



# Earth Negotiations Bulletin

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## HIGHLIGHTS FROM THE MEETINGS OF THE FCCC SUBSIDIARY BODIES 30 JULY 1997

The Subsidiary Body for Scientific and Technical Advice (SBSTA) heard reports from the contact group chairs and discussed cooperation with intergovernmental organizations and the development and transfer of technologies. The *Ad Hoc* Group on Article 13 (AG13) discussed the draft report on the session in a morning meeting. The Subsidiary Body for Implementation (SBI) met in the afternoon to discuss matters arising from the UN General Assembly Special Session (UNGASS), mechanisms for consultations with NGOs and national communications. Contact groups met throughout the day on the financial mechanism, communications from non-Annex I Parties, division of labor between SBSTA and SBI and arrangements for COP-3 and COP-4. Informal consultations on the budget were held in the evening.

### SUBSIDIARY BODY FOR THE SCIENTIFIC AND TECHNOLOGICAL ADVICE

SBSTA Chair Tibor Faragó (Hungary) called on the contact group co-chairs to summarize their work. Division of Labor Group Co-Chair Mark Hambley (US) noted the progress that had been made and anticipated a completion of a draft decision later in the day. Methodological Group Co-Chair Harald Dovland (Norway) noted that the group had found little overlap between the work of the Secretariat and other international organizations. He stated that the budget group has been informed of the need for additional resources. SAUDI ARABIA objected to the paper to be presented by the methodological group and stated that the Secretariat should not be given additional responsibility. He called for a new working group to discuss Intergovernmental Technical Advisory Panels (ITAPs) and reminded the Chair of the G77/CHINA's proposal on ITAPs. KUWAIT and MALAYSIA stated that they were unable to attend all of the contact groups because of the limited size of their delegations. The Chair stated that he would await the outcome of the contact groups, and encouraged all delegates to express concerns at the contact group meetings.

**Cooperation with International Organizations:** The Chair noted that there was little documentation and encouraged intergovernmental and international organizations to brief the delegates on their activities. The International Oceanographic Commission (IOC) cited the need for modernizing global sea level observations and called for assistance from international bodies. The Scientific and Technical Advisory Panel (STAP) to the Global Environment Facility (GEF) summarized its activities and workshops on climate change and noted its cooperation with other international organizations. The World Meteorological Organization (WMO) reported on the development of the Climate Agenda and noted that a report will be submitted to COP-3. The United Nations Environment Programme (UNEP) stated the importance of equity in methodological issues and called for a resolution. He noted the advantages gained by sharing of information between groups interested in activities implemented jointly (AIJ), but cautioned that AIJ could weaken the development of local technologies.

The IPCC stated that the Third Assessment Report (TAR) is scheduled for completion by the end of the year 2000. In addition to physical, chemical and ecological processes, the TAR will integrate natural and social sciences and address sectoral issues and regional perspectives. The IPCC will also produce a "policy relevant" synthesis report.

LUXEMBOURG, on behalf of the EU, highlighted its submission containing questions from policy makers, which focuses, inter alia, on progress in detecting change, non-intervention scenarios and possible policy combinations. SWITZERLAND noted the importance of disseminating the TAR results in all UN languages and ensuring adequate resources for the IPCC secretariat.

CHINA said the TAR should reflect the implementation of Articles 4.2(a) and (b), and with the US, called for briefings on the consultations of the Joint Working Group of the FCCC and IPCC officers. ZIMBABWE, on behalf of the African Group, as well as CUBA and ZAMBIA, sought stronger national observation and research systems. She also urged the IPCC to produce simplified summaries of regional impact studies and regretted that the GEF did not support UNEP's proposed climate awareness programme.

The MARSHALL ISLANDS stated that IPCC should strive for better information on possible scenarios, such as sea-level rise, and socio-economic impacts resulting from inaction. Any steps towards a "user friendly" synthesis report would assist political leaders. SAMOA cited the fact that some regions do not have experts in this field as proof of the need to build capacity. PERU called for work on tropical forest methodology and the ocean carbon cycle according to region.

**Technology Transfer:** The Chair invited comment on a progress report (FCCC/SB/1997/3), an update on the report (FCCC/SB/1997/4) and a technical paper on trends and conditions employed by multilateral lending institutions (FCCC/TP/1997/1). TANZANIA, for the G-77/CHINA, said technology transfer remains an essential component and priority element of FCCC implementation. SBSTA should continue to establish expert groups on specific issues using the roster of experts. ZIMBABWE, for the African group, demanded a reopening of the question of ITAPs, which could be a first step toward a clearinghouse mechanism. CHINA said SBSTA should set up ITAPs to facilitate technology transfer.

The US and the EU suggested that action on ITAPs await a planned review of the roster at the next SBSTA. JAPAN said SBSTA should concentrate on updating the roster and should carefully consider qualifications for ITAPs. MALAYSIA said ITAPs and the roster should be enhanced to draw expertise from within governments.

The US said governments' role in technology transfer is to encourage technology diffusion and remove market barriers. The focus should be on informing developing country Parties of channels and conditions for financing. CANADA said the private sector is the preferred vehicle for technology transfer; and that government should play a facilitating role. The EU noted the increasing significance of private sector financial flows and said work related to public sector financial flows should focus on energy and transport. UZBEKISTAN suggested an international technology exchange advisory group.

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**Report of the session:** Rapporteur Alvaro J.

Rodriguez (Colombia) introduced the draft report of SBSTA (FCCC/SBSTA/1997/CRP.2). On international organizations, the US proposed a new paragraph calling upon Parties to work through other organizations such as IMO and ICAO to address climate change issues and requested these organizations to provide a report to SBSTA. On AIJ, the US reported that the small informal group (CHINA, the US, NORWAY and CANADA) had not produced agreed text and will continue consultation until the final SBSTA meeting next Tuesday.

The Chair of the contact group on methodologies presented its conclusions. The G-77/CHINA requested more time to consider this paper before approval. ZIMBABWE noted that there was limited participation from non-Annex I countries. The methodologies contact group will reconvene. The division of labor group reached consensus on a general approach for national communications, AIJ and NGO consultations, but other issues remain unresolved and the group will hold further consultations.

**AD HOC GROUP ON ARTICLE 13**

Chair Patrick Szell (UK) convened the final meeting of the fifth session of AG13 to consider the Group's draft report to COP-3 (FCCC/AG13/1997/CRP.2). FCCC Executive Secretary Michael Zammit-Cutajar indicated support for the completion of AG13 proceedings by COP-4. The Chair informed SAUDI ARABIA that the FCCC Bureau or the COP would decide what happens if AG13 does not meet this target date. The EU, supported by CHILE, SAUDI ARABIA, and SWITZERLAND called for at least two more AG13 sessions, each lasting 8 half-days and, with KUWAIT and FRANCE, called for a stronger commitment to completion of work by COP-4. The US and CHINA did not agree. Chair Szell modified the draft decision for COP-3 (FCCC/AG13/1997/CRP.2 Annex III) to indicate that AG13 should continue beyond the COP, to invite AG13 to complete its work by COP-4, and request it to report to COP-4 on progress if it fails to meet the target date. He also amended the draft report (Organizational Matters) to indicate that AG13 will require two further sessions each consisting of about six to eight meetings.

Reviewing paragraphs 1-5 of the draft compilation for a Multilateral Consultative Process (MCP) (Annex II), the Chair announced a number of editorial changes. On a paragraph describing how issues are to be taken up, CHINA asked for the re-insertion of a reference, in brackets, to consideration of any submission made by "a Party on its own request." KUWAIT, CHINA and SAUDI ARABIA questioned the adequacy of a decision to cross-reference this procedural paragraph in an earlier paragraph on the Mandate of the Committee in order to deal with concerns about consultation with the Party or Parties concerned.

In the paragraph on the MCP Committee Mandate, SAUDI ARABIA asked for the re-insertion of a bracketed reference indicating that questions considered shall be "upon the Parties request and in consultation with them." He also asked that a subparagraph on tasks entrusted to the MCP Committee by the COP be placed in its own set of brackets. The US, supported by CANADA, noted that its bracketed proposal on the need to maintain the independence of the MCP under the financial mechanism should form a separate element in a subparagraph.

Rapporteur Andrej Kranjc (Slovenia) presented the draft report of AG13-5 (FCCC/AG13/1997/CRP.2) for adoption. Chair Szell commended the group and indicated that progress had been made on the draft MCP. He noted that detailed discussions would be needed at AG13-6 on: assistance to Parties; the question of who can trigger proceedings; and the implications of COP-3.

**SUBSIDIARY BODY FOR IMPLEMENTATION**

Chair Mohammed Ould El Ghaouth reconvened SBI-6, which took note of an informal paper containing extracts of UNGASS results on climate and atmosphere. On mechanisms for consultation with NGOs, the Secretariat introduced two documents (FCCC/SBI/1997/14 and Add.1). Regarding access by NGOs, one document contains proposals on the improvement of existing mechanisms and the establishment of new ones, including a "Business Consultative Mechanism" (BCM). The other document (Add.1),

contains additional reflections by the Secretariat. A public utilities representative and the Climate Action Network agreed with increased transparency in the accreditation and registration process. A speaker representing business and industry NGOs supported the concept of a BCM, and stressed the need to improve current communications mechanisms. The International Council for Local Environmental Initiatives (ICLEI) noted that a report will be submitted to the COP and its subsidiary bodies providing data on local government initiatives to reduce GHGs. The US, MALAYSIA, EGYPT, SENEGAL, the EU, CANADA, INDONESIA, AUSTRALIA, BENIN and VENEZUELA welcomed participation of the NGOs in the Convention. MALAYSIA and BENIN stated that NGOs who are not supportive of the Convention process should not be allowed to attend. INDONESIA called for the mechanism for consultation to be broadened to include local government and business NGOs. CANADA, AUSTRALIA and VENEZUELA noted the financial constraints of the Secretariat. CANADA suggested improving existing bodies and mechanisms. The Chair called on Parties to submit comments and noted that the issue will be taken up again at SBI-7.

**National Communications from Annex I Parties:** The Secretariat introduced documents including a tentative schedule of the in-depth review of the second national communications of Annex I Parties (FCCC/SB/1997/5) in advance of preparations of a final schedule at SBI-7, an update on trends in past GHG emissions and future projections (FCCC/SB/1997/6), and a status report on a review of the first national communications (FCCC/SB/1997/INF.3) due for completion by SBI-7. The Secretariat noted the slow pace of submission of second national communications due in April this year. The EU called on Parties to contribute to a successful conclusion of the communications process. CHINA asked the Secretariat to include statements on the difficulties Annex I Parties have experienced in meeting their commitments.

On the development and transfer of technology, the Chair informed Parties that the item had been thoroughly discussed by SBSTA. The Chair proceeded to outstanding issues. Parties adopted draft conclusions *ad referendum* on: national communications, reducing the volume of documentation and mechanisms for consultations with NGOs. The contact group on the financial mechanism will meet again. CHINA reported on discussions in the contact group on national communications from non-Annex I Parties, highlighting financial and technical difficulties and the problems posed for consideration of communications given the staggered submission schedule.

There was no agreement on a draft decision on preparations prepared by the G-77/CHINA for COP-3 and for COP-4, which will include the second review of Annex I Party commitments. The FCCC calls for the second review no later than 31 December 1998. The Chair appealed for flexibility from the G-77/CHINA, which had experienced difficulties with a proposal for a date for COP-4. The Chairs of the G-77/CHINA and the EU agreed to consult with the SBI Chair on arrangements for COP-3 and COP-4.

**IN THE CORRIDORS**

While speakers in SBI were supporting NGO participation in the FCCC, delegates and observers in the corridors were considering the prospect of NGO access during AGBM being limited to participation in Plenary sessions and daily briefings. Most of the negotiations are planned to take place in four closed informal groups. Some noted that exclusion of NGOs is a necessary response to the pressure on the AGBM to deliver results and that the decision may be designed to accelerate substantive negotiations. Some NGO representatives stated that this arrangement hinders the Convention because, given more access to negotiations, NGOs are able to apply positive pressure. Other NGO representatives noted that this is an unwelcome precedent and now puts the onus on governments to inform NGOs of their decisions.

**THINGS TO LOOK FOR TODAY**

**AGBM:** The Ad Hoc Group on the Berlin Mandate (AGBM) will open its sixth session today at 10:00 am in the Maritim Room.