

# Earth Negotiations Bulletin

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## HIGHLIGHTS FROM THE MEETINGS OF THE FCCC SUBSIDIARY BODIES 24-25 OCTOBER 1997

Delegates to the eighth session of the *Ad Hoc* Group on the Berlin Mandate (AGBM-8) held "non-group" meetings Friday on quantified emission limitation and reduction objectives (QELROs) and policies and measures. The seventh session of the Subsidiary Body for Scientific and Technical Advice (SBSTA-7) considered: cooperation with international organizations; the roster of experts; activities implemented jointly (AIJ); technology transfer; national communications and methodological issues. The Chair of the AGBM convened a briefing for observers. AGBM non-groups continued their discussions on Saturday, 25 October..

#### **OBSERVER BRIEFING**

Luiz Gylvan Meira Filho (Brazil), Chair of the non-group on QELROs, reported that the group had looked at relevant paragraphs in the consolidated negotiating text in numerical order. He reported agreement among delegates that the first paragraph of the article on QELROs should be simple in stating and introducing commitments. He indicated that there had been a discussion on the legal implications of listing commitments within the text of the protocol or legally binding instrument or under a separate appendix or attachment. The concern was whether furthering commitments in the future would require Parties to ratify amendments to the protocol or legally binding instrument .

He said consensus was emerging that a balance should be struck whereby the legally binding nature of commitments would not be undermined by the adoption of more informal amendment procedures. He noted that the issue would be taken up by the nongroup on institutions and mechanisms. He also said that some delegations wanted to emphasize the importance of GHG sinks, while others said that IPCC methodologies for calculating their efficiency are marked by a high level of uncertainty. He said criteria for sinks had been discussed, including measures to enhance them and their absorption capacity.

Evans King (Trinidad and Tobago), Chair of the non-group on Article 4.1, reported that the group had considered paragraphs on advancing commitments without introducing new ones for non-Annex I Parties, the preparation and periodic updating of national inventories of GHG emissions and removals, and IPCC methodologies. He said a contact group dealt with the most difficult matters.

Takao Shibata (Japan), Chair of the non-group on institutions and mechanisms, said that there seemed to be a broad understanding that the COP would be the governing body of the Protocol, that institutional economy should guide structural arrangements and that Protocol institutions should be distinctive.

### SUBSIDIARY BODIES FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

IPCC Chair *emeritus* Bert Bolin highlighted recent results of the Panel's work. He said climate inertia and the long life of gases means that the full effects of past emissions will occur even if future emissions are reduced, slowing the effect of emissions reductions. Even if Annex-I countries reduce emissions 30-90 percent, global emissions would reach two to three times 1990 levels. He said a slow start is difficult to correct later. He also noted large margins of error in calculating natural sources and sinks, such that an accurate calculation for terrestrial sources and sinks is not presently possible. Because deteriorating global observation networks may handicap future science on climate change, he proposed that the COP assess needs to maintain the networks.

IPCC Chair Robert Watson summarized the Panel's report on regional impacts, noting that it assesses vulnerability to climate change because the ability to predict impacts for specific places and times is limited. The report covers 10 regions. Among the key conclusions are: ecosystems, especially forests and coral reefs, are highly sensitive to climate change; billions of people could be impacted by exacerbated problems in drinking water supply, sanitation, and drought; food production could decrease in the tropics and subtropics, despite steady global production; significantly adverse effects on small island states and low-lying deltas such as in Bangladesh, Egypt and China could displace tens of millions of people with one meter of sea-level rise; heat stress mortality and vector-borne diseases could increase; and that most effects are negative for the most vulnerable developing countries.

Among regional findings, he noted: that Africa is most vulnerable because poverty limits the capacity for adaptation; that arid western Asia and Australia could face exacerbated water scarcity; that vulnerable systems face multiple stresses in Latin America; that changes could challenge adaptation even in natural forests and water resources in parts of North America; and that sea level rise threatens cultures if not elimination of small island states. He said the Third Assessment Report (TAR) would focus on regional impacts, have chapters on science, impacts and adaptation, and mitigation, and include a policymaker synthesis report.

CANADA, MALAYSIA and the MARSHALL ISLANDS said the COP should address the decline of global observation networks, while SAUDI ARABIA had reservations. The US said the findings emphasize the need for developing countries' participation and that their vulnerability underscores the urgency of action. The International Civil Aviation Organization, not SBSTA, should deal with aviation decisions. The MARSHALL ISLANDS said the vulnerability report was a "death sentence" for small island states, and that the TAR must clarify scenarios and determine what

is dangerous. CHINA said because predictions for 100 year scenarios are unreliable, it is impossible for developing countries to adopt actions for the next 100 years.

ZIMBABWE introduced a report on a joint SBSTA/IPCC meeting on the IPCC's Third Assessment Report (TAR). The joint meeting was informed of the IPCC's decisions regarding the scope, structure, content, timing and dissemination of the TAR. The Chair invited comments on the report of the SBSTA/IPCC session, reminding delegations that the IPCC has invited guidance on policy-relevant questions. The US supported the addition of a chapeau, noting the closeness of SBSTA's final session to the deadline for submissions to the IPCC. On additional policy relevant questions to be addressed, Parties made the following suggestions: a reference to additional gases that are believed to have a radiative forcing impact, and the importance of monitoring the adequacy of the systematic observation system (US); the use of non-English language references in support of IPCC reports (MONGOLIA); and explanations of the range of uncertainty in IPCC findings (MALAYSIA). The Chair announced an informal meeting of SBSTA and IPCC experts.

The Chair invited comments on draft conclusions on the Roster of Experts (Item 7). The NETHERLANDS said the essence of the draft conclusions is a request to the Secretariat to continue using the roster for methodological and technical guidance and an invitation to prepare an evaluation before COP-5. The draft conclusions also deal with: intergovernmental technical advisory panels (ITAPS); expansion of the roster in the field of methodologies; the criteria to be used when utilizing members of the roster; a review of the standardized form for collecting information on nominees; and a request that the Secretariat report on criteria used for selection. The Chair invited interested Parties to reformulate references to regional representation . SAUDI ARABIA expressed concerns about the possibility of important tasks being dominated by one region. The PHILIPPINES introduced an amendment on criteria for using roster members, ensuring that the element of capacity building is fully respected. MALAYSIA said SBSTA could request, not authorize, the Secretariat to continue using the roster.

On AIJ, the Co-Chair of the contact group reported that the group had worked from proposals by the US, Norway and Switzerland, which the co-Chair tried to incorporate. The G-77/CHINA requested more time and later submitted a new proposal. Delegates agreed to allow more time for the contact group to reach consensus.

The Co-Chair of the contact group on technology transfer reported that the group could not complete its work. The group considered proposals from the G-77/CHINA. Delegates also discussed draft conclusions on national communications from Annex I Parties produced by the SBSTA and SBI Chairs, as well as a draft decision on methodological issues.

#### **NON-GROUP ON QELROS-2**

The new non-group on QELROs chaired by Bo Kjéllen (Sweden) discussed an article in the consolidated negotiating text on the establishment of base years or periods for the implementation of commitments by Annex I Parties undergoing transition to a market economy. A proposal by a group of countries to delete the paragraph met objection. A country, representing Annex I Parties with economies in transition, introduced a proposal to allow flexibility in the establishment of baselines. A regional group indicated that flexibility was acceptable as long as the agreed text provided a degree of certainty. The non-group also addressed articles on emissions borrowing and banking for Annex I Parties or Parties who undertake voluntary commitments. While a group of countries objected to these flexibility mechanisms, one country indicated that its QELROs would depend on them. Others supported the view that banking or "saving" emissions from one budget period for the next was acceptable, while borrowing was not..

#### NON-GROUP ON QELROs-1

The QELROs-1 non-group chaired by Luiz Gylvan Meira Filho (Brazil) met in the afternoon and discussed flat rate and differentiated targets. The Chair characterized the flat rate approach as the majority view and suggested that Parties favoring differentiation propose an Annex C. Two countries rejected the characterization made by the Chair. Some countries considered that Annex C and the attachment should not be discussed until the issue of differentiation is settled. The Chair proposed adding text to the first paragraph of the article on QELROS to the effect that Annex I countries "shall ensure" that they will meet the agreed target. A delegation questioned the meaning of language in a paragraph suggesting that Annex I countries should make "demonstrable progress" by 2005, while a regional group expressed its preference for a specific target in that year and another delegation objected to the paragraph.

#### NON-GROUP ON POLICIES AND MEASURES

The non-group on policies and measures (P&Ms) met in the afternoon and further considered proposals from two groups of countries. Some delegates reported little movement in positions. A contact group was formed to discuss a paragraph under which Parties would aim to implement P&Ms in specified priority areas. Another group was formed to consider paragraphs on cooperating to enhance the individual and combined effectiveness of P&Ms and on developing common performance indicators.

#### SATURDAY SESSIONS

The QELROs-2 non-group discussed emissions trading and joint implementation. One group of countries proposed deleting references to both items, while some developing countries within that group suggested that the COP could establish a pilot phase for these activities. An Annex II country supported the existing text .A regional group said its position on these mechanisms was contingent upon QELROs decisions. QELROs-1 discussed the inclusion of GHGs and sink categories in an Annex. On country said that all gases should be included in the protocol and an Annex was unnecessary. The Chair indicated that no decision had been reached on including all gases. One delegation proposed a separate annex for sinks. The non-group also discussed national systems for the estimation of emissions and sinks. One delegation considered that these national reporting systems should be established for all gases, while others considered they should be limited to gases covered in the protocol. Two delegations said that countries should be able to use methodologies other than IPCC ones. A contact group was established on Global Warming Potentials (GWPs).

In the institutions and mechanisms non-group, there was broad agreement that the COP should serve as the "Meeting of the Parties." Delegates debated whether distinct costs of Secretariat services for the protocol should be met by the Parties thereto. There was general agreement on the multilateral consultative process. Three delegations objected to a provision allowing amendments to the protocol under a three-quarters majority vote. In the Article 4.1 non-group, an article on national reporting, a group of countries proposed deleting "voluntary commitments," and proposed a penalty fund. Other delegations strongly disagreed with both proposals

#### THINGS TO LOOK FOR TODAY

**AGBM:**AGBM is scheduled to meet in Plenary at 10:00 am. **Non-Group on QELROs:** This non-group will meet at 3:00 pm.

**Non-Group on Institutions and Mechanisms:** This non-group will meet at 3:00 pm.