

SB 36 AND AWG HIGHLIGHTS: THURSDAY, 24 MAY 2012

In the afternoon, the AWG-KP closing plenary convened. The AWG-LCA closing plenary took place in the evening.

AWG-KP

In the AWG-KP closing plenary, AWG-KP Chair Diouf indicated that discussions in the AWG-KP contact group have advanced understanding of substantive issues. She identified issues for further consideration, including information on QELROs; carry-over of AAUs; and proposed amendments to the Kyoto Protocol, including the length of the second commitment period. On informal consultations on legal and procedural issues related to the second commitment period, she highlighted enhanced clarity on parties' positions and on the options to facilitate a successful outcome in Doha, noting that "a large amount" of work remains.

AWG-KP Chair Diouf suggested suspending AWG-KP 17 and resuming work at the next meeting, saying this will allow the AWG-KP to proceed promptly with the current organization of work. She noted wide support for an additional session before Doha, explaining that this depends on funding.

CLOSING STATEMENTS: Swaziland, for the AFRICAN GROUP, highlighted, *inter alia*, that: the legal status of the second commitment period is not negotiable; a five-year commitment period is needed to avoid locking in low levels of ambition; and that not all Annex I parties have submitted adequate, or any, information on QELROs. He highlighted the African Group proposal on carry-over of units, saying it gives "fair reward" to over-achievement, maintains environmental integrity and is flexible enough to cater for countries with special needs. He also noted monetization of AAUs to capitalize the Adaptation Fund.

The Republic of Korea, for the ENVIRONMENTAL INTEGRITY GROUP (EIG), emphasized commitment to adopting amendments to the Protocol in Doha with a view to operationalize the second commitment period. He highlighted, *inter alia* that: the length of the second commitment period should be eight years; the mid-term review to enhance the level of ambition has to be conducted in the context of the scientific recommendations of the IPCC; and agreement is needed on an environmentally integral treatment of carry-over.

Nauru, for AOSIS, identified the need to address surplus Kyoto units, highlighting the proposals by AOSIS and others to move this issue forward. He called for clear, unconditional, single-number QELROs for a five-year commitment period and for clarifying that units from any new market mechanism under the Convention may only be used within the Kyoto accounting

framework if they have been scrutinized for environmental integrity. He stressed that Protocol amendments adopted in Doha must be legally-binding on parties from 1 January 2013 onwards through the provisional application of these amendments pending their entry into force.

The EU highlighted the importance of a transition and continuity of rules, institutions and mechanisms. He lamented the lack of agreement on the length of the second commitment period, and reiterated support for an eight-year period. He urged other Annex B parties that have not done so to provide information on their QELROs. He called for "the Durban constructive spirit" to take the final steps for a second commitment period in Doha as part of progress across all tracks on the road to a single global and comprehensive legally-binding agreement.

The Gambia, for LDCs, urged those Annex I parties that have not done so to submit their QELROs. He supported: a five-year commitment period to avoid locking the current low ambition for eight years; having a cap on carry-over of AAUs; and the provisional application of the proposed Protocol amendments for the second commitment period. He called for: avoiding the "distractions" by parties wanting to "jump ship"; clearing away the conditionalities; and striving for continuity.

Australia, for the UMBRELLA GROUP, called for ensuring the smooth operation of the second commitment period, to commence on 1 January 2013, as well as securing a smooth post-2012 transition for the flexibility mechanisms. He welcomed the "breakthrough" in Durban to negotiate a new, comprehensive agreement by 2015 covering all parties, recognizing the Kyoto Protocol's role in securing the Durban outcome. He emphasized that alone, a second commitment period "cannot help us avoid dangerous climate change" and that "it will be only one part of the bigger picture."

Saudi Arabia, for the ARAB GROUP, expressed disappointment with the slow pace of negotiations on key issues, in particular on the second commitment period of the Kyoto Protocol. Underscoring historical responsibility, he said, *inter alia*, that: emission reductions are the primary responsibility of developed countries; negotiations under the AWG-KP should be separated from other negotiations; and the flexibility mechanisms should only benefit parties undertaking commitments during the second Protocol commitment period.

Ecuador, for the ALBA, expressed concern with the lack of fulfillment of the legal mandate to achieve ambitious emission reductions. He said the level of ambition by developed countries is insufficient. He maintained that a central element of the Doha package must be a legal procedure for countries that did not

comply with their obligations under the Kyoto Protocol. He underscored that the ADP should not jeopardize progress under the AWG-KP.

Sierra Leone, for a number of members of the COALITION FOR RAINFOREST NATIONS, expressed preference for a five-year commitment period that would better enable considering new scientific results, and highlighted the need for clear rules to ensure environmental integrity. He emphasized a link between the AWG-KP and AWG-LCA concerning units from the new market mechanism. He stressed the role of REDD+ in the new market mechanism, highlighting public and private capital, and ambitious Annex I commitments.

Honduras, for SICA, expressed “deep concern” over delays concerning the second commitment period under the Protocol, stressing the need for urgent progress. He expressed support for a five-year commitment period.

Thanking delegates, AWG-KP Chair Diouf suspended AWG-KP 17 at 5:58 pm.

AWG-LCA

The AWG-LCA closing plenary took place late on Thursday evening. On item 3 (preparation of an agreed, comprehensive and balanced outcome to COP 18), item 4 (review) and item 5 (other matters), AWG-LCA Chair Tayeb reported that five workshops took place during the AWG-LCA session. He outlined discussions in the AWG-LCA contact group, saying these have been helpful in furthering parties’ understanding of each others’ views. AWG-LCA Chair Tayeb explained that the oral reports and summaries of the issues discussed under the contact group will be made available online and can be used in future discussions, but they have no formal status. Parties agreed to suspend the session to allow the AWG-LCA to resume work at its next meeting.

Algeria, for the G-77/CHINA, stressed the need for an AWG-LCA outcome in Doha to be in line with the Bali Action Plan and decisions taken in Cancun and Durban. She called for further progress, *inter alia*, on adaptation and technology, and for an additional negotiating session in Bangkok to allow the AWG-LCA to fulfill its mandate.

Australia, for the UMBRELLA GROUP, underscored efforts undertaken since 2007 to fulfill the AWG-LCA’s mandate and build confidence among parties, including the establishment of transparency requirements for all parties, the Adaptation Framework and the Green Climate Fund (GCF). He said the AWG-LCA was mandated by COP 17 to complete specific activities and suggested that issues requiring more technical consideration after Doha be taken up in the permanent Subsidiary Bodies.

The EU highlighted the task in Bonn to take forward what was mandated in Durban and lamented lack of sufficient progress in this regard. She indicated that some items from the Bali Action Plan may not need further work, saying this does not imply that they are less important. She expressed concern over attempts to reopen issues as this could jeopardize the goal of successfully terminating the AWG-LCA. She cautioned against “automatically” transferring issues from the AWG-LCA to the ADP, and supported working in a more effective way, taking into consideration decisions taken in Durban and Cancun.

Switzerland, for the EIG, highlighted that the AWG-LCA is close to fulfilling the Bali Action Plan mandate after the decisions taken in Cancun and Durban. He called for the successful conclusion of the AWG-LCA in Doha and suggested taking forward specific tasks to the Subsidiary Bodies and relevant institutions. He indicated that the AWG-LCA must deliver its part of the Durban package, including on the clarification of pledges, understanding the diversity of NAMAs, Review and REDD+.

Swaziland, for the AFRICAN GROUP, urged the AWG-LCA to give full consideration to adaptation, finance, response measures, and technology transfer and shared vision. On adaptation, he highlighted the need to scale up financial and technology support, and to include NAPs for both LDCs and vulnerable developing countries.

Nauru, for AOSIS, proposed a workshop on common accounting rules to be held in Bangkok and indicated that it should be a full negotiation session. He also proposed a workshop on the diversity of NAMAs for developing countries, highlighting the need for the AWG-LCA to start discussion on the post-2012 financing.

Gambia, for LDCs, called for a spin-off group on the scale of funding, based on the needs of developing countries.

Egypt, for the ARAB GROUP, identified the need for an additional negotiating session before Doha to allow more time for the AWG-LCA to reach clear agreements, underlining the need for specific results. He proposed a workshop on threats of climate change to developing countries.

Cuba, for ALBA, urged for adequate completion of the work of the AWG-LCA and highlighted support for the Bali Roadmap.

Sierra Leone, for a number of members of the COALITION FOR THE RAINFOREST NATIONS, stressed the need for an implementable REDD+ mechanism by Doha and called for discussions on REDD+ financing, including a dedicated window in the GCF.

Tajikistan, for MOUNTAINOUS LANDLOCKED DEVELOPING COUNTRIES, stressed the importance of long-term finance and the provision of assistance to all developing countries, saying exclusive language will not be acceptable to the group.

The PHILIPPINES, for 36 developing countries, highlighted the Convention’s principles, including common but differentiated responsibilities and equity. He underscored unresolved issues under the AWG-LCA and warned against prematurely agreeing on the conclusion of the AWG-LCA in Doha without ensuring an agreed outcome on all elements of the Bali Action Plan mandate.

The AWG-LCA adopted the report of the session (FCCC/AWG/LCA/2012/L.2). AWG-LCA Chair Tayeb underscored the need to start thinking about the agreed outcome to be reached at COP 18. He suspended AWG-LCA 15 at 11:59 pm.

IN THE CORRIDORS

Efforts continued on Thursday to bring the ADP out of the “deadlock.” With parties reluctant to set a precedent of voting, the COP 17 Presidency resumed consultations on the ADP chairing arrangements. Last ditch efforts were also made to reach agreement on the ADP agenda. The ADP plenary, originally scheduled for the evening, eventually disappeared from the meeting schedule as informal consultations around the ADP continued into the evening.

After 9 pm, a group of relieved delegates emerged and reported that agreement on the ADP agenda had been reached. Moments later, rumors began to circulate that agreement had also been reached on the ADP’s chairing arrangements.

Meanwhile, the AWG-LCA closing plenary was delayed until past 10:30 pm pending “brief” informal consultations inside the plenary hall on mitigation workshops.

While many apparently tired delegates welcomed the opportunity to get some rest before the ADP, SBI and SBSTA closing plenaries on Friday, some expressed hope that the delay would not “unravel” the “hard-won” agreement reached under the ADP.

ENB SUMMARY AND ANALYSIS: The *Earth Negotiations Bulletin* summary and analysis of the Bonn Climate Change Conference will be available on Monday, 28 May 2012 online at: <http://www.iisd.ca/climate/sb36/>