

AWG-LCA 5 AND AWG-KP 7 HIGHLIGHTS: THURSDAY, 2 APRIL 2009

On Thursday, AWG-LCA contact groups met to consider mitigation, shared vision and adaptation. The AWG-KP convened contact groups on Annex I emission reductions, flexibility mechanisms, LULUCF and potential consequences of response measures.

AWG-LCA CONTACT GROUPS

MITIGATION: Two sessions of the contact group focused on developed countries and developing countries respectively (subparagraphs 1(b)(i) and (ii) of the Bali Action Plan).

Developed Countries: The EU identified negative consequences of delayed action, including higher costs, technological lock-in and the danger of surpassing critical thresholds. SOUTH AFRICA and JAPAN underscored comparability, and CHINA noted that it includes, *inter alia*, comparable efforts and legally binding commitments. The RUSSIAN FEDERATION highlighted nationally appropriate commitments. The US urged further discussion of long-term emission pathways and MRV.

BRAZIL stressed that Annex I commitments need to be economy-wide. He stressed that the “polluter pays principle” is not the “polluter, who knew he was polluting, pays principle.” NEW ZEALAND noted that the discussion is about “developed country parties,” not Annex-I parties. Referencing G-20 talks on green economic recovery, the REPUBLIC OF KOREA underscored that mitigation can be an economic opportunity. NORWAY underscored compliance and targets in the context of funding mitigation in developing countries. BOLIVIA highlighted historical responsibility. PAKISTAN suggested a technical briefing on this topic.

Developing Countries: MEXICO called for recognition of existing voluntary actions in developing countries. SAUDI ARABIA suggested issuing credits for such actions.

JAPAN supported halving global emissions by 2050, while INDIA stressed that the Convention does not reference legally binding emission reduction commitments for developing countries. SOUTH AFRICA opposed the use of the term “advanced developing countries.”

BANGLADESH highlighted developing countries’ respective capabilities to carry out NAMAs, and proposed MRV through national communications. NORWAY stressed the need for annual national inventories and related capacity building.

The EU proposed considering how to incorporate NAMAs into low-carbon development strategies, and called for a coordinating mechanism to operate a registry. PAKISTAN, with the PHILIPPINES, noted the need to clarify the registry’s functions. NEW ZEALAND said a registry of voluntary actions and MRV through national communications were insufficient.

He proposed that developing countries consider leveraging the carbon market. The US called for a comprehensive and strategic approach.

AUSTRALIA highlighted its proposed model post-2012 treaty outline, including a schedule of actions. Switzerland, for the ENVIRONMENTAL INTEGRITY GROUP, proposed a contact group on REDD.

SHARED VISION: Chair La Viña invited parties’ comments on three possible components of a negotiating text, suggesting that a shared vision should be based on implementation of the Convention, and should include principles and the four building blocks.

The G-77/CHINA and South Africa, for the AFRICAN GROUP, reiterated that a shared vision should be aspirational and inspirational, based on the principles and implementation of the Convention, and should treat all building blocks equally. NEW ZEALAND, AUSTRALIA, the US and TURKEY said a shared vision needs to be brief and concise. JAPAN said it should be philosophical rather than concrete. SAUDI ARABIA proposed to focus on the interactions among the four building blocks.

The Bahamas, for AOSIS, with BANGLADESH, highlighted the right to survival. NEW ZEALAND stressed the need to reflect recent scientific evidence and, with AUSTRALIA, noted changing national circumstances. CHINA stressed a gap in the implementation of the Convention and historical responsibility. The EU underlined the transition to a low-carbon society. ICELAND, with NORWAY and the EU, stressed a forward-looking perspective and gender balance. MICRONESIA, with the BAHAMAS, highlighted urgency.

Chair La Viña identified convergence on the view that the text on a shared vision should highlight the implementation of the Convention and reflect the overall direction of the four building blocks and their interaction. He noted different views as to whether to reflect principles not contained in the Convention or the Bali Action Plan, and if so, which principles.

ADAPTATION: Discussions centered on the possible elements of the adaptation framework. The G-77/CHINA identified the need for: clear objectives; institutional mechanisms; provision of finance, technology and capacity building; and adaptation activities, insurance, and the fulfillment of developed country commitments under the Convention. SOUTH AFRICA said the programme should support and enable implementation at the national and regional levels. AUSTRALIA said the UNFCCC should facilitate the implementation of adaptation activities, but that priorities should be set at the national level. JAPAN underscored continuity of existing UNFCCC frameworks and proposed updating existing NAPAs, and UGANDA highlighted their implementation. MEXICO underscored the need to develop capacities to assess vulnerability.

The US noted that “one size does not fit all,” and stressed the need to elaborate a clearly defined role for the Convention with key guidelines and goals. BANGLADESH identified the physical, ecological and social dimensions as critical to assessing vulnerability.

Many countries provided examples of existing national impacts that divert resources intended for poverty eradication and development. The AFRICAN GROUP underscored regional centers. The EU noted that adaptation projects are limited in scope and scale, and that adaptation measures should be integrated into national, regional and local planning. He said this also requires resources, but in the context of a general framework.

AWG-KP CONTACT GROUPS

ANNEX I EMISSION REDUCTIONS: Parties considered a proposal to take a bottom-up approach and collect information on Annex I parties’ existing emission reduction pledges. Chair Dovland stressed the highly informal nature of the exercise. He explained that it remains unclear how the AWG-KP will reach conclusions on the numbers, and that the objective was only to gather information. After discussion, delegates agreed that the Secretariat should provide this information on Saturday.

Micronesia, speaking for AOSIS, as well as for ARGENTINA, BENIN, CHILE, COLOMBIA, COSTA RICA, the GAMBIA, GUATEMALA, ECUADOR, EL SALVADOR, KENYA, MOZAMBIQUE, PANAMA, PERU, SENEGAL, UGANDA and TOGO, stated that Annex I countries, whether or not parties to the Protocol, must collectively reduce their emissions by at least 45% from 1990 levels by 2020, and by more than 95% from 1990 levels by 2050.

INDIA specified his proposal from the AWG-LCA mitigation workshop, saying that the AWG-KP should define the aggregate range and individual targets for Annex I Protocol parties, and the AWG-LCA should consider the collective range for all Annex I countries as well as individual targets for Protocol non-parties.

Delegates also discussed the length of the commitment period. Chair Dovland noted three remaining options: five years, eight years or “x years.”

FLEXIBILITY MECHANISMS: Co-Chair Figueres presented a list of options to help consolidate the Chair’s note on possible improvements to the flexibility mechanisms (FCCC/KP/AWG/2009/INF.2). Parties agreed to merge some issues, delete others, and retain several others for a possible Co-Chairs’ non-paper.

Regarding Annex I of the Chair’s note (possible improvements with potentially significant implications), parties decided to delete an option to include sectoral CDM below a baseline defined at a sectoral level, as it was covered in other parts of the document. Stressing the need for consistency between the CDM and JI, JAPAN called for retaining an option to include co-benefits as criteria for JI projects, while the RUSSIAN FEDERATION opposed new criteria for JI projects. JAPAN suggested alternate wording related to the “promotion of co-benefits.” UKRAINE, supported by JAPAN and the RUSSIAN FEDERATION, proposed the retention of this option for Track 2 of JI.

The REPUBLIC OF KOREA and MEXICO favored retaining the option of introducing emissions trading on the basis of NAMAs. TUVALU said voluntary emissions trading schemes in non-Annex I parties were not relevant to the Protocol.

Regarding Annex II of the Chair’s note (other possible improvements), Co-Chair Figueres presented several options for inclusion in Annex I, and proposed deleting the rest of Annex II. CHINA favored deleting all of Annex II. Parties expressed their concern with losing the ideas contained in Annex II and decided to retain it.

LULUCF: Parties agreed to a proposal by Co-Chairs Rocha and Smith to prepare a co-chairs’ non-paper to help negotiations in June and to focus at this meeting on narrowing down options, using decision 16/CMP.1 (LULUCF) as the basis.

The EU explained the use of a bar for forest management as an agreed level above which removals would be credited and below which they would be debited. He said the bar level could be based on historical data on forest management, with alternatives requiring justification, and noted that the bar aims to serve as an incentive for forest management to increase its mitigation potential. BRAZIL expressed concern with “giving a blank check” to credits from forest management for compliance before even knowing emission reduction targets, and recalled Brazil’s proposal to limit the use of credits from the LULUCF sector for compliance under Protocol Article 3.1. TUVALU noted that the bar introduces a new “fudge factor” and urged against the temptation to engineer outcomes.

TUVALU, supported by BRAZIL, proposed compulsory accounting for forest biomass decline to ensure carbon stock losses do not go unaccounted for as a result of the definition of forest. He also proposed including revegetation to balance out accounting for revegetation.

CANADA, supported by AUSTRALIA, and opposed by BRAZIL, TUVALU and others, suggested assuming zero emissions or removals for cases of soil carbon saturation in cropland management.

POTENTIAL CONSEQUENCES: Co-Chair Watkins summarized his draft conclusions. AUSTRALIA and others urged avoiding duplication of efforts. CANADA, opposed by BRAZIL, preferred consideration of the issue under the AWG-LCA.

AUSTRALIA, the EU and JAPAN called for evidence of consequences, while the G-77/CHINA and others voiced concern with this proposal. SENEGAL highlighted difficulties in providing evidence of even positive consequences. The G-77/CHINA called for reference to remedies and, with TUVALU, highlighted that technology is not the only remedy. The EU and NEW ZEALAND opposed referencing remedies, with NEW ZEALAND stating that such reference is premature.

Regarding national communications, CANADA and others supported their use. The G-77/CHINA highlighted related challenges. ALGERIA opposed their use for non-Annex I countries. BRAZIL called for an expedited process. JAMAICA said other relevant documents should also be used. CHINA, with SAUDI ARABIA and INDONESIA, said that reference to consequences should be with regard to all developing countries. Regarding balancing positive and negative consequences, the G-77/CHINA and others expressed concern. SAUDI ARABIA cautioned against a reference to maximizing positive consequences.

IN THE CORRIDORS

Most delegates seemed pleased to find themselves in the relatively quiet city of Bonn, given that other decision-makers were facing intense protests in London, where, among other decisions, the G-20 leaders had adopted a statement reaffirming their commitment to address the threat of irreversible climate change and reach an agreement in Copenhagen. “For now, the heat is on elsewhere. But in just a few short months, we will be the focus of the world’s attention and things will feel much hotter,” noted one delegate.

Conversation extended beyond the corridors to the outside cafeterias, where a few lucky delegates were able to take brief breaks and enjoy the sunshine and spring weather. Some of those coming from the AWG-KP contact group on Annex I emission reductions were overheard wondering what it meant that AOSIS and many countries from Africa and Latin America made a joint statement on strong mid- and long-term emission reduction ranges for Annex I countries. Some speculated whether these countries might begin to align themselves to form a “vulnerable like-minded group” within the G-77/China to counteract the high emitters and fossil interests. A few developing country delegates were not too concerned, however. “We’re as united as ever,” commented one.