29TH SESSION OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC 29):** IPCC 29 is tentatively scheduled to take place in Geneva, Switzerland, from 1-4 September 2008, during which the IPCC’s 20th anniversary will be celebrated. For more information, contact: IPCC

Secretariat; tel: +41-22-730-8208; fax: +41-22-7 30-8025/13; e-mail: [IPCC-Sec@wmo.int](mailto:IPCC-Sec@wmo.int); internet: <http://www.ipcc.ch/>

**TWENTIETH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL (MOP-20):** This meeting is tentatively scheduled to take place from 16-20 November 2008, in Doha, Qatar, in conjunction with the eighth Conference of the Parties to the Vienna Convention. For more information, contact: Ozone Secretariat; tel: +254-20-762-3850/1; fax: +254-20-762-4691; e-mail: [ozoneinfo@unep.org](mailto:ozoneinfo@unep.org); internet: <http://ozone.unep.org/>

**FOURTEENTH CONFERENCE OF THE PARTIES TO THE UNFCCC AND FOURTH MEETING OF THE PARTIES TO THE KYOTO PROTOCOL:** UNFCCC COP 14 and Kyoto Protocol COP/MOP 4 are scheduled to take place from 1-12 December 2008 in Poznan, Poland. These meetings will coincide with the 29th meetings of the UNFCCC’s subsidiary bodies and the fourth meeting of the *Ad Hoc* Working Group on Long-Term Cooperative Action and the resumed sixth session of the AWG on Further Commitments for Annex I Parties under the Protocol. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); internet: <http://unfccc.int>

## GLOSSARY

AAU	Assigned Amount Unit
AOSIS	Alliance of Small Island States
AWG	<i>Ad Hoc</i> Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
AWGLCA	<i>Ad Hoc</i> Working Group on Long-term Cooperative Action under the Convention
CCS	Carbon capture and storage
CDM	Clean Development Mechanism
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the Meeting of the Parties
GHG	Greenhouse gas
HWP	Harvested wood products
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
IPRs	Intellectual property rights
JI	Joint Implementation
LDC	Least developed countries
LULUCF	Land use, land-use change and forestry
MRV	Measuring, reporting and verification
REDD	Reducing emissions from deforestation and degradation
UNFCCC	United Nations Framework Convention on Climate Change