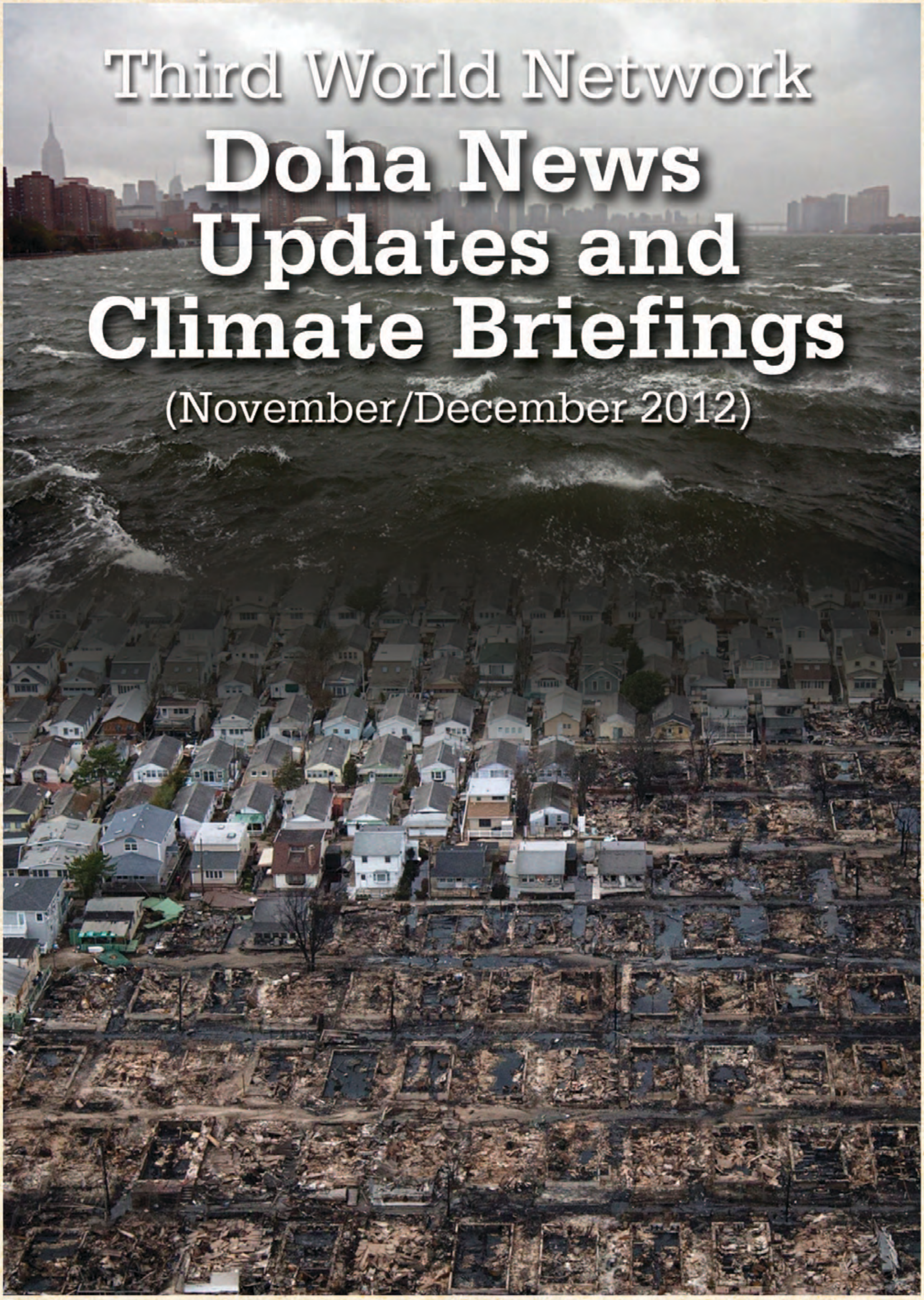
Third World Network

Doha News Updates and Climate Briefings

(November/December 2012)



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DOHA NEWS UPDATES

AND

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NOTE

This is a collection of 29 News Updates and a Briefing Paper prepared by the Third World Network for and during the recent United Nations Climate Change Talks – the 18th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP18), and the 8th session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 8) – in Doha, Qatar, from 26 November to 7 December 2012.

Doha News Updates

TWN
Doha News Update 1

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Climate Talks Resume, amid Weather Chaos

Doha, 26 November (Martin Khor*) – It's that time of year again when the spotlight falls on climate change.

The annual United Nations Climate Conference opens this week in Doha, Qatar with 15,000 people expected to take part.

Actions are more sorely needed than ever before. The 18th meeting of the Conference of the Parties to the UN Framework Convention on Climate Change (COP 18) meets amidst stark evidence of climate change's damaging effects.

The most publicised recent event is Hurricane Sandy that caused US$50 billion of devastation in the United States' eastern coast, including the flooding in New York's subway system.

"It's the climate, stupid!" said the cover of *Bloomberg Businessweek* in its pre-election issue. Its writer said that climate change should have been the biggest election issue. Yet, 'the issue is missing in action on Congress' calendar and in the presidential debates. After Sandy, that is insane.'

It is hoped that American public opinion will change after Sandy. Climate denialists and conservative politicians have prevented the US from making credible emission-reduction commitments in the climate talks. Indeed, the US is the biggest blocker of global action.

It has promoted the voluntary system of pledges, where each country simply states what it wants to do, instead of a top-down approach preferred by most other countries, in which scientific estimates are made on what needs to be done and then each country is assigned to undertake required cuts comparable to one another.

The world is on track for a disastrous rise of 4 degrees Celsius in average temperature, warned a World Bank report last week, far above the 2 degree C threshold. Even at today's 0.8 degree C (above the pre-industrial level), extreme weather events such as floods, drought and storms are already causing havoc.

Sobering data was provided by the latest UN Environment Programme report on the emissions gap. Annual global emissions have shot up from 40 billion tonnes in 2000 to the present 50 billion tonnes and is projected at 58 billion tonnes in 2020 if there is no action.

This needs to be brought down to 44 billion tonnes in 2020, to stay within the 2 degree limit. But even if countries fulfil the best of their emission-reduction pledges, the 2020 level will be 52 billion tonnes.

UNEP estimates the emissions gap to be 8 to 13 billion tonnes by 2020. This is the difference between what should be the emissions level in 2020 and what it is projected to be. It is thus a measure of the extra effort needed to cut emissions.

Unfortunately COP 18 in Doha is unlikely to produce a breakthrough. It is supposed to close the work in two working groups (the Kyoto Protocol or KP and Long-term cooperative action under the Convention or LCA) and pave the way for work to start in a third group (the Durban Platform or DP).

The DP working group can get into real work only if the other two groups finish their work successfully, and this now seems unlikely.

Under the KP group, COP 18 should see developed countries finally binding their commitments to reduce emissions by certain percentages for the next 5 or 8 years under the Kyoto Protocol's second period (the first period ends in December 2012).

But there are multiple problems. Canada quit the protocol altogether, just as the US did years ago. Japan, Russia and New Zealand refuse to take part in this second period, and Australia has not yet made up its mind.

That leaves the European countries. The European Union will only commit to a low number (20% cut by 2020 compared to 1990) and has hinted that instead of this figure being committed in a binding way to be ratified by the Parliaments of its member states, it might propose to do so only through decision at the COP.

Meanwhile the other developed countries that are not in the Kyoto Protocol are supposed to make comparable commitment in the LCA group. However the US has led the move to a 'pledge' system, in which countries can pledge as they please.

The US is adamant in closing the LCA group (formed in 2007 to negotiate the Bali Action Plan) even though it has not yet finished its work on mitigation, adaptation, finance and technology.

The US dislikes several things about the Bali Action Plan: its provision that all developed countries have to make a comparable effort in mitigation, its recognition of the difference in mitigation obligations between developed and developing countries, and the principle that developing countries' actions depend on their obtaining funds and technology.

The developing countries want the LCA group to complete its work or else to have its outstanding issues properly transferred (together with the principles and framework underlying these issues) to other bodies, before the group closes down.

But they face resistance from several developed countries, which want to get rid of many key issues put forward by developing countries (such as the effects of intellectual property on technology transfer, and to ensure that climate change is not used as a ground for unilateral trade measures).

These developed countries also want to continue the negotiations on certain issues, especially mitigation, but without the principles or understandings already agreed to in the Climate Change Convention and in the LCA group.

They hope that if the KP and LCA groups close down, they can get the new DP group to discuss climate actions on a clean slate, with all countries having to take on similar obligations. The differences between developed and developing a countries would be erased or minimised.

But this is precisely what the developing countries do not want. For them future negotiations on the actions countries should undertake must be guided by the Convention's principle of equity which recognises 'differentiated responsibilities' between developed and developing countries.

They fear that the developed countries are refusing to live up to their commitments to cut emissions and instead are preparing the ground for passing the burden onto the developing countries.

They are also concerned that the developed countries have not kept their promise to transfer technology. And the new funds to support developing countries are also absent or far below the promised or required levels.

On the other hand, the developed countries want to see the developing countries taking on similar emission-reduction obligations. They fear that otherwise the developing countries will catch up economically, and they will lose their economic dominance.

COP 18 will see the continuation of this diplomatic wrangling. The deadlock or at best slow progress in the climate talks is in contrast with the urgency of action needed to combat the rising temperature and the growing number and intensity of extreme weather events.

This article was first published in The Star *(Malaysia) dated 26 November 2012.*

(*Martin Khor is the Executive Director of South Centre.)

TWN
Doha News Update 2

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Climate Legal Regime at the Crossroads

Doha, 26 November (Meena Raman) – The climate change talks in Doha, Qatar, will be an important milestone in the history of the United Nations climate negotiations.

The last round of the negotiations in Bangkok in September this year has revealed a major problem. The Bali Roadmap launched in December 2007 had two tracks. The Kyoto Protocol track that began in 2005 is ending in a much weakened outcome, while the Bali Action Plan track under the UN Framework Convention on Climate Change (UNFCCC) is in danger of being killed without a proper closure or transfer of its unsettled issues.

The 18th meeting of the Conference of Parties (COP 18) to the UNFCCC and the 8th Meeting of the Parties of the Kyoto Protocol (CMP 8) will take place in Doha from 26 November to 7 December.

The Ad Hoc Working Group under the Kyoto Protocol (AWG-KP) is mandated to reach agreement on the second commitment period for greenhouse gas emission reductions (CP2) for Annex I Parties. The Ad Hoc Working Group for Long-term Cooperative Action (AWG-LCA) under the Bali Action Plan (BAP) was launched in 2007 to enhance the full effective and sustained implementation of the Convention. These two negotiating tracks comprised what is called the Bali Roadmap.

These two working groups are supposed to complete their work successfully, and pave the way for a new agreement under the Convention which is to come into effect in 2020 under what is called the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP), launched at COP 17 in Durban, South Africa last December.

Whether the two earlier working groups are able to fulfil their respective mandates successfully remains to be seen in Doha.

A real KP second commitment period?

The most important outcome of the AWG-KP is supposed to be a firm commitment by Annex I Parties (developed countries and economies in transition) for emission reduction targets under CP2, with the first commitment period expiring at the end of December 2012. The 'numbers' as regards the targets for emission reductions have remained unambitious with some countries still wavering to make the commitments. The moment of truth has arrived in Doha as to whether there will be an ambitious and a legally binding CP2 outcome.

Parties agreed in Durban last year that there will be a CP2, but what was not decided was its length (whether a 5 or 8-year period) and what the actual numbers for the emission reduction targets by the Annex I Parties will be, both individually and in aggregate.

Many developing countries have called for a 40-50% reduction by 2020 compared to 1990 levels, with the Alliance of Small Island States demanding a cut by at least 33% below 1990 levels by 2017.

The European Union has made it clear that it is for an 8-year commitment period and that its own target would be a reduction of only 20% by 2020 below 1990 levels, although it had previously indicated that it was willing to consider a 30% reduction target, if Parties agree to a new agreement post-2020 (which was agreed to in Durban).

In fact, it has been reported that the EU has already met its 20% target and would in effect need to do nothing for the rest of the decade under its declared KP commitments!

In the wake of criticisms by developing countries that the EU is allowing a lock-in of pledges which are low instead of more ambitious reduction targets, the EU has proposed that there be a review of the commitments, at the latest by 2015, with a view to strengthening these commitments in line with an overall reduction of emissions of such gases by Annex I Parties of at least 25 to 40% below 1990 levels in 2020.

Many observers view this as doing too little too late which does not reflect the urgency and ambition needed from a scientific perspective as well as the escalating suffering, loss and damage caused by climate change especially in developing countries.

Further, developing countries have been calling for an effective and legally binding CP2 through a ratifiable amendment of Annex B to the Kyoto Protocol (which will contain the targets for emission reductions by developed country Parties for CP2) to be implemented from 1 January 2013.

Since ratification of the amendments reflecting the CP2 commitments will not be possible before the first commitment period expires on 31 December 2012, developing countries have been calling for the provisional application of CP2, pending ratification and entry into force of the amendment, to ensure that there is no gap between the first and second commitment periods.

Signs are that the EU is not keen to agree on a provisional application approach and would prefer just a decision under the Conference of Parties meeting as Parties to the Kyoto Protocol (CMP).

As a result, grave concerns have arisen among developing countries in this regard as to how legally binding this would be in terms of the CP2 commitments on the EU and its member states.

Hence, whether Doha will result in an ambitious and legally binding CP2 outcome remains to be seen and expectations are not very optimistic. An unambitious and weak outcome under the Kyoto Protocol will indeed have ramifications for the work of the AWG-LCA and the ADP, as well as for the climate.

Unfinished work of Bali Action Plan

In relation to the AWG-LCA, Doha will be critical in determining whether the full mandate of the Bali Action Plan is successfully achieved.

There are many issues that remain unfinished from Durban.

Among the most important desired outcomes pressed by developing countries are: comparable efforts in emission reduction targets by Annex I Parties not in the Kyoto Protocol (such as the United States and Canada) with that of those in the Kyoto Protocol; a clear roadmap for the delivery of finance for the period 2013-2020 for adaptation and mitigation; the addressing of intellectual property rights (IPRs) that will not impede technology transfer; and the avoidance of unilateral measures by developed countries in the name of climate action which have impacts on developing countries.

These issues have been troublesome with developed countries, especially the US, not wanting a review of its emission reduction pledge for it to be comparable with other developed countries. The US Cancun pledge was a 17% reduction based on 2005 levels, and it has been resistant to calls for comparable efforts as the Kyoto Parties or even to review and increase its pledge.

The developed countries have also been dodging the issue of how the goal of mobilising the US$100 billion per year by 2020 as promised in Cancun is going to be realised and delivered from 2013 onwards.

Given the current economic and financial turmoil in the developed countries, continued resistance from developed countries is expected on the issue of a roadmap on the amount of new and additional resources to be mobilised for climate change and on delivering on the Cancun agreement.

Developed countries have also refused to address the IPR issue as well as that of unilateral measures, while many developing countries want to find solutions to these issues.

On the issue of adaptation, discussions in Bangkok in September showed a substantial divide between developed and developing countries, with developed countries arguing that nothing further was left to be discussed on this issue under the AWG-LCA. A Group of 72 developing countries presented a draft decision launching work focused on adaptation finance, a space to discuss annually coherence on adaptation, and to initiate work on other elements, such as regionals centres, etc. Developed countries are expected to resist the proposals advanced by developing countries.

The Chair of the AWG-LCA, in preparation for the negotiations in Doha, has issued an 'informal overview text' to facilitate the negotiations which clearly reflects, according to the Chair, 'the exchanges and …options presented by Parties'. This text attempts to address many of the difficult and unresolved issues from the past negotiations which developed countries have resisted, including the need to consider the comparability of mitigation efforts among developed countries, which is an issue mandated for consideration by the BAP.

(Comparability of effort requires that the mitigation actions of developed countries not Parties to the KP be comparable to those that are Parties.)

On issues like long-term finance, intellectual property rights and unilateral measures, developed countries have insisted that there be no text at all, signalling a refusal to address these issues, which have been raised by developing countries.

The overview text also reflects the proposals raised by developing countries on the issue of adaptation. (Another related and important matter linked to adaptation is the issue of 'loss and damage'. This issue is being addressed under the Subsidiary Body on Implementation. Parties had agreed in Cancun to establish a work programme to consider approaches to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change. A major expectation of developing countries in Doha is for a good outcome on this issue based also on the work done in a series of regional expert workshops over the year.)

Hence, under the AWG-LCA, whether developed countries will even accept the LCA Chair's text as a basis to begin negotiations will be a critical issue.

Another issue of grave concern among many developing countries and observers is the push by developed countries to launch new market mechanisms which are supposed to assist developed countries meet part of their mitigation targets or commitments in a cost-effective manner. When the mitigation pledges of the developed countries are already so low, unambitious and non-legally binding, a key concern is why developed countries should be given further flexibilities in meeting their targets through new market mechanisms.

If the Doha AWG-LCA outcome does not address these issues satisfactorily, there cannot be a successful outcome and this will put the talks at risk.

Durban Platform

Under the ADP, discussions are expected to continue on the issue of the 'vision' of the future agreement post-2020 and on raising the 'ambition' in the pre-2020 period. If the outcomes under the two earlier AWGs are not successfully concluded to address the concerns of developing countries, the work of the ADP can be expected to suffer, with developing countries viewing the process as one that leads to more and more obligations for developing countries with the shifting of responsibilities on their shoulders for mitigation and adaptation without actual financial resources and technology transfer.

The Doha talks will indeed be critical for the future of the climate regime.

TWN
Doha News Update 3

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27 November 2012

Developing Countries Outline Key Deliverables for COP 18

Doha, 27 November (Hilary Chiew) – The adoption of a second commitment period of the Kyoto Protocol (KP) through a ratifiable amendment implemented from 1 January 2013 and a meaningful conclusion to the work under the Bali Action Plan (BAP) must be the key deliverables, said developing countries at the opening plenary of the 18th Conference of Parties (COP 18) of the United Nations Framework Convention on Climate Change (UNFCCC) in Doha, Qatar.

COP 18 began on Monday, 26 November and is scheduled to end on Friday, 7 December 2012.

Many developing countries made references to the reaffirmation of the principles of equity and common but differentiated responsibilities at the Rio+20 Summit as the highest political guidance for the Doha Conference and future climate negotiations.

Several developing countries' groupings also reminded Annex I Parties who are not joining the second commitment period (2CP) of the KP to make comparable efforts to reduce emissions consistent with the science in accordance with the BAP.

The plenary was preceded by an opening ceremony and the handing over of the COP Presidency from South Africa's Minister of International Relations and Cooperation, Ms Maite Nkoana-Mashabane, to Mr Abdullah Hamad Al-Attiyah, Chairman of Qatar's Administrative Control and Transparency Authority.

Mashabane recalled that the Durban COP succeeded in agreeing to the KP 2CP, which was seen as impossible, and agreed to launch a process for the future legal framework applicable to all from 2020. Durban also produced a set of decisions under the BAP and the Green Climate Fund. She stressed the importance of the mutual reassurances reached. The COP 17 President also said that Doha must stay true to the Durban legacy. She said a ratifiable 2CP was important and the work of the Ad Hoc Working Group for Long-term Cooperative Action (AWG-LCA) must be successfully reached. She added that the work of the Ad Hoc Working Group under the Durban Platform (ADP) cannot be an AWG-LCA with another name.

The newly-elected President of COP 18 said the Doha Conference is of vital importance as it signifies the turning point of the climate change negotiations. He said that the meetings of seven bodies (COP 18, Conference of Parties meeting as the Parties of the Kyoto Protocol [CMP 8], the Subsidiary Body for Implementation [SBI], the Subsidiary Body for Scientific and Technical Advice [SBSTA], and the three ad hoc working groups under the Kyoto Protocol, the Bali Action Plan and the Durban Platform) are an additional challenge to be managed.

(Opening plenaries of CMP 8, SBI and SBSTA also commenced on the first day of the Doha Conference. The openings of the three ad hoc working groups will commence on Tuesday, 27 November.)

Al-Attiyah said Parties must achieve the 2CP of the KP and finish the work started in Bali (in 2007) and make progress of decisions undertaken in Durban.

The UNFCCC's Executive Secretary, Ms. Christiana Figueres, said the Doha Conference is unique in many senses – it will mark the closure of the first commitment period of the KP and launch the next commitment period, move the BAP from plan to action and a future framework (under the Durban Platform) that will be applicable to all in accordance with equity and which addresses the science.

She said the draft documents for decisions (under the KP and BAP) are not final but which Parties are familiar with and they are mature enough to find a common ground in an open and transparent manner.

Also present at the COP plenary was Chair of the AWG-LCA, Mr Aysar Tayeb (Saudi Arabia), who said that Parties are at the last stretch of the work since the establishment of the AWG-LCA in Bali in 2007. He said Parties should work together towards a successful closure of the Working Group that brings a meaningful end to its five fruitful years. He believed that Parties had made good progress with many options on various issues that needed to be consolidated, and where solutions have to be found to reach an agreed outcome.

Speaking for the Group of 77 and China, Algeria said it was deeply concerned with the slow progress in the negotiations, reiterating that the KP is the cornerstone of the climate change regime and urged Annex I Parties who intend to join the 2CP but have not submitted their commitment to do so quickly. In addition, it also urged those Annex I Parties that do not intend to join the 2CP to take comparable commitments.

To ensure the successful completion of the two pillars of the Bali Roadmap, it said the AWG-KP and the AWG-LCA must include the formal adoption of the 2CP and called upon developed countries to increase their efforts in providing support for adaptation, finance, technology transfer and capacity building towards a successful closure of the AWG-LCA.

El Salvador, speaking also for Argentina, the Philippines, India, China, Saudi Arabia, Egypt, Pakistan, Dominica, Bolivia, Cuba, Ecuador, Nicaragua, Venezuela, the Democratic Republic of the Congo, Malaysia, Mali, Algeria, Iran, Kuwait, Sudan and Iraq, said COP 18 represents an important milestone for Parties to strengthen the multilateral climate regime and enhance collective ability to address climate change under the principles of equity and common but differentiated responsibilities.

It said the Doha COP is taking place in the backdrop of the Durban conference last year where Parties were able to take a set of fairly ambitious and comprehensive decisions which need to be seen as a delicately balanced 'package' built around 'mutual reassurances' by Parties. As Parties commenced deliberations in Doha, they must be mindful that this carefully balanced package must not be unravelled.

It stressed that a decision is only as good as its implementation. Doha therefore must earn its place in history as the COP that was able to ensure the implementation of the decisions of Durban and successfully conclude much of the ongoing work of the past years. It urged Parties to respect the high-level political consensus reached by leaders in Rio+20 that reaffirmed that Parties to the UNFCCC and the KP should protect the climate system on the basis of equity and in accordance with the principle of common but differentiated responsibilities and respective capabilities.

Parties, it said, must seek to preserve and build on the architecture of the Convention and its KP as has been developed over almost two decades and act against the unravelling of the international climate change architecture into a weaker regime based entirely on political expediency.

Our actions, it added, must be anchored on a deep sense of urgency. The need for urgent action on climate change is clear, particularly in the pre-2020 period. Developing countries and countries that are most vulnerable to climate change cannot afford to wait.

One of the key elements of the Durban package is the understanding that the work under the AWG-KP and AWG-LCA would be comprehensively resolved at Doha. Moreover, the work of the Durban Platform is also not taking place in a vacuum and has to necessarily build on the work of the KP and LCA. Therefore, a meaningful and comprehensive outcome in the KP and LCA tracks is the first and necessary element of a successful Doha outcome.

It also emphasised that the Doha COP must ensure that Annex I Parties take on ambitious and legally binding mitigation commitments under the KP, that Parties achieve the full, effective and sustained implementation of the Convention in accordance with the BAP, and that the ambition gaps on mitigation and means of implementation are closed prior to 2015 to ensure the highest level of effort by all Parties. These would then provide a sound basis for the Durban Platform negotiations towards a new protocol, legal instrument or agreed outcome for legal force under the Convention.

It further said that the work under all the negotiating tracks in Doha should be undertaken in the full understanding that commitments under the Convention and KP should be complied with under the principle of *pacta sunt servanda*, and that the exception for non-compliance may be applicable as a future basis for action in the event that there are commitments that have not been complied with.

Venezuela, speaking on behalf of ALBA (Bolivia, Cuba, Dominica, Ecuador, Nicaragua and Venezuela), recalled that in Bali in 2007, Parties agreed to discuss how to enhance the Convention in order to open up the dialogue with the only Party (referring to the United States) that was not a Party to the KP.

In Cancun, 2010, Parties further compromised by accepting to do more and take nationally appropriate mitigation actions by all Parties. In Durban, last year, Parties further compromised in order to engage all Parties in the collective efforts to fight global warming by agreeing to launch a process leading to a new protocol while safeguarding the enormous effort made during these 20 years in multilateral negotiations. This Durban package must not be unravelled given the enormous compromises made by developing countries.

There is now a need to live up to the expectations created; that is, to present the quantified emission reductions for the 2CP of the KP Parties. Venezuela said that we must not forget the commitments of non-KP developed country Parties to make comparable efforts to reduce emissions. Both the KP and non-KP developed countries need to reflect due ambition in line with Convention principles. If these basic conditions are not met, it is unreasonable and unfair to ask for even more flexibility (for developed countries to reduce their emissions). In this regard, the ends do not justify the means, referring to the obsession of developed countries with market mechanisms and we must not lose sight of our ultimate objective.

The Kyoto Protocol devised carbon markets that allowed for flexible compliance by developed country Parties. But this implies that a target exists to reduce emissions. It is not reasonable to expect access to these markets if no commitments are forthcoming, let alone create new ones outside the multilateral rule-based system. This would simply destroy the credibility of the system and set back all efforts to reduce emissions. Developed countries have to be more ambitious, not less.

China, representing the **BASIC group of countries of Brazil, South Africa, India and China,** said climate change is a cross-cutting challenge that undermines the ability of developing countries to achieve sustainable development. To address such a global challenge, the international community needs to strengthen the current multilateral rules-based climate regime and take concrete actions in accordance with all the principles and provisions of the Convention. The political consensus reached by the leaders in Rio+20 reaffirmed that Parties to the UNFCCC and the KP should protect the climate system on the basis of equity and in accordance with the principle of common but differentiated responsibilities and respective capabilities, which provided the highest political guidance to the Doha Conference and our future negotiations.

It said despite sustainable development and poverty eradication remaining urgent challenges and overriding priorities of developing countries, they are already taking ambitious actions to reduce emissions, and as affirmed by many academic reports of reputed international organisations, their mitigation contribution is much greater than that by developed country Parties who have greater historical responsibilities and who should take the lead in combating climate change.

It urged developed country Parties to honour their commitments to reduce their emissions ambitiously and provide adequate financial, technology transfer and capacity building support so as to enable developing countries to take actions on combating climate change.

The key tasks at Doha include establishing a ratifiable legally binding 2CP under the KP which must enter into force as of 1 January 2013; concluding the work by reaching an agreed outcome under the AWG-LCA pursuant to the BAP, including comparability of effort amongst developed countries, whilst ensuring implementation of the financing commitments by developed countries for adaptation and mitigation during the implementation of the Bali Roadmap outcomes, and to plan the work of the Ad hoc Working Group on the Durban Platform for Enhanced Action (ADP).

It stressed the importance of issues related to means of implementation, in particular the full operationalisation of the institutional mechanisms such as the Adaptation Committee, Green Climate Fund, the Standing Committee on Finance, Technology Executive Committee, Climate Technology Centre and Network and so on. It reiterated the importance of achieving the goal of providing US$100 billion per year by 2020 as committed by developed country Parties and underscored the need for a roadmap to scale up financial resources in order to avoid the funding gap for the period from 2013 to 2020. It also called for concrete information on the implementation of the Fast Start Finance to ensure transparency.

Representing the Alliance of Small Island States (AOSIS), Nauru noted that the Doha Conference is nothing less than preserving the fundamental integrity of the climate change regime, and that must begin with a strong 2CP under the KP. The KP is the legal embodiment of the commitment made by Annex I Parties to take the lead in addressing climate change. It is only because of the promise of a 2CP that the developing world agreed to enter negotiations under the Durban Platform on a new legal agreement ‘applicable to all’.

It added that bringing all countries under one protocol is a fundamental change in the regime with potentially far-reaching implications, but it was also part of a larger package. It warned that if the developed world shirks its responsibility, then there will be no chance of a meaningful legal agreement under the Durban Platform.

It stressed that a 2CP cannot be in name only; it must be ambitious and it must be credible. It must include more ambitious quantified emission limitation or reduction objectives (QELROs) from Annex I Parties, a five-year commitment period, provisional application, flexibility mechanisms limited to those Parties taking on internationally, legally binding mitigation commitments, and lastly, strict limits on the carry-over of surplus AAUs (Assigned Amount Units), as proposed by the G77 and China.

It lamented that the offer from partners (referring to Annex I Parties) currently on the table is deeply inadequate in ambition and would subvert the integrity of the international regime, and thereby jeopardise the entire Durban package. If developed countries cannot live up to their current obligations, how can we have any confidence in a future agreement, it asked.

It said long-term finance was the missing element of the Durban package and it must not be forgotten in Doha. Concrete commitments towards fulfilling the promised US$100 billion per year by 2020 are needed. As it now stands, the Green Climate Fund is an empty shell and the fast-start financing period will conclude at the end of this year.

It called for the commencement of a second fast-start-like period from 2013 to 2015, as well as a common accounting rule to ensure that these funds are truly new and additional.

It also called for the establishment of an international mechanism to address loss and damage from the adverse effects of climate change as it takes on even more urgency in light of the low mitigation ambition reflected in current pledges, the worsening of climate impacts, and the inadequacy of international support for adaptation strategies in vulnerable countries.

AOSIS, it said, is here to ensure that our rhetoric is reflected in our actions. How can we accept an outcome that lacks environmental integrity and pats ourselves on the back for having reached an agreement that fundamentally jeopardises our future?

Gambia, representing the Least Developed Countries, said it understood that this year's negotiations are particularly challenging. It has agreed to step out on a new path leading beyond 2020 but Parties must first resolve unfinished business from the Bali Roadmap. For a successful completion and termination of the AWG-LCA, it said, Parties must agree on comparable targets and common accounting rules ensuring transparency and coherence across developed countries including those that are not Parties to the KP.

It urged Parties to prepare a roadmap and a timeline from 2012 to 2015 and identify clear milestones for the ADP to ensure it finalises its work on time without delay. Parties must prepare a 2013 work plan for both work streams – post-2020 regime and pre-2020 ambition – leading to a COP decision in Doha.

It also hoped that the year with a monster storm and scorching heat waves, as well as the re-elected leadership will lead the United States to be more active and no longer a disinterested bystander in this process.

Swaziland speaking for the African Group said the Doha Conference came at a time the world is experiencing severe weather phenomena which are clear indications that Parties need to make decisions to increase efforts for a successful conclusion to the work of the AWG-LCA and operationalisation of all the institutional mechanisms agreed since Cancun in 2010. It also would like a decision on financing from 2013-2020 and scaled-up adaptation finance through the public sector.

Nicaragua, speaking on behalf of the Central American Integration System (SICA), Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Panama, expressed deep concern over the minimal progress made so far in these negotiation, with more intense extreme events and frequent loss of life, catastrophic damage and impact to infrastructure, economy and natural ecosystems in its region.

It noted that developed countries are still not fulfilling their legally-binding commitments but are insisting on greater conditionality on developing countries. It further noted with great concern that the trends are more oriented to the flexibility and weak agreements based on mechanisms of 'review and promises' for developed countries, which does not contribute to the level of ambitions that is needed from all Parties.

It called on Annex I countries to meet their binding obligations through new ambitious mitigation commitments for a second term and thus reduce their emissions of greenhouse gases by at least 45% from the level of 1990 as a major contribution and equitable way to achieve the objectives of the Convention.

It is, therefore, essential that a ratification of a 2CP of the KP is adopted by the Doha COP as a condition for a successful COP 18 with Annex I countries submitting ambitious QELROs to meet their emission reduction commitments. It expressed concern that some Annex I Parties, instead of increasing their ambition, had refused to ratify or expressed their withdrawal from the KP.

Speaking for the Arab Group, Egypt said it is hopeful that Doha will be a turning point of international efforts to address climate change; a new transition that will build the package and lay down sound basis for the plan; a juncture that reaffirms the principles of the UNFCCC .

It said all Arab countries are affected by climate change and the future of the international regime must be based on science, equity and fair distribution of burden. The developed countries must pioneer the effort in view of their historical responsibilities in line with the common but differentiated responsibilities.

Representing the Environmental Integrity Group (Liechtenstein, Mexico, Monaco, South Korea), Switzerland said Doha will be the moment to consolidate institutions established in the last two years and move forward with closure of the AWG-LCA. It said that mitigation actions had been strengthened under the KP; finance and technology transfer had its role under the UNFCCC; and there was a need to identify ways and means to scale up current finance to 2020 and the role of the private sector contribution clarified.

Australia, representing the Umbrella Group (Canada, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation and the United States), said Durban was possible because Parties struck a genuine compromise with a deal that had something for everyone and involved everyone. It said Parties need a vision for the future that will strengthen cooperation in line with the global goal. It agreed that KP Parties must conclude a 2CP that will start on 1 January 2013 with binding targets; a conclusion to the AWG-LCA and closing that body so that outcomes on finance, capacity-building and technology transfer can be moved to other bodies that Parties have identified.

The European Union, representing 27 countries and Croatia, said keeping temperature rise to the 2°C objective is still achievable if Parties intensify cooperation. It encouraged the newly re-elected US President and the new leadership of China to demonstrate leadership. It acknowledged that current pledges only take us halfway to below 2°C, adding that it had submitted its emission reduction pledges for a 2CP and urged those who have not, to do so.

It reiterated that closing the AWG-LCA does not mean important issues have no place to have them addressed as they can be done in other bodies.

On the 2CP, it said the EU is strongly committed and preferred an eight-year ratifiable agreement to ensure environmental integrity and continuity of the KP mechanisms. It further said the EU will meet its US$7.2 billion fast-start finance promise and it will continue to provide climate action support after 2012 and would identify a pathway for scaling up of climate finance to US$100 billion by 2020.

Indonesia, representing the Cartagena Dialogue for Progressive Action (Australia, Bangladesh, Burundi, Chile, Colombia, Costa Rica, Denmark, the Dominican Republic, the European Union, France, Gambia, Germany, Ghana, Kenya, Lebanon, the Marshall Islands, Mexico, The Netherlands, New Zealand, Norway, Panama, Samoa, Spain, Sweden, Switzerland, Tajikistan, the United Arab Emirates, and the United Kingdom, said they shared a common objective to finalise a 2CP in Doha and recognised the importance of working together constructively to resolve the outstanding issues to achieve this objective.

It stressed that important issues should continue to be developed and implemented through the Subsidiary Bodies and other processes which have been established, and reaffirmed their expectation that the AWG-LCA will successfully conclude its work in Doha.

It also highlighted the importance of moving forward with purpose in Doha on both work streams under the ADP – the negotiation of a comprehensive legally binding agreement by 2015; and the urgent need to raise pre-2020 mitigation ambition. These are key elements of the balanced outcome that we need to see in Doha.

During the segment for civil society interventions, a representative from the **youth** constituency said that developed countries were cheating on mitigation, on money, and on the Durban mandate, while blaming and shifting responsibility to the developing world.

TWN
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Doha Must Deliver Strong and Effective Second Commitment Period, Says G77/China

Doha, 27 November (Fauwaz Abdul Aziz) – Doha must deliver a strong and effective second commitment period under the Kyoto Protocol.

This call was made by Algeria, speaking for the G77 and China at the opening plenary of the 8th session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 8) held on 26 November.

Meanwhile, New Zealand announced in the plenary that it would not commit to emissions reduction under a second commitment period. Australia said it would make a commitment under the second commitment period.

(However, Australia's target that works out to be 5% below 2000 levels by 2020 was strongly criticised by the Green Party member of parliament, Senator Christine Milne, in a press release of 26 November that described it as 'an insult to countries like China and India, which have far lower emissions than ours both per capita and per unit of GDP. And it's an absolute slap in the face to our neighbours like Tuvalu and Kiribati, whose very survival depends on rich countries like Australia doing as much as we can to tackle global warming.' The statement also said that, 'this kind of behaviour at international climate talks, with rich countries refusing to pull their weight, is exactly why the world is still waiting for a global deal. Why should poorer countries act while we refuse to do our fair share?')

Algeria for the **G77/China** said Doha must deliver a strong and effective second commitment period of the KP that preserves environmental integrity. Parties must have the willingness to resolve the remaining legal and technical issues that will allow us to reach a multilateral consensus and to strengthen the spirit of international cooperation.

Algeria referred to the outcome document of the Rio+20 Conference on Sustainable Development which urged Parties of the KP to fully implement their commitment as well as decisions adopted under those agreements. During this CMP 8, Parties must work together with urgency and a common purpose to deliver the mandate collectively committed to more than six years ago to complete the work of the working group of further commitments for Annex I Parties under the KP (AWG-KP), in time, to ensure that there is no gap between the first and second commitment periods.

Algeria said that by the opening of the Doha Conference, only some Annex I countries had expressed their intention to participate in taking mitigation commitments and presented information on their 'provisional' quantified emission limitation or reduction objectives (QELROs). A higher level of ambition on the scale of emission reductions in aggregate as well as joint and individual contributions of Annex I Parties must be ensured in order to overcome the wide gap between the insufficient pledges that are currently on the table and what is required by science, equity and historical responsibility, said Algeria.

The G77 and China expected the Annex I Parties to the KP to put forward ambitious quantified emission reduction commitments for the second commitment period following the expiry of the first commitment on 13 December this year. The Durban outcome (of the Conference of Parties in 2011 – CMP 7) invited Annex I Parties to submit information on their mitigation commitments or QELROs by 1 May 2012 in order to enable the AWG-KP to deliver the results of its work on QELROs in Doha, said Algeria.

A second commitment period under the Kyoto Protocol must be established as the basis for comparable Annex I emission reduction commitments by those countries not Party to the KP by the second phase of the Protocol, Algeria said further.

Algeria said that at Durban, CMP 7 mandated some specific work for narrowing down technical aspects required for adopting a CP2 under the Kyoto

Protocol in Doha. These issues include the submission of QELROs; provisions for ensuring a smooth continuity between commitment periods and rules for the use of excess units as well as the flexibility mechanisms.

It stressed the importance of the full implementation of the Durban package in all its aspects, including the achievement of a quality legal second commitment period, the successful conclusion of the work of the AWG-LCA, in line with the Bali Action Plan and the substantive progress made in the Cancun and Durban decisions, incorporating comparable ambitious targets for Annex I non-KP Parties.

The Philippines, speaking also for Algeria, Argentina, Bolivia, China, Cuba, the Democratic Republic of the Congo, Dominica, Ecuador, Egypt, El Salvador, India, Iran, Iraq, Kuwait, Malaysia, Mali, Mauritania, Nicaragua, Pakistan, Paraguay, Saudi Arabia, Sri Lanka, Sudan, Venezuela and itself, emphasised that the KP is the only legally binding, rules-based instrument with quantitative emission reduction targets for Annex I Parties.

As such, it must be preserved because it is consistent with what science requires, and it is in Doha that Parties are faced with the last possible opportunity to operationalise the second commitment period under the KP without any gap between the first and second commitment periods.

It said that Parties were thirty-five days away from the end of the first commitment period and that perilous gap. Therefore, above all else, Doha must be the KP-CP2 COP. A meaningful and effective second commitment period of the KP must be the single biggest measure of success in Doha, said the Philippines.

It noted, in particular, several matters as being the benchmarks of success for the KP:

- Annex I Parties to the KP must commit at Doha to ambitious QELROs to be provisionally applied with effect from 1 January 2013, putting them on a pathway to reducing their emissions to at least 40-50% below 1990 levels by 2020 while ensuring emissions reduction by at least 25-40% by 2017;
- The above, in turn, should result in the adoption of an ambitious agreement, through amendments to Annex B of the KP, for a second commitment period of comparable, single-number, unconditional, and legally binding emission reduction targets for developed countries under the KP, to be applied starting on 1 January 2013. In order to be meaningful, the emission reduction targets of Annex I Parties must be sufficiently deep and in line with the requirements of actions to curb rising temperatures, at least within the range of 40 to 50% below 1990 levels by 2020 while ensuring emissions reduction of at least 25-40% below 1990 levels by 2017. Annex I Parties that are not Parties to the KP, or who have withdrawn from the Protocol, or who do not intend to join the second commitment period, should also take on comparable and ambitious emission reduction commitments under the LCA;
- And it should also result in access to the KP's flexibility mechanisms being made available only to those Annex I Parties that have commitments under the second commitment period of the KP;
- It should also result in the KP's compliance mechanism being made applicable to commitments under the second commitment period; and
- It should result in the use of surplus units from the first commitment period being limited in the second commitment period to protect the environmental integrity of the second commitment period. I reiterate the G77&China position on carry-over of surplus Assigned Amount Units (AAUs).

The Philippines also expressed concern with the lack of funding for the Adaptation Fund under the KP, despite it being the only operational fund that allows developing countries direct access to be able to implement crucial and urgent adaptation actions on the ground. The future of the Adaptation Fund likewise depends on these same benchmarks we have laid down. The future of the Fund therefore depends on the future of the KP, said the Philippines.

Nauru, for **AOSIS,** said what the world expects from Doha is a new set of clear, ambitious and credible emission reduction commitments from Annex I Parties for the Protocol's second commitment period, which will begin in just over one month's time.

Such commitments, AOSIS believes, should be established in the context of a five-year second commitment period under the KP to run from 2013 to 2017, and there should be no gap in the legally binding nature of commitments between commitment periods through agreement on the provisional application of amendments pending their ratification.

The emission reduction commitments we agree to under the KP are the most visible part of Kyoto's multilateral, rules-based system, and we all know that the level of ambition of the Kyoto commitments has for years set the tone for the international process as a whole. These commitments must send a signal to the world that we are serious about addressing climate change, and that our multilateral process can deliver internationally legally binding commitments on a scale that responds to what the science demands, and with the urgency required.

While AOSIS expressed appreciation to the large and growing number of Annex I Parties that have unambiguously expressed their willingness to participate fully in the Protocol's second commitment period through binding commitments in an amended Annex B, and look forward to similar expressions of willingness from a broader group of Parties as we go forward, it also lashed out at the laggards who have demonstrated lack of commitment to the goals of the KP.

We all know that we have clear leaders in this process, and we have clear laggards. And there is a reason we focus on the leaders. Although the KP covers only a subset of Annex I emissions, the KP is where those Annex I Parties that are truly committed to addressing climate change demonstrate this leadership by taking ambitious, legally binding individual emission reduction commitments, said Nauru.

In weighing up a move to deeper commitments, AOSIS asked all Parties to put the interests of vulnerable countries on the scales with their own interests, and to really consider which way these scales should tip. The numbers we adopt here under the Kyoto Protocol are not just abstract numbers. These numbers represent emission levels that translate directly to lives lost, to land areas lost to sea level rise, to families displaced due to droughts and floods, and to suffering that some of us cannot begin to comprehend. It is not an exaggeration to say that over time, as a result of action taken or not taken here in Doha, we may see whole languages, cultures and potentially whole countries lost, it added.

Parties must also ensure – here in Doha – that hot air and surplus units are not allowed to diminish the effective emission reductions delivered. The carry-over of surplus Kyoto units must be addressed decisively in Doha because it holds the potential to completely erase what may otherwise be achieved from CP2 commitments.

AOSIS said other issues of importance include the extension of the share of the proceeds to provide much-needed revenue for the Adaptation Fund, the improvement of the environmental integrity of the Kyoto mechanisms, and the reaffirmation of the eligibility rules to ensure that only Parties with legally binding QELROs in Annex B for the second commitment period remain eligible to participate in the flexible mechanisms.

China, speaking on behalf of Brazil, India, South Africa and China (BASIC), expressed concern about the low level of ambition reflected in the QELROs submitted by Annex I countries that are Parties to the KP, saying these are far below what is required by science and the Annex I countries' historical responsibility for climate change.

These countries should raise their level of ambition reflected in the QELROs in Doha and beyond. It called for the continued discussion on higher QELROs. It reiterated the perspective that Annex I Parties leaving the KP to present their mitigation contribution under the AWG-LCA can only be the reflection of reduced political will to cut their greenhouse gas emissions. These developed country Parties should undertake quantified emission reduction commitments under the Convention which should be comparable in terms of form, magnitude and compliance. It is our understanding that developed countries that are not Parties to the KP or do not participate in its second commitment period should not benefit from the Clean Development Mechanism (CDM) of the Protocol.

Swaziland, on behalf of the **African Group**, stressed the successful adoption of the second commitment period under the KP as the single most important outcome from Doha, and expressed the hope that the AWG-KP would finalise its mandate regarding all outstanding issues.

The African Group, which represents the most vulnerable people on this global who contribute very little to greenhouse gases, expects nothing less than a resounding success in the agreement of a second commitment period, whereas anything less than this undoubtedly will constitute the worst failure by any CMP ever.

The African Group said it looked forward to discussing in Doha issues related to CDM, the lack of funding for the Adaptation Fund, the slow pace of accrediting national implementing entities due to the strenuous process that poor developing countries with less capacity have to follow, the loopholes that continue to exist in the KP system, and the withdrawal of certain Parties from the first commitment period and the KP itself.

The **European Union** said its commitment to a second commitment period is demonstrated by its submission of QELROs and its preparedness to adopt an amendment to the KP that inscribes a new QELRO for the EU and its member states in Annex B. Referring to EU legislation, it said it had already implemented its QELROs into legally binding commitments to ensure that the EU and its member states comply with their obligations and fulfil the 2020 target.

It said that it should go without saying that ratification of the amendments to the KP is clearly an EU objective. Once the EU left Doha with an amendment to the KP, it would start the immediate application of the second commitment period in Doha as of 1 January 2013, regardless of the timing of ratification of other Parties. The EU said it will also initiate its ratification processes as soon as possible. It was for a legally binding second commitment period.

Australia, speaking for the **Umbrella Group (Japan, Kazakhstan, NZ, Norway, Russia, the Ukraine, Australia),** said all Parties must preserve and build on the Durban compromise by ensuring that the second commitment period of the KP becomes operational on 1 January 2013 and thereby make good on one major element of the Durban deal. The other essential and intrinsic elements of the Durban compromise that must move forward involve progress in the Durban Platform and by concluding an agreed outcome in the Ad Hoc Working Group on Long-term Cooperative Action.

Explaining its recent announcement that it was ready to join a second commitment period of the KP alongside its Umbrella Group colleagues Norway, the Ukraine and Kazakhstan, Australia said it had made its QELROs submission and said it will work constructively with Parties to resolve the key outstanding issues through the AWG-KP so that the second commitment period starts from 1 January next year.

New Zealand, on the other hand, said it had decided not to commit to a second commitment period but remained committed to active participation in the efforts against climate change. It believed that the new rules in the KP would exercise a strong influence on the future agreement to be forged and as such it will act in accordance with its rules.

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AWG-LCA: Developed Countries Oppose Chair's Overview Text

Doha, 28 November (Meena Raman) – The opening plenary of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) under the UNFCCC, held on Tuesday, 27 November in Doha, saw Parties divided over how to treat the informal overview text produced by its Chair, Mr. Aysar Tayeb (Saudi Arabia).

The AWG-LCA is tasked with reaching an agreed outcome under the Bali Action Plan (BAP). Tayeb had prepared an informal overview text (referred to as Conference Room Paper 3 or CRP3) for the Doha session, which he said was to 'facilitate discussions among Parties on the different ideas and proposals presented'.

While many developing countries and their groupings welcomed the text as a basis for negotiations, developed countries including the Umbrella Group (Canada, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation and the United States), the European Union, Switzerland and Mexico expressed objections to the text, not wanting it to have any basis for further discussions.

There was a very lively and colourful exchange between the Chair and Parties regarding the text, with references to whether it was a meal with the right ingredients for all Parties to eat from, given the wide range of options presented which reflected the different views of Parties.

Several developing countries including the Philippines, China, India and Pakistan pointed out that the options under several elements of the text provided a wide range of proposals reflecting the proposals of all Parties, including the option of 'no text' in some cases (such as addressing intellectual property rights [IPRs], unilateral measures, long-term finance and cooperative sectoral approaches for mitigation), which reflected the position of developed countries.

Tayeb, in his opening remarks, said that the Conference of Parties (COP) in Durban had set the objective clearly of the working group to successfully finish its work and reach an agreed outcome, which will be forwarded to COP 18. He said that work began this year with a comprehensive evaluation of the issues under the BAP and good progress has been made which highlighted the achievements and the remaining work to be completed. This was the last stretch, said the Chair.

On the organisation of work, Tayeb said that this session of the working group was a resumed session and work will proceed under a single contact group. There will be informal open-ended consultations on issues and there will be a stock-taking session to have an overview for feedback and interactions.

He recalled that at the end of Bangkok, he had prepared an informal overview note to reflect the discussions and he did further work to produce the informal overview text. He said that it had a broad spectrum of views including options for no further discussions in some areas. In some areas, where there were many ideas that had been put forth but had no structure, he attempted to provide structure to help further exchanges. In some areas, Tayeb foresaw that discussions may not conclude, and he attempted to indicate some places where the work can be discussed further after the closure of the AWG-LCA. The text, he said, provided clarity on the choices before Parties and suggestions on where further work may take place. He was looking forward in the first week for reactions and for a sense of direction towards the outcome Parties are seeking. This could be substantive agreement in some areas where agreement can be reached and where issues cannot be completed, it was useful to get indications where dialogue or further work can take place, referring to many calls for 'finding homes' for these issues.

Tayeb said that it was important to get direction earlier on in the week, so that the text could be revised and where areas may be narrowed to bring a closure and to see what a draft agreed outcome may look like. Given the many options on the table, he urged Parties to find solutions.

Algeria, speaking for **G77 and China,** recognised that important progress has been made in the negotiations of this working group over the past years and wanted an outcome that is comprehensive and balanced, enabling the full, effective and sustained implementation of the Convention and addressing both implementation tasks and issues that are still to be concluded. Such a result must fully respect the Convention and the Kyoto Protocol, the two-track negotiation as mandated by the Bali Roadmap, and rendering operational the decisions reached in Cancun and Durban, it added.

For the G77 and China, mitigation is an important part of a balanced and ambitious outcome in Doha. Therefore there is a need for balance, both within mitigation and between mitigation and adaptation as well as finance. In this context, priority must also be given to ensuring that raising ambition is enhanced, including on technology transfer, finance and capacity building. It must also ensure that developing countries receive adequate support to implement actions agreed in Cancun and in Durban. Furthermore, it believed that a second commitment period under the Kyoto Protocol must be the basis for comparable Annex I emission reduction commitments of non-Kyoto Protocol Parties, thus maintaining the stringency of obligations for all Annex I Parties.

With regard to adaptation, the Group welcomed progress made towards a full operationalisation of the Adaptation Committee, keeping in mind the importance of creating the proper linkages to other institutional arrangements, in particular to the operating entities of the financial mechanism, as well as to other adaptation-related arrangements that are being discussed under the SBI.

It welcomed the discussion within the Adaptation Committee held this September in Bangkok and we look forward to constructively engage at this session for assigning priority to its full operationalisation as soon as possible through the three-year rolling work plan to be adopted in Doha.

On the development and transfer of technologies, the G77 and China recognises the work done by the Technology Executive Committee during its meetings it had this year and the efforts made to set its work plan for the next two years. However, in order to fully implement the Technology Mechanism established in Cancun, it is of utmost importance to translate this work plan into actionable, achievable tasks that add value to technology development and transfer.

The G77 and China believed that the main source for long-term finance should be public funds mobilised by developed countries, so as to ensure the adequacy and predictability of new and additional finance to mitigation, adaptation, technology development and transfer and capacity building costs in developing countries, and to redress the historical imbalance in financing for adaptation. Long-term finance should include the initial capitalisation of the Green Climate Fund to become operational here in Doha. Therefore, developed countries should announce the pledging of climate financing of at least the size of Fast Start Financing for the Green Climate Fund (GCF) for the period 2012-2015.

On the same issue, the Group recalls that the GCF, as an operating entity of the Convention, must therefore be guided by the COP and that the arrangements of the relationship between the GCF and the COP should be established by the COP. There is also a need to address the gap in financing between the end of the period for fast-track finance, 2012, which is upon us, and the period when long-term finance should start. In addition, the G77 and China recognised the importance of mobilising significant funding, in accordance with the principles of the Convention without transferring financing burden to developing countries.

Australia spoke for the **Umbrella Group**. On how to close the work of the AWG-LCA, Australia said that there was a need for a good, transparent and Party-driven process, and to focus on areas where there is potential for convergence.

It said that it cannot use the text the Chair had drafted as a basis for negotiations. Its concerns with this text are both procedural and substantive. Australia said that the process the Chair had used to put forward this text was most unusual. 'This is a Party-driven process, and Parties did not ask you to prepare this text, and there were no consultations prior to or during its development – either on the manner in which we would come to agreement, or about the substance that would be addressed,' it added.

It expressed extreme disappointment to see a textual offering that 'sets out polar options', when instead, focus should be on identifying where there is potential to come to convergence and to an agreed outcome. Australia added that Parties could not afford to be divided by their differences, and this text caused divisions. It proposed now that priority must be the issues where further work was mandated at Durban. It wanted facilitators to work in close cooperation with Parties to move these conversations forward, and into text at the right time.

On the issues not mandated in Durban, it was prepared to continue to discuss whether there are areas where there is shared understanding on the need for text under the AWG-LCA, and if so, what that text might say. Australia said that Parties may find that there is no agreement – and if there is not, 'our standard procedure would be not to have any text or decisions. We do not, as a matter of good practice, list all the areas of our disagreement – but rather, capture our agreement in text we put forward. This discussion should take place in a single group with all unresolved issues considered together. This process could also benefit from closer Party involvement, and suggest that a pair of Party co-facilitators be appointed to assist you in this process,' it added further.

Recalling the achievements already made under the BAP, Australia said it was time to deliver the deal reached in Durban in Doha, in closing the AWG-LCA transit to a full implementation and delivery phase. Australia said that Parties have ensured that work will continue to be delivered by the permanent subsidiary bodies of the Convention, and the new institutions and processes we established through the AWG-LCA, in their own dedicated homes.

On fast-start finance, it said that developed countries committed to provide approaching $30 billion in new and additional resources in the period 2010 to 2012 to support mitigation and adaptation in developing countries. Australia said that as of today, the Umbrella Group countries have announced a total of $24.4 billion in contributions to fast-start finance. The European Union has recently announced that it has provided the equivalent of $9.2 billion in fast-start finance. This means that publicly announced fast-start finance provided by developed countries now exceeds $33 billion, it added.

Switzerland, speaking for the **Environmental Integrity Group,** also recalled the achievements already made under the work of the AWG-LCA and said that the Chair's text could not be used as a basis for negotiations. It said that consensus will not be reached on all the issues.

The European Union in reference to the Chair's overview text said that it was surprised by it and that it did not provide a good basis for agreement. The text, it said, was not balanced and does not prioritise tasks mandated by the Durban outcome. It said that it would be more productive to focus on areas of convergence and where it is possible to achieve further progress. The EU also recalled all the achievements that have been reached under the AWG-LCA. It wanted discussions to focus on the mandated issues from Durban. This, it said, included modalities for market mechanisms, clarifying 2020 mitigation commitments and actions, and rules underpinning those commitments. It said that closing the AWG-LCA did not mean unresolved issues are not relevant or there will not be space to discuss them. On finance, the EU said it had delivered on fast-start despite economic issues and budget cuts. It will continue to provide finance support after 2012 and will look for ways to scale up financing towards 2020.

China welcomed the Chair's overview text and supported it. It said that in the last informal session in Bangkok, it had referred to the Chinese saying that no matter how clever a housewife is, there could be no meal if the rice was not prepared and had asked the Chair to 'prepare the rice' so that he would not be in the situation of 'a desperate housewife' upon arrival in Doha. China said that the Chair had prepared the rice, referring to the Chair's text and hoped that he could also prepare a 'delicious supper' so that the work of the AWG-LCA could come to a conclusion. It said that the text had the necessary ingredients for 'the meal' which came from a Party-driven process. There was a need to focus on substance and not waste time on procedure, stressed China. It said that progress had been made but a lot of issues are not yet resolved and not addressed and there is a need to make the necessary arrangements so that no issues are left off the table.

Responding to China's comments, Tayeb said that not all Parties eat rice and what he did was to 'go shopping to prepare a good meal'. That meal was prepared from a 'shopping list' which was the submissions of Parties. He said that he did not prepare 'a single meal but was putting together a small feast that can have different plates'.

The Philippines also welcomed the Chair's text and said that it provided a basis to build upon, including in addressing the gaps. Responding to assertions by developed countries that much has been achieved under the BAP, it said that institutions had been established but they were 'empty shells' and had become 'talk shops'. It stressed that Parties were dealing with the Bali Action Plan which means concrete action, especially on technology transfer and finance. It said that there was no meaningful capitalisation of the GCF as there was not a single cent to fulfil the needs of developing countries. The Philippines said the text had the options of all Parties including the option of 'no texts' by developed countries on finance, technology transfer and unilateral measures. It reminded Parties that only when an agreed outcome under the AWG-LCA is reached, would the working group be terminated.

Pakistan thanked the Chair for his text and said that it was not the time to quibble over procedure. It said that progress had been made under the BAP but in the area of finance, progress has been limited. There is only a goal to mobilise the US$100 billion per year by 2020 from the Cancun decision but we do not know the actual figure of the commitment, the mechanism to get there and how to get there. There are areas where progress is necessary. Some may be of the view that progress has been achieved but a sizeable number of Parties do not think so, it added.

The United States said that enormous strides have been made in establishing the institutions and mechanisms in the context of the Cancun and Durban decisions. As regards the Chair's text, the US expressed its strong view that the text is not the basis for that path on the way forward. It was looking for a process that inspired balance and confidence. Many ideas in the text could be used as reference. It wanted Parties to go back to the discussions and consider building up the text coming from Parties or identifying areas of convergence. It said that there could be text by the co-facilitators with a balanced perspective to move the negotiations.

Mexico expressed concerns over the text being used as the basis, given the many points of divergence among Parties. It suggested moving into the contact group and spin-off groups and identifying what areas can have consensus. It said that in previous COPs, negotiations began without texts.

India said that the overview text captured the entire range of views of Parties and includes the 'no text' option. Just because some Parties say 'no text' does not mean that it is not captured in the text, which the Chair has done. Without a pick-and-choose approach, there is a need to see what we can agree on and what we cannot, it added.

Iran spoke on behalf of 18 countries comprised of India, the Philippines, El Salvador, Dominica, Egypt, Saudi Arabia, China, Malaysia, Pakistan, Iraq, Algeria, Bolivia, the Islamic Republic of Iran, Sri Lanka, Argentina, the Democratic Republic of the Congo, Sudan, Cuba and Argentina.

Referring to the Chair's text, Iran said that it provided a useful basis for discussions and noted that it could be improved. It said that an agreed outcome in the LCA that comprehensively addresses all the elements contained in the BAP is an essential element for the success of Doha. This also was one of the components of the Durban Package.

It said that the AWG-LCA mandate was extended not merely to close it, but to do meaningful work on all the unresolved issues to reach an ambitious, meaningful, comprehensive agreed outcome. Parties must address all the elements under the AWG-LCA including ambitious and comparable emission reduction targets by the developed country Parties, adaptation, finance, technology transfer and capacity building. The creation of institutions for many of these issues reflects excellent progress but does not necessarily close the issues themselves, particularly as the key political issues of operationalising these institutions remain unaddressed.

This, it said is particularly true of means of implementation for developing countries. Developed countries should rise to their historical responsibilities and honour their commitment to provide developing countries with financing, technology transfer and capacity building support and to finance the effective operationalisation of the institutional mechanisms.

Developed countries must meet the goal of providing US$100 billion per year by 2020 as committed and for this purpose, and must begin efforts right now through agreeing on a roadmap to scale up financial resources in order to avoid the funding gap for the period from 2013 to 2020. Iran reiterated that public finance should be the main source of funding provided by developed countries to support developing countries' actions on climate change, in particular for their adaptation and capacity building.

It emphasised that discussions on the long-term goal for emission reductions and timeframe for global peaking under 'Shared Vision' are important issues which must be undertaken within their appropriate context and supported by means of implementation. The elements constituting this context would include, inter alia, equity, historical responsibility of developed country Parties, ensuring equitable access to sustainable development, as well as long-term goals for finance, technology transfer, adaptation and capacity building.

It also emphasised that the scope of the 'Review' must be further redefined prior to its launch, with a view to facilitating a comprehensive assessment of the implementation of the Convention. Sectoral approaches should be fully consistent with the principles and provisions of the Convention, and Parties must prohibit unilateral measures on international aviation and maritime bunker fuels.

Iran said that response measures to climate change, including unilateral ones, should be consistent with the principles and provisions of the Convention, should promote economic diversification to increase economic resilience to climate change, and should not have any trade-protectionist impacts against developing countries. Mitigation and adaptation mechanisms should also be appropriately designed and established to ensure environmental integrity, consistency with the principles and provisions of the Convention, and ensure that they result in enhanced actual mitigation efforts, particularly from developed countries.

It called for a loss and damage mechanism to support developing countries to be established, including components of risk management, risk insurance, and a compensatory solidarity fund. It was also important, said Iran, that Parties desist from an exercise of pick-and-choose when it comes to addressing issues. All unresolved issues must be addressed faithfully. Moreover, in case Parties are not able to successfully conclude some issues at this session, we must find a way to transfer them to other subsidiary bodies of the Convention so that they do not fall off the table.

Egypt for the **Arab Group** supported the Chair's text as the basis for further work in Doha. If issues could not be resolved, they could be addressed under the Durban Platform or under the COP. It stressed the need for common ground on all outstanding issues of the BAP. It emphasised the importance of adaptation, the availability of finance, and reduction of emissions in developed countries based on historical responsibility and in accordance with the Kyoto Protocol and the Convention. It wanted to see progress on the issue of IPRs and unilateral trade measures.

Bolivia speaking for the **ALBA countries** supported the Chair's text as a basis for the negotiations. It stressed the importance of agreeing on a shared vision that included the recognition of the rights of Mother Earth and also a vision for sustainable development that tackled poverty and climate change. Doha, it said, needed to define an effective response for mitigation reductions of developed countries who are historical emitters and have left the Kyoto Protocol. There cannot be a situation where developing countries are taking on more obligations than developed countries. Bolivia did not want a promotion of carbon markets which made it easier for developed countries not to do domestic actions. There need to be clear guarantees for financing and technology transfer to developing countries. There cannot be a repeat of fast-start financing, which was a recycling of aid money and loans.

China, speaking for BASIC (Brazil, India, South Africa and China), believed that it is of critical importance for Doha to reach the agreed outcome pursuant to the BAP with a view to concluding the work of the AWG-LCA. This is also required by the full and effective implementation of the Durban package in a balanced and comprehensive manner and making Doha a great success. It emphasised that a successful and meaningful conclusion of the AWG-LCA must address all the elements including ambitious and comparable emission reduction targets by the developed country Parties, adaptation, finance, technology transfer and capacity building and leave no key issues off the table, in particular issues like equitable access to sustainable development, technology-related IPR and unilateral measures.

It said that necessary arrangements were needed to ensure that any unresolved issues be taken up for continued discussions by appropriate bodies in the UNFCCC system after the conclusion of the AWG-LCA. Doha however has to provide clarity on the necessary commitment for implementation of the climate change regime from 2013 up to 2020, particularly in respect to mitigation and means of implementation by developed countries.

China highlighted the importance of means of implementation for developing countries. Developed countries should rise to their historical responsibilities and honour their commitment to provide developing countries with financing, technology transfer and capacity building support and to finance the effective operationalisation of the institutional mechanisms. It also underscored the importance of concluding, in Doha, the necessary arrangements between the Conference of the Parties and the GCF, in order to ensure that the Fund works under the authority and guidance of the Conference of the Parties.

It urged the developed country Parties to meet the goal of providing US$100 billion per year by 2020 as committed. A roadmap to scale up financial resources is absolutely necessary in order to avoid the funding gap for the period from 2013 to 2020. Public finance should be the main source of funding provided by developed countries to support developing countries' actions on climate change, in particular for their adaptation and capacity building. Concrete information on the implementation of the fast-start finance is urgently required to ensure transparency and effectiveness.

It further emphasised that discussion on the long-term goal for emission reductions and timeframe for peaking should only be undertaken with full consideration of the context and means of implementation issues. The contextual elements include, inter alia, equity, historical responsibility of developed country Parties, ensuring equitable access to sustainable development, identified ambitious long-term goals for means of implementation on finance, technology transfer, adaptation and capacity building. It underlined the need to further define the scope of the Review prior to its launch, with a view to facilitating a comprehensive assessment of the implementation of the Convention.

Gambia for **LDCs** said that under the 'Review', the peaking year and temperature goal need to be reviewed. Science is unequivocal that much more is needed. It stressed the importance of the comparability of efforts of developed country mitigation, and common accounting rules for them. Finance is key to ensure continuity of climate finance to avoid a gap and a clear signal should be sent from Doha. It also wanted the issue of loss and damage to be addressed as well as modalities for institutional arrangements and vast capacity needs of developing countries in relation to adaptation.

Nauru speaking for **AOSIS** calls for a greater sense of ambition and urgency and to accomplish this, Parties must focus work on topics specifically mandated in Durban, including the temperature goals and peaking year for emissions and definition of modalities for science-based review of temperature goal with a view to limiting temperature rise to well below 1.5°C. Doha must ensure that the commitments of countries not doing a second commitment period under the Kyoto Protocol are consistent with science and comparable to those of other developed countries. It also called for developed countries to commit to finance to avoid a gap in climate finance. It called for the establishment of fast-start finance for 2013 to 2015.

Swaziland for the African Group said that key issues remain unresolved. It stressed the importance of mitigation where there must be agreement on a clear way forward on comparability of efforts among developed countries. Mitigation actions of developing counties are voluntary and should remain contingent on support. It also stressed the importance of finance. There was a need for provision of clear support for concrete adaptation and loss and damage and appropriate capacity building. The review of temperature goal can only be taken in association with the means of implementation, it added.

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Kyoto Protocol Second Commitment Period Still Mired in Differences

Doha, 28 November (Chee Yoke Ling) – Protracted negotiations of almost seven years on the second commitment period of greenhouse gas emission reductions under the Kyoto Protocol continue to be mired in disagreement between developing and developed countries.

Developing countries want the Doha talks to produce increased ambition in emission reductions for the second commitment period (CP2) while developed countries seem set to maintain their currently weak targets, with uncertainty over the future review of those targets. Developing countries are also insisting that the CP2 be established in a ratifiable legally binding amendment of Annex B of the Protocol, that contains the quantified emission limitation or reduction objectives (QELROs) of each developed country Party. Many developing countries also want a legal provision for provisional application of the QELROs from 1 January 2013 that developed countries do not support. According to several developing country delegates, without provisional application on a legal basis, the reduction commitments would be rendered voluntary.

The 17th session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) began its last phase of work on 27 November at the ongoing UN climate conference (26 November to 7 December).

At the opening plenary of the AWG-KP, Chair Ms. Madeleine Diouf (Senegal) stressed that it is time for Parties to finalise the work of the working group and to fulfil its mandate (to consider further commitments for the period beyond 2012 and accordingly adopt in Doha a decision on the amendment of the Protocol for the second commitment period).

The unresolved issues for Doha mandated by the 2012 Durban conference are outlined in a scenario note by the Chair: (1) length of the second commitment period (5 or 8 years), and mitigation ambition; (2) legal continuity from 1 January 2013 (recognising there will be a gap before Parties can legally ratify the amendments to be made to the Protocol); (3) operational continuity from 1 January 2013 (to ensure that implementation of the second commitment period can commence on that date, with a key issue being the eligibility of Parties to access the flexibility mechanisms; and (4) carry-over and surplus of tradable units (a majority of Parties are concerned that these constitute a major loophole and can lead to developed country Parties using these assigned amount units to account for their weak targets and then effectively not undertake any emission cuts).

(Developed country Parties' Kyoto Protocol targets for limiting or reducing emissions are expressed as levels of allowed emissions, or 'assigned amounts', over the 2008-2012 first commitment period. The allowed emissions are divided into 'assigned amount units' or AAUs. More than actual emission units can be traded and sold under the Protocol's emissions trading scheme.)

Diouf stressed that addressing these issues and ensuring balance (with the other two simultaneous tracks on long-term cooperative action and further enhanced action under the Durban Platform, both under the UNFCCC) is our common task and challenge here in Doha.

She also tabled a proposal to facilitate negotiations (see document FCCC/KP/AWG/2012/CRP.1), explaining that this 'conference room paper' was prepared under her responsibility as Chair and that it will be revised as discussions progress. She explained that the proposal is based on the work of the AWG-KP to date as presented in the non-papers prepared at the end of the informal AWG-KP session held in Bangkok, Thailand on 30 August to 5 September.

Diouf further updated Parties on discussions undertaken outside of the AWG-KP, including discussions at the pre-COP ministerial meeting in Seoul, Republic of Korea, held on 23-24 October 2012 on an invitation-only basis, and informal consultations convened by the Chair in Bonn, Germany on 12-13 November on eligibility issues relating to the Kyoto Protocol second commitment period. The latter was at the request of the AWG-KP during the informal Bangkok session.

She also informed the Parties that a committee will be convened for the legal and linguistic review of the amendments to be made to the Protocol to incorporate the second commitment period, as was done when the Protocol was finalised. However, many reservations have been made by many Parties, especially regarding the composition of this committee, and she will take these reservations into account.

Parties will meet daily in a spin-off group on 'numbers' (the QELROs and aggregate reduction target) for the rest of the week, and on Saturday, 1 December the AWG-KP will meet to take stock.

As the AWG-KP began its work, Australia, Kazakhstan and Monaco has formally submitted their respective QELROs for the second commitment period and these were presented and discussed at the contact group that met immediately after the opening plenary. The weak QELRO of Australia, amounting to a 5% reduction by 2020 based on 2000 levels, was subject to several questions by other Parties.

Algeria speaking on behalf of the G77 and China outlined benchmarks for a successful outcome in Doha. The second commitment period must be ambitious and begin with effect from 1 January 2013 without any gap between the first and second commitment periods with the adoption of ratifiable amendments to the Kyoto Protocol, particularly Annex B (on QELROs).

Annex I Parties must commit to ambitious QELROs to make the second commitment period meaningful and to effectively address the urgency to stabilise the global greenhouse gas concentration in the atmosphere and limit the temperature rise to well below 2 degrees.

The access to the flexibility mechanisms must be made available only to those Annex I Parties that adopt commitments under the second commitment period.

Algeria also reaffirmed the proposal earlier submitted by the Group on addressing carry-over of AAUs (assigned amount units).

Nauru speaking for the Alliance of Small island States (AOSIS) said that in the close to 7 years spent negotiating further commitments for Annex I Parties under the Kyoto Protocol, each year has seen the impacts of climate change accelerate. It stressed that to be credible, in Doha the AWG-KP must deliver amendments to the Kyoto Protocol that establish a five-year second commitment period to run from 1 January 2013 to 31 December 2017. This second commitment period must have a single, common and legally binding base year of 1990, with commitments that are provisionally applied pending their entry into force from 1 January 2013, to ensure that there is no gap between the first and second commitment periods.

To achieve this, said Nauru, the overarching issue to be addressed in Doha is the ambition of Annex I Party commitments. Study after study has told us that the level of mitigation ambition on the table from Annex I Parties is inconsistent with the achievement of staying below 2 degrees and our goal of staying well below 1.5 degrees.

Referring to the most recent UNEP reported mitigation gap of 8-13 million tonnes by 2020, Nauru emphasised that closing this gap remains technically feasible only by increasing ambition beyond the current pledges.

It said that most of the proposed QELROs in our KP discussions derive from pledged ranges of possible reductions first presented by Parties in 2009 (at the Copenhagen climate conference). However, many of the individual QELROs brought forward are now plainly inadequate and inconsistent with pathways to the agreed global goal (of 2 degrees). Annex I Parties must present ambitious targets that are consistent with the scale of the challenge.

Nauru said that the KP must not be an exercise in creative accounting, or a public relations exercise; commitments must be real and they must deliver effective emission reductions.

It expressed grave disappointment by Annex I Parties that now claim to be 'helping' the process move forward, by retreating from their Kyoto commitments, or declining to take legally binding commitments under the KP's second commitment period in the guise of freeing themselves for a future agreement we do not yet have (referring to the Durban Platform outcome). AOSIS viewed this as an abdication of responsibility owed to the international community under the KP and an abdication of responsibility owed to the most vulnerable among us.

Nauru strongly reiterated that Annex I Parties can, and therefore must, do more. It expressed frustration at the seven years of talk and talk, and dismay at being told again and again by scientists that the grand experiment we are engaged in with the world's climate system is beyond irresponsible, as we risk crossing climatic tipping points at temperature increases even below 2 degrees. It asked, how many more times do small island states and least developed countries have to entreat developed country Parties to do more, before the fundamental injustice of climate change sinks in and Annex I Parties step up their ambition?

It stressed further that the time for an increase in ambition is here in Doha. Annex I Parties have agreed to take the lead in reducing emissions and this is the time to demonstrate this leadership decisively through ambitious, credible and transparent reductions.

Swaziland speaking for the Africa Group strongly cautioned against attempts to load this meeting with Consequential Amendments (to the Kyoto Protocol). In its view this meeting needs to agree on the rules that will apply for CP2 (the second commitment period) and agree on necessary amendments. Furthermore the meeting needs to identify the subsequent consequential amendments required and refer these to the subsidiary bodies for elaboration with a view of adopting these at CMP 9 (the 9th meeting of Protocol Parties in 2013).

It said that the other critical area that needs agreement is putting in place the transitional arrangement in the CMP decisions to avoid the operational gap (between the first and second commitment periods).

The Africa Group will advocate for an agreement on a decision to agree that Kyoto Protocol flexible mechanisms continue to exist for the second commitment period and they are available to only KP Parties that have ratified the CP2. The Marrakesh Accords (on rules) will apply to the second commitment period until identified consequential amendments are adopted at CMP 9. It said this gives certainty to markets and investors that CDM & Trading will continue without any gap.

Swaziland said that on entry into force the Africa Group has put forward a revised proposal that caters for Parties with various circumstances. There is no excuse for anybody not to join the CP2. What it will not agree to is a number of proliferating conditionalties associated with old and new QELROs and excess use of carry-over (of AAUs) in the CP2.

On the length of commitment period, the Group's position is 5 years and it requests a slot to further negotiate the level of ambition with the intention to raise the current pledges. Swaziland stressed that the Group knows that its partners are capable of more, at little cost though, and would urge them in the next ten days to demonstrate their leadership in this regard by giving more.

(The Group's call for dedicated time in Doha to negotiate the level of ambition was subsequently supported by AOSIS, and the Least Developed Countries Group, which also said that the QELROs on the table are unacceptable. The Chair indicated that this could be addressed in the existing organisation of work.)

Saudi Arabia speaking for the Arab Group of 22 countries said that the Kyoto Protocol has effectively contributed in establishing the rules of the global system to deal with climate change, and has achieved positive results. It emphasised that reaching agreement on a second commitment period during this session and the subsequent commitment periods is a legal obligation of Parties, but there must be clear commitments and ambition of Annex I Parties to reduce their emissions.

The Group also expressed deep concern over attempts to abandon key principles governing international cooperation to deal with climate change, or re-negotiate, or terminate the Kyoto Protocol and modify its provisions to evade legal responsibility of developed countries for the leadership of the international effort to reduce emissions.

It urged Annex I Parties to commit themselves to scaled-up emission reduction objectives consistent with science and the conclusions and estimates of international reports, particularly the report of the Intergovernmental Panel on Climate Change (IPCC). It also stressed the challenges posed by climate change to developing countries, especially Arab countries, to achieve sustainable development and poverty eradication, and sees the need to reach a comprehensive result on the basis of the principles and the terms of the UNFCCC and the Kyoto Protocol, taking into account the historical responsibility of developed countries for the bulk of greenhouse gases causing global warming and climate change.

Gambia speaking for the Least Developed Countries (LDCs) supported the statements of the G77, Africa Group and AOSIS. It stressed that the overarching objective of our work here is to preserve the Kyoto Protocol as the internationally legally binding, rules-based regime to ensure environmental integrity, transparency of action which is able to deliver real, substantial and verified emission reductions – that can be built on for the future regime negotiated under the ADP.

While agreeing that in Doha, we will close one chapter and open another, Gambia said however, we must understand that opening a new chapter without the proper closure of the previous one will not lead to an ambitious future but will only lead to further increasing the mistrust.

Therefore, it emphasised, the nature and scope of the outcomes of the Kyoto Protocol second commitment period will decide the fate of the ADP negotiating stream and its work plans.

Gambia added that it is therefore crucial to agree on an ambitious, internationally legally binding second commitment period with as many Annex I Parties as possible.

It said that this implies adopting a 5-year commitment period to avoid locking in insufficient ambition for a longer period of time; Annex I Parties moving to the top of their pledged ranges by removing all conditionalities; limitation of carry-over or removal of surplus Kyoto Protocol units; and the provisional application of KP amendments.

Gambia also said that we must maintain the compliance system of the KP for the second commitment period and flexible mechanisms are conditional on participation by Annex I Parties in a second commitment period under the KP.

It further said that those Annex I countries that are not Parties to the KP must also take more ambitious and comparable mitigation commitments under the LCA.

While it welcomed Australia's submission of QELROs to the second commitment period, it urged them to remove the conditions which will allow them to emit rather than reduce their emissions.

Gambia reiterated that the KP is a priority for a successful outcome in Doha, and this is what more than 100 countries in the LDC and AOSIS groups are calling for.

The Philippines, speaking on behalf of Algeria, Argentina, Bolivia, China, Cuba, the Democratic Republic of the Congo, Dominica, Ecuador, Egypt, El Salvador, India, Iran, Iraq, Kuwait, Mali, Mauritania, Nicaragua, Pakistan, Paraguay, Saudi Arabia, Sri Lanka, Sudan and Venezuela, reiterated that the Kyoto Protocol is the only legally binding, rules-based instrument with quantitative emission reduction targets for Annex I Parties. The KP is also the fundamental basis for ambition in the Climate Change regime under the UNFCCC, especially in the pre-2020 period. For this reason, it must be preserved.

The group said that adoption of a second commitment period of the KP was the key part of the so-called Durban package on which the other parts of the package depend. Therefore the operationalisation of the commitment period is the most fundamental deliverable for Doha, for which there can be no further quid pro quo.

For the KP negotiations to be successful, we must establish a ratifiable legally binding amendment to Annex B of the KP which must enter into force on 1 January 2013. The Annex I Parties to the KP must commit at Doha to ambitious QELROs to be provisionally applied as of 1 January 2013, with such QELROs putting them on a pathway to reducing their emissions to at least 40-50% below 1990 levels by 2020 and at least 25-40% by 2017.

The group stressed that the ambition question is as important as the legal one. It is important that those developed countries committing themselves to the second commitment period undertake ambitious targets so that the level of ambition is meaningful. Currently, the ambition levels pledged are very low. In order to be meaningful, the emission reduction targets must be sufficiently deep and in line with the requirements of actions to stabilise GHG concentrations in the atmosphere.

It is equally important that developed country Parties that do not commit to targets in the second commitment period of the Kyoto Protocol should undertake quantified emission reduction commitments under the UNFCCC that are comparable. Those developed countries outside the Kyoto Protocol or opting out should not get away with low emission cut targets. It is this comparability that would ensure environmental integrity in accordance with the principles of the UNFCCC. It will also be in line with the historical responsibility of all developed countries to take the lead in combating climate change.

Access to the Kyoto Protocol's flexibility mechanisms can be made available only to those Annex I Parties that have commitments under the second commitment period of the Kyoto Protocol.

The Kyoto Protocol's compliance mechanism would be applicable to commitments under the second commitment period.

The use of surplus units from the first commitment period must be limited in the second commitment period to protect the environmental integrity of the second commitment period. It is also the group's understanding that pending the ratification and entry into force of the 2CP, the issuance or transfer of any unit, CERs, ERUs, AAU by Parties of the KP will not be authorised.

The group further stressed that it is not acceptable to have the operationalisation of the second commitment period conditioned to other decisions. The second commitment period is an obligation of developed parties and already agreed to at Durban. Those developed countries that are not fulfilling their responsibility and instead are going out of the 2CP must face the world for their actions.

The group underscored that the final and proper resolution of all the issues under the AWG-KP that would render an effective and meaningful second commitment period of the KP is of paramount importance for progress in the other tracks of this process.

China speaking on behalf of Brazil, India, South Africa and China (BASIC) said the Kyoto Protocol remains a cornerstone of the international climate regime, and that its second commitment period is the key deliverable for Doha, furthermore it is an essential basis for ambition within the regime. It underscored the importance of an effective and legally binding second commitment period through fully ratifiable amendments that should enter into force from 1 January 2013.

The group urged developed country Parties to the Kyoto Protocol to raise their level of ambition in their QELROs in Doha, consistent with what is required by science and their historical responsibility. It also underscored the need for continued discussion on higher QELROs by the COP/MOP.

It also urged developed country Parties that do not commit to QELROs in the second commitment period of the Kyoto Protocol to undertake quantified emission reduction commitments under the UNFCCC that are comparable in terms of form, magnitude and compliance. The group reiterates its understanding that developed countries that are not Parties to the Kyoto Protocol or do not participate in its second commitment period would not benefit from the Clean Development Mechanism of the Kyoto Protocol.

It stressed that the Kyoto Protocol's compliance mechanism should be applicable to commitments under the second commitment period and the use of surplus units from the first commitment period must be limited in the second commitment period in order to preserve the environmental integrity of the second commitment period.

The European Union said that once we leave Doha, we will immediately apply the second commitment period, and will do this regardless of the timing of ratification and entry into force of the Kyoto Protocol amendments. However, it also said that there were outstanding issues including ambition and coherence of the overall climate regime, surplus AAUs, continuity between the two commitment periods and eligibility.

The EU said that in light of recent World Bank and UNEP reports it shared concern over the level of QELROs submitted so far and that the QELROs to be decided in Doha should be seen as a floor, not a ceiling. It reiterated its preference for an 8-year commitment period combined with a process to enable Parties to increase ambition both collectively and unilaterally during the commitment period.

It emphasised that resolving the issue of access to the market-based mechanisms is essential to make the second commitment period operational as of 1 January 2013.

Australia, speaking on behalf of the Umbrella Group (Japan, Kazahkstan, New Zealand, Norway, Russia, the Ukraine and Australia), said in Durban our ministers struck a deal to protect us from dangerous climate change and that the commitment period of the Kyoto Protocol was a central element in that deal, and bringing it to life will be essential to a successful outcome in Doha.

It said that since its inception, the Protocol (implementation) has leveraged billions of dollars of trade, investment and technology transfer for the benefit of developing and developed countries and for the climate. Parties must work in the real world and not just be numbers in an annex, and so the second commitment period must be 8 years long – this has been the basis of domestic policy processes of many second commitment period Parties. It said that form must follow function, and the notion of provisional application is impossible for some Parties to implement and will not make the second commitment period any more real for Parties or the climate.

The Umbrella Group also called for the expansion, not limitation, of participation in the KP's market mechanisms.

Liechtenstein, speaking on behalf of the Environmental Integrity Group (Mexico, Monaco, the Republic of Korea, Switzerland and Liechtenstein), also reiterated that an 8-year second commitment period is most convenient for all and that on ambition, we can make sure that the targets to be adopted here are to be the floor and not ceiling, and political will is therefore needed.

It expressed concern that the carry-over of AAUs risks undermining ambition and that we clearly need further work on ambition and cannot accept that this issue is left unsolved.

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Completion of Bali Roadmap Basis for Durban Platform Work, Say Developing Countries

Doha, 29 November (Fauwaz Abdul Aziz and Meena Raman) – Completion of the work of the existing working groups under the UN Framework Convention on Climate Change and the Kyoto Protocol should be the basis for future work under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

This was stated by the Group of 77 and China at the opening plenary of the ADP, which began its work in Doha, Qatar, on Tuesday, 27 November.

Algeria speaking for the **G77 and China** was referring to the on-going work of the Ad Hoc Working Group for Long-term Cooperative Action under the Convention (AWG-LCA) to implement the Bali Action Plan and the Ad Hoc Working Group under the Kyoto Protocol (AWG-KP).

(The AWG-LCA's mandate was extended by a year at the Durban conference in 2012 to complete its work in reaching the agreed outcome of the Bali Action Plan, while the AWG-KP is mandated to decide on further emission reduction commitments of Annex I Parties under the Kyoto Protocol. These two tracks comprise the 'Bali Roadmap'. The ADP is tasked with coming up with either 'a protocol, another legal instrument or an agreed outcome with legal force' by 2015, in order to implement climate actions from 2020 onwards and to enhance the mitigation ambition pre-2020.)

The G77 and China also stressed that the process under the ADP must not lead to the reinterpretation or rewriting of the Convention, and its outcome must be in accordance with principles and provisions of the Convention, including the principles of equity and 'common but differentiated responsibilities and respective capabilities'. Algeria also emphasised that negotiations under the ADP must be a Party-driven process, inclusive and transparent.

The ADP is co-chaired by Mr. Jayant Mauskar (India) and Mr. Harald Dovland (Norway). Mauskar said that it was important to leave Doha with clarity on the work of the ADP for next year. On the organisation of work, he said that some Parties had expressed that it was useful to have a contact group set up while others preferred to continue discussions in roundtables as was done in Bangkok (in August). He said that given the pressures under which Parties were working in Doha, having a contact group could complicate the ADP's work.

Mauskar proposed the holding of roundtable discussions for the two workstreams (workstream 1 focusing on the post-2020 outcome and workstream 2 for the pre-2020 time-frame). He said that following the roundtables, summaries will be produced by the Co-chairs. Informal plenaries will be held to take stock of emerging results as regards the workplan and possible next steps for the work of the ADP in 2013. He added that an informal plenary is a buffer between holding informal consultations and the formal closing plenary to ensure a smooth closure of the work.

Swaziland, on behalf of the **African Group,** reaffirmed the understanding that the ADP is part of a delicate balanced package of the Durban outcomes. This delicate balanced package provided a perspective of the future implementation of the Convention beyond 2020. It was of the view that Parties should demonstrate the implementation of all aspects of the Durban outcomes.

On the negotiation of the future legal agreement, the Africa Group envisions negotiations that will culminate in an enhanced multilateral rules-based regime under the Convention. The future agreement should further support the full, effective and sustained implementation of the Convention, and keep temperature increases well below 1.5 degrees Celsius. It expected the outcome of the negotiation to be ‘under the Convention’, and conform to its principles and provisions, especially the principle of common but differentiated responsibility and respective capabilities.

It envisaged an agreement that prioritises adaptation and the means of implementation, rather than only mitigation. It saw the future legal agreement as building on institutions and operational mechanisms built under the Bali Roadmap. It is from that perspective that the Africa Group is called for clarification of mitigation and finance commitments and the full operationalisation of operational mechanisms in the period 2013-2020.

It believed that work on the pre-2020 ambition provides additional opportunities to close the ambition gap. It underlined**,** ‘additional’. It is not an alternative to commitments under the KP and the LCA, and reiterated that the two working groups have sufficient space to discuss the increase of commitments. It welcomed the discussion of further actions, be they complementary, supplementary or cooperative, it emphasised that environmental integrity and principles of the Convention should form the basis of consideration of such actions.

It welcomed the Co-chairs’ proposal for discussions to continue in the roundtable format in the first week of deliberations, and thereafter convene in informal plenaries midway through the Conference to conduct a stock-taking. In the roundtable table discussions, it encouraged the Chairs to guide the discussions on the procedure and structure of deliberations next year regarding the level of ambition as well as the future legal agreement.

The Democratic Republic of the Congo spoke on behalf of the following developing countries: **India, China, the Philippines, El Salvador, Dominica, Egypt, Saudi Arabia, Bolivia, Argentina, Pakistan, Sri Lanka, Sudan, Venezuela, Malaysia, Ecuador, Nicaragua, Algeria, the Islamic Republic of Iran, Cuba and the Democratic Republic of the Congo.**

DRC reminded Parties that the decision on the establishment of the Durban Platform was part of a delicate and carefully balanced package with mutual assurances among Parties in Durban. The successful and meaningful conclusion of the work of the AWG-KP and AWG-LCA will be crucial to strengthen confidence among Parties and lay a firm foundation for the workplan of the Durban Platform. It said that the work in the ADP is still at an initial stage and there is a need to continue the informal exchange of views among Parties to enhance mutual understanding and trust.

It looked forward to continuing the informal discussions in Doha in a flexible and constructive format in accordance with the Durban decision. This should enable Parties to lay a firm foundation for the workplan under the two work-streams.

It said that work under the Durban Platform reflects an opportunity to join hands for the enhanced implementation of the Convention. DRC reiterated that the work of the ADP, under both its work-streams, is ‘under the Convention’, which means that all the principles and provisions of the Convention shall apply in totality and it is not a venue for the renegotiation, rewriting or the reinterpretation of the Convention principles.

The fact that all Convention principles and provisions are wholly applicable to the process as well as the outcome of the ADP, must be reconfirmed here at Doha, it added. This would be a crucial part of confidence-building which would enable Parties to expeditiously move forward with the negotiation of substantive elements under this working group.

It also said that the work under the ADP must be comprehensive in scope and is not limited to mitigation alone. All issues including mitigation, adaptation, finance, technology transfer and capacity-building must be treated holistically. It is important that any workplan reflects this holistic treatment, it added.

DRC said that the two work-streams under the ADP are equally important and there should **not** be a prioritisation of one over the other. A balanced approach was ideal.

It said that the question of ambition is a crucial one, but not necessarily limited to mitigation.

Moreover, this is a question that straddles all working groups and must primarily be addressed under the AWG-KP and AWG-LCA. The ambition gap between what developed country Parties have pledged and what is required by science and their historical responsibility is all too well known and is fundamental to increasing ambition in the pre-2020 period. Developing countries are already doing much more than developed countries and enhanced mitigation action by developing countries for both the pre-2020 and post-2020 periods is dependent on scaled-up provision of means of implementation, including finance, technology and capacity support from developed countries. Any supplementary and complementary actions contemplated in the pre-2020 period have to be consistent with the principles and provisions of the Convention.

China, speaking on behalf of **Brazil, India, South Africa and China (BASIC),** said the Durban Platform is not a process to negotiate a new regime, nor to renegotiate, rewrite or reinterpret the Convention or its principles and provisions, but nevertheless saw the work of the Durban Platform as working towards a future agreement that was comprehensive and covered mitigation, adaptation, finance, technology and capacity building while addressing other specific issues of ongoing importance. These elements should be equally treated and be addressed in a holistic, balanced and coordinated manner, said China.

Expressing the same concerns as Swaziland's over the ambition gap between what developed country Parties have pledged and what is required by science and their historical responsibility, China noted 'with consternation' that the mitigation contribution by developing countries had been 'much greater' than that by developed country Parties, who by right should take the lead in combating climate change. China objected to any attempt to transfer the burden of addressing climate change from developed countries to developing countries.

Speaking on behalf of the **Alliance of Small Island States (AOSIS), Nauru** said at the outset of its remarks that the pre-2020 mitigation workplan was a central element of the Durban package, an 'absolute redline' for AOSIS, and the only reason the Alliance was willing to join the consensus on a mandate for a new protocol to take effect only in 2020. In that light, it sees the formulation of a comprehensive schedule of activities under such a workplan over mitigation as a 'key deliverable' in Doha.

Nauru then outlined what it saw as priorities in Doha: firstly, an agreement on a set of intensive and focused workshops to identify the most cost-effective policies and measures to rapidly reduce greenhouse gas emissions and to identify the means required to implement such policies and measures. Such workshops should be organised along such themes as energy, industry, transport, buildings, forestry, agriculture, tourism and waste to facilitate active engagement of relevant government ministries. Furthermore, there should be regular high-level engagement in Doha to deliver political guidance and overcome inaction.

Thirdly, agreement must be reached to take action to close the pre-2020 ambition gap by way of a concerted global effort, with developed countries in the lead, in order to enhance mitigation ambition to close the ambition gap. This could be done, in particular, by the increase of ambition of current targets and nationally appropriate mitigation actions (NAMAs) and by bringing forward mitigation action where developed countries have yet to do so.

On the vision of a new legally-binding agreement, Nauru emphasised that the outcome of the ADP should be a protocol under the Convention that was universally applicable, adopted no later than 2015, and serving to strengthen the multilateral rules-based and legally-binding climate regime on the basis of science and the principles of the UNFCCC and serving to ensure the survival of small island developing states.

While progress and planning work on the post-2020 framework is important, it is important to remember that failure to close the pre-2020 mitigation ambition gap would have profound implications for the scale, scope and nature of the necessary commitments and obligations under the new protocol, said Nauru.

While preferring the creation of a contact group for each workstream, Nauru said the Alliance would support the roundtables and informal plenaries proposed by the co-chairs in the interest of moving discussions quickly to substance. It supported, however, the organisation of two additional negotiating sessions in 2013 that would enable the participation of all countries, increase the productivity of the ADP and ensure Parties can constructively and effectively engage in the important conversation of how to increase the pre-2020 mitigation ambition.

Speaking on behalf of the **Least Developed Countries, Gambia** described the ADP as the 'younger brother' of the older AWG-KP and AWG-LCA processes, which should thus be given priority in Doha while the ADP strives to complete its work. Gambia said the expectations of the Group for Doha with regard to the ADP is to conclude deliberations on a roadmap containing clear milestones towards a 2015 agreement. The ADP must also plan to receive and accommodate inputs from the upcoming Intergovernmental Panel on Climate Change Assessment reports and results and recommendations of the 2013-2015 Review (being discussed under the AWG-LCA), as part of its workplans for 2013 under its workstreams.

Australia on behalf of the **Umbrella Group** described the decision to establish the Durban Platform, signalled to the world that divisions between Parties would no longer get in the way of the goal to stabilise global greenhouse gas emissions and avoid dangerous climate change which would have severe consequences for all countries.

It said that the outcome from the ADP here in Doha must send a strong signal that work has started in earnest and with urgency in line with the mandate set in Durban. There must be a clear plan to take work forward next year in the spirit of dialogue and cooperation with open-mindedness and a willingness to understand and learn from each Party's experience, and work must go forward to bring greater focus and direction to deliver the ADP's ambitious mandate.

The **European Union** said that for Doha to deliver another balanced outcome it must include a workplan that keeps Parties on track to a new protocol 2015, in particular, the next steps for 2013. Parties need to ensure an inclusive and equitable agreement is forged in 2015, and there is a need for tangible progress in the discussions on closing the pre-2020 mitigation ambition gap as well as agree on the next steps to achieve the EU's below-2-degrees goal.

It could not wait for the 2015 Protocol before we act, said the EU. There are things Parties can and must do now to enhance mitigation ambition before 2020 through the work in the ADP, said the EU.

The ADP outcome on both workstreams must show demonstrable progress, it said and in that context, the ADP outcome on both workstreams must be captured in a decision. It strongly encouraged the ADP to produce a first draft for consideration by the end of the first week. Referring to the high-level segment of COP 18 next week when Ministers arrive, it said that there was a need to give negotiators guidance on how to make progress towards reaching an agreement in 2015 and enhancing mitigation ambition before 2020.

Switzerland on behalf of the **Environment Integrity Group** envisaged for the ADP a legally-binding instrument from 2020 that provided for global participation and binding mitigation commitments for all, with differentiation in the efforts, flexibility in accommodating different national circumstances, incentives-based focusing on potential rather than restrictions, environmental integrity and cost-effectiveness, clear, comparable, transparent and understandable targets or actions by Parties, work towards achieving the objective of the Convention. These elements and characteristics should be captured in the Doha decision, establish a good basis for future work within the ADP, and signal progress towards a climate regime from 2020.

Among others who made interventions at the ADP plenary were **Papua New Guinea** on behalf of the **Coalition for Rainforest Nations**, which spoke on behalf of a number of its members on the benefits of open dialogue and the need to discuss Reducing Emissions from Deforestation and Forest Degradation (REDD-Plus). **Chile**, speaking for **Colombia, Costa Rica, Panama** and **Peru,** said while the principle of equity and CBDR must be at the heart of the new instrument for which the ADP was tasked with drafting, all Parties with their different capacities have a shared responsibility and must act within that capacity. Incentives should also be devised for those countries looking to move towards a lower-carbon-growth model.

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SBSTA: Differences over Agriculture, Aviation and Maritime Transport Emissions

Doha, 29 November (Hilary Chiew) – The opening plenary of the 37th Subsidiary Body for Scientific and Technological Advice (SBSTA) on 26 November saw significant differences among Parties on two agenda items – issues relating to agriculture, and emissions from fuel used for international aviation and maritime transport.

While many developing countries argued that the foremost concern of agriculture is adaptation as it is linked to food security, developed and some developing countries called for emission from the agriculture sector to be addressed as a mitigation issue.

Parties continue to have differences over work at the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO) in addressing emissions from these transport sectors.

Speaking for the Least Developed Countries, Gambia said agriculture should be treated as a matter of survival with a comprehensive work programme to support agriculture development for LDCs. It said emission from the agriculture sector is low in LDCs and the overriding priority for LDCs in agriculture is food production and development. It urged developed countries to support and expedite work on loss and damage, including the impact on agriculture.

Argentina said the issue of agriculture is related to adaptation given its vulnerability (to the effects of climate change) and to food security. It encouraged the Food and Agriculture Organisation to submit its report from the Committee on World Food Security which acknowledged that climate change can pose serious threats to food security especially to small-scale food producers, to the UNFCCC.

Egypt said the impacts of climate change on agriculture will leave it in no position for mitigation in agriculture as the latter would be a luxury that it won't be able to afford. It said any mid-term work plan for developing countries in agriculture should focus on adaptation.

Uganda said for agriculture, adaptation is of particular relevance and the sector may not be able to reduce its emissions.

India said Parties must remain mindful of the fact that the agriculture sector in developing countries is an extremely sensitive and critical sector as it supports the livelihoods of millions of small and marginal farmers. Our agriculture is subsistence and we will not accept anything that impacts adversely on their livelihoods, particularly under the guise of mitigation.

Costa Rica said one of its major concerns is the negotiation to be undertaken between the forestry and agriculture sectors concerning implementation of REDD-plus. It believed that the subject of agriculture and climate change should not be seen as adaptation but also mitigation efforts. It recognised that priorities should be given to adaptation and vulnerability but disagreed with the position that they should be restricted to adaptation only.

[Decision 2/CP17 from the Durban conference requested the SBSTA to consider issues related to agriculture at its 36th session (in Bonn in May this year), with the aim of exchanging views and the COP considering and adopting a decision on this matter at its 18th session in Doha.]

Cuba speaking for Argentina, Brazil, China, the Democratic Republic of the Congo, Egypt, Algeria, Venezuela, Ecuador, Nicaragua, Malaysia and Saudi Arabia reiterated the importance the group of countries attached to multilateralism in addressing climate change in accordance with the principles and provisions of the Convention, in opposition to unilateral measures in the international maritime and aviation transport.

It said in the context of multilateral discussions, the following elements should guide the ICAO and IMO when addressing climate change:

- Article 2.2 of the Kyoto Protocol, by which Annex I Parties shall pursue limitation or reduction of emissions of greenhouse gases of international maritime and aviation working through the ICAO and IMO;
- Full respect to the principles and provisions of the Convention and of its Kyoto Protocol, in particular the principles of common but differentiated responsibilities, as well as that measures should not constitute disguised restrictions on international trade;
- Explicit recognition of the legal distinction of obligations between developed and developing countries while addressing climate change;
- Comprehensive assessment of the possible (direct and indirect) social, economic and environmental implications of the measures under discussion for developing countries, taking into account that international aviation and maritime transport play a vital role in the facilitation of world trade, and therefore on social and economic development in developing countries;
- Respect to the consensus rule, and to the promotion of an inclusive and transparent process;
- Promotion of transfer of financial, technological and capacity-building support from developed countries to developing countries, in accordance with the developed countries' obligations under the Convention.

In relation to the specific work of the IMO it noted the progress made in the last IMO sessions of October 2012, in the sense that it was clear that the consideration of other issues related to the reduction of GHG emissions from ships, in particular all further discussions on market-based mechanisms, must await the adoption of a resolution on financial, technological and capacity-building support from developed countries to developing countries.

In addition, in relation to references in the IMO communication to the UN process of sustainable development goals and the current development by the IMO of those goals for shipping, the group of countries believe that this would need careful consideration by IMO Members. At the same time, there is a need not to prejudge or duplicate the sustainable development goals process that is currently taking place in its competent forum, that is, the UN General Assembly.

In relation to the ICAO report and communication, it welcomed multilateral discussions on how to address climate change in aviation. However, it recalled that several ICAO Members, both from developed and developing countries, presented reservations to some paragraphs of Resolution A37-19, and they trust that this will be taken into account in the ICAO´s work and in its future presentations in the SBSTA.

Cuba further said, with regard to the work of the ICAO that referred to the States' action plans, for developing countries, these plans must be understood as voluntary actions that take into account the specific national contexts, and not as part of a global goal in the international transport.

It also expressed the group's concern at the proposals to include, among the alternative sources of finance for climate change, possible revenues from market-based measures applied to international maritime and aviation transport, due to their negative potential implications in terms of imposing an additional cost on air and maritime freights, and therefore on international trade.

The statement of this group of developing countries was also endorsed by **India** from the floor. It said it took note of the European Union's announcement to stop the clock as far as the application of its Emission Trading Scheme to non-EU airline carriers is concerned.

However, India reiterated its continued opposition to unilateral measures to address the issue related to emissions from the aviation and maritime sector. It believed that these issues should be addressed through a multilateral response based on Convention principles and not on the basis of unilateral measures.

Japan reiterated that issues related to maritime and aviation should be considered continuously by the ICAO and IMO and noted that there have been significant progress and assistance in implementation of global cooperation to combat climate change. It said in the field of international aviation and maritime transport, global regulation applies to all aircraft and ships irrespective of the country and it is improper to apply the common but differentiated principles.

Singapore believed that the IMO and ICAO continue to make good progress and are the most competent entities to develop measures that can effectively limit emissions while allowing for sustainable growth of their respective sectors and taking into account the diverse needs of their member

States. It fully supports the IMO's implementation of mandatory measures to enhance ship energy efficiency and reduce greenhouse gas emissions from international shipping, which will enter into force on 1 January 2013.

It stressed that it is also important that any measures to address emissions from international maritime and aviation transport be developed through the multilateral frameworks under the IMO and ICAO.

Group and individual Party statements also covered a range of other issues.

Speaking for the Group of 77 and China, Algeria reiterated that mitigation and adaptation should be addressed in a balanced manner and it looked forward to the conclusion of future work of the Nairobi Work Programme in enhancing the capacity of developing countries in the adaptation efforts to the adverse effects of climate change.

It said the Group attached great importance to economic and social consequences of response measures taken by developed countries and the need to minimise the negative impacts.

While welcoming the TEC report, it said progress was made but Parties still need to make further progress. On REDD-plus, it called for a balanced discussion and outcome.

Nauru representing the Alliance of Small Island States (AOSIS) said the methodological issues under the Kyoto Protocol raised very important issues related to environmental integrity and urged Parties to keep considerations of environmental integrity at the forefront.

On the consideration of transboundary carbon capture and storage (CCS) projects as CDM projects, environmental integrity, liability, eligibility and the need for transparent and robust accounting, it said these warrant detailed discussion prior to any decision, adding that it supports a global reserve for CCS project activities.

It also said consideration should be given to whether environmental integrity could be ensured in a context of a comprehensive land-based accounting under the Kyoto Protocol. It does not support additional LULUCF activities under the CDM during the 2CP, or the development of alternative approaches to the issue of the risk of non-permanence which puts the onus on host countries to address this risk. Further, it is of the view that the current rules for accounting for Afforestation/Reforestation projects under the CDM should remain valid and not be amended.

It said in discussions on matters related to the implications of decisions 2/CMP.7 to 5/CMP.7, Parties should limit discussions to technical issues and leave out any related political issues arising from those earlier decisions to the AWG-KP.

On HFC (hydrofluorocarbon) destruction projects, AOSIS is of the view that HFC reduction projects should no longer be addressed through market-based approaches under the CDM, and this agenda item should be concluded appropriately.

It also said the SBSTA should receive the reports of the Adaptation Committee and the Technology Executive Committee (TEC) and provide these bodies with the technical guidance for them to continue their work. The SBSTA should prepare a draft decision on methodological guidance relating to modalities for a NFMS, for an MRV system for REDD-plus. The SBSTA should also conclude its consideration of the agenda item under Research and Systematic observation which it began at its last session. While the other items on the agenda, such as the Nairobi Work Programme on Adaptation, are important to AOSIS, they are not critical at this session, it added.

Swaziland speaking for the African Group said despite the fact that substantive decisions were taken in Durban (end of 2011) regarding safeguard information system and modalities for forest reference emission levels/forest reference levels (FRELs/FRLs), more time is needed for deliberation on modalities for the National Forest Monitoring System (NFMS), measuring, reporting and verifying (MRV) and how to address the drivers of deforestation before developing countries can confidently develop a robust system for REDD-plus (Reducing Emissions from Deforestation and Forest Degradation) and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

It looked forward to the TEC's work plan and its aim in supporting technology transfer and requested that funding be made available by the Global Environmental Facility to those African countries that have not updated their national action plans.

On agriculture, it said it should focus on enhancing resilient and food security and looked forward to substantial discussion on this agenda item.

Australia speaking for the Umbrella Group (Canada, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation and the United States) said Parties should think about how to organise, coordinate and conclude the tasks.

It stressed that the outcome in Doha must include the methodological issues of REDD-plus such as the NFMS and modalities for MRV and modalities for FRELs/FRLs.

It welcomed continued discussion on land use, land use change and forestry as the current process represents an excellent opportunity to examine a range of technical matters particularly on accounting issues.

It said it was encouraged by the discussion on agriculture in Bonn (May 2012) and looked forward to translating the progress into a concrete outcome in Doha. It also said the SBSTA has an important role to play in the transition period of the KP. It welcomed the technical report on carbon capture and storage that allows for projects that cross national boundaries such as the Clean Development Mechanism.

The European Union representing its 27 members and **Croatia** said the foremost task for this session of the SBSTA is to implement the second commitment period under the KP with immediate implementation on 1 January 2013. It said Parties must focus on the technical issues that need to be resolved and called for allocation of sufficient time, both formally and informally, to finalise this work.

It also looked forward to finalising the work of the TEC mechanisms, the modalities for REDD-plus, and Parties agreeing to launching a work plan on agriculture addressing both adaptation and mitigation.

The Republic of Korea representing the Environmental Integrity Group (including Liechtenstein, Mexico, Monaco and Switzerland) said the SBSTA is a well-suited body to undertake the tasks (of all the agenda items) and it is necessary to make substantial progress in all of them.

On MRV (of nationally appropriate mitigation actions or NAMAs), it said progress was made in various aspects but transparency is a major aspect as it builds mutual confidence in setting a solid basis for a future regime.

On REDD-plus, it believed Parties are making progress on addressing drivers of deforestation, on the timing and frequency on how the safeguard information system is respected and guidelines for technical assessment of FRELs/FRLs.

It supported the establishment of a work programme to address both mitigation and adaptation in agriculture, and also looked forward to the reports from the ICAO and the IMO for addressing greenhouse gas emissions for these two dynamic sections.

Papua New Guinea, speaking for a number of members of the Coalition of Rainforest Nations, said it is committed to maintaining momentum by finalising the modalities for NFMS, MRV, FREL and FRL for REDD-plus.

It said although progress was limited in Bonn, it believed agreement is within reach in Doha. It said in Cancun, Parties already agreed that MRV for REDD-plus is similar to MRV for NAMAs and it hoped to finalise the text in the next few days.

It said Parties have completed discussing the necessary building blocks for REDD-plus and warned that the more Parties revisit the issues, the more emissions (from forests) are being released and warned against perfection being the enemy of the good.

It called upon Parties to finish the basic foundation for REDD and said that anything less is being irresponsible.

It also expressed regret at the delay in addressing emission from the marine ecosystem and renewed its call for the secretariat to organise such a meeting in 2013.

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AWG-LCA: Heated Exchange at Informal Consultations

Doha, 29 November (Chee Yoke Ling) – In what was described by a delegate as an exchange that can be considered 'unbecoming of the Annex I Parties' several developed countries led by the United States and Japan attacked efforts by the Chair of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) to guide the completion of the work under the Bali Action Plan.

This took place at the first informal consultations by the AWG-LCA Chair Aysar Tayeb (Saudi Arabia) on 28 November that was scheduled to discuss agenda items 3 to 5 (on an agreed outcome of the AWG-LCA, review of the long-term global temperature goal, and certain situations of some Annex I Parties), with a focus on technology. This is work under the UN Framework Convention on Climate Change (UNFCCC).

To many in the room this appeared to be an organised move among some developed countries as part of the determination of all developed countries to terminate this track of negotiations in Doha even though there are still unresolved issues, many of which have been identified by developing countries as critical.

The issues include ensuring a comparability of efforts among developed countries consistent with the science for emission reductions, intellectual property rights (IPRs) and technology transfer, unilateral measures, long-term finance, and whether ongoing discussions on the linkages between the Technology Executive Committee and Climate Technology Centre and Network are in accordance with the Bali Action Plan mandate.

The IPRs issue has been contentious throughout with the US rejecting any discussion in the AWG-LCA, not even a workshop. Other developed countries also do not want this to be addressed, at best saying other fora such as the World Trade Organisation and World Intellectual Property Organisation should deal with this, or at worst that IPRs is not a problem for technology transfer.

The entire 90 minutes for the discussion were taken up with procedural objections and repeated comments and questions directed at the Chair, particularly by the US, Japan and Switzerland. Delegates and observers in the meeting room next door later remarked that they could hear US chief negotiator Jonathan Pershing's distinctive voice that was raised on several occasions.

No substantive discussion took place.

Many developing countries and observers were left with the distinct impression that the Umbrella Group (Australia, Canada, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation and the United States) in particular does not want any more substantive work to be done by the AWG-LCA.

In his opening remarks at the 28 November informal consultations to focus on technology transfer, Chair Tayeb said that technology is one of the issues that need further work by the AWG-LCA. He recalled the different reactions at the opening plenary of the AWG-LCA on 27 November regarding text and the basis for discussions. (See TWN Doha News Update No. 5: **'AWG-LCA: Developed countries oppose Chair's overview text'**. Tayeb had prepared an informal overview text referred to as Conference Room Paper 3 or CRP3 for the Doha session, which he said was to 'facilitate discussions among Parties on the different ideas and proposals presented'. This is based on Parties' submissions and interventions at the Bonn and Bangkok meetings earlier this year.)

He reiterated that Parties have an informal overview text compiled mainly from various submissions and proposals from Parties. He then said that we can put that aside for a minute, and first exchange views on the technology issue itself. He explained that he had looked carefully again at all the submissions and all the views, and would classify all these into 4 categories:

1. Acknowledgement of the ongoing work and the existing bodies that the Parties have created under the Convention, for example the TEC and CTCN (Tayeb noted that many Parties in their interventions and even in written inputs acknowledge this);
2. Substantive agreement on further actions required;
3. Substantive issues that need further guidance which identifies specific tasks that can be forwarded to existing institutions such as the TEC or the CTCN;
4. Further work where basically the Party submissions or proposals identify tasks to take place at some point in the future.

Tayeb said it would be helpful for him to know from Parties if there should be an outcome, and in general what that should be.

Pershing of the US hurled the first strike by insisting on first dealing with procedural issues. ‘At the plenary we asked you how to proceed. You said go into work. There was no answer to our question. How do you intend to make a distinction between mandated work and other suggested work?’ he asked. ‘What we are left with is ambiguity,’ he added.

Switzerland also wanted clarification on the work setting, whether it was a spin-off group or informal consultations by the Chair in the context of a single Contact Group of the AWG-LCA.

It said that if this is not a single thematic group exploring issues but an informal consultation by the Chair then the heads of delegation should be here, and the meeting should not be in parallel with the ADP (Ad Hoc Working Group of the Durban Platform for Further Enhanced Action) which is discussing the future of the climate regime.

[Developed countries were almost all represented by senior delegation members or in the case of the US, its chief negotiator. The ADP roundtable on workstream 2 was taking place at the same time where developing country chief negotiators were at.]

Chair Tayeb responded that meetings of the spin-off groups were scheduled that same day and they have always been marked in the schedule so there was nothing new there. If Parties see it as necessary the Secretariat can add the words ‘spin-off’. He confirmed that they are meeting as a single Contact Group to look at additional work that they may be able to agree to, but that they are meeting informally at this point.

Developing countries – Bangladesh, China, India, Nicaragua, the Philippines, Saudi Arabia and Uganda – spoke in support of the Chair’s proposed organisation of work, strongly stating that there are unresolved issues that are substantive and without a proper resolution there cannot be a successful agreed outcome for the AWG-LCA.

China for the Group of G77 and China said the Group has identified some unresolved issues and expressed appreciation at the opportunity to discuss the unresolved issues of the LCA that need to be resolved.

The US raised a point of order that there is a procedural issue on the floor so it did not think they should go into substantive discussion.

Japan then came in and said that in addition to points raised by the US and Switzerland it wanted an explanation on why Kuni Shimada was ‘removed’ from being a technology facilitator for the AWG-LCA.

To the surprise of many in the room Japan bluntly asked if it was because of Shimada’s nationality, as a member of the Umbrella Group.

Russia entered the foray and said that as with other colleagues, it is confused about the process.

The EU also said, ‘Before we enter into substance we need to enter into procedures and setting’.

Australia followed up on the concerns of Japan on the facilitator issue and voiced confidence in the abilities of Shimada from Japan. Pershing of the US joined in to strongly support Shimada as an appropriate facilitator and a colleague whom he holds in high esteem.

Switzerland came back again repeating that in Bangkok there was a single contact group and today the meeting is called ‘informal consultations by the Chair’, and again pressed for an explanation of the Chair’s organisation of work. It also joined in the chorus about the facilitator. Mexico also weighed in with its views on the facilitator issue.

The US spoke again about the work setting, repeating its earlier comments.

The atmosphere in the room was tense by this stage.

Chair Tayeb had earlier given a clarification when Japan first raised the issue of the facilitator, that he and the UNFCCC Secretariat had taken into account the heavy workload of the Doha meetings and did not wish to overload individuals that are assisting the Chairs in the 7 tracks of negotiations. He also offered to further discuss the matter with Japan.

With the persistent questioning, he now emphasised that ‘Of course there is nothing against any individual or country and I think all of us here are above that and beyond that. I am sure we can all respect that. I assure you that it was an attempt of the whole team (including the Secretariat) to assure that no one would be overloaded'.

In response Japan said that if in its last statement there were any inappropriate words, it apologised. 'Since you are a very busy person as LCA chair, it is not a very efficient way to run this group. So I would like to ask you to reinstate Mr. Kuni,' the delegate said.

Switzerland took the floor again on the same issue at which point the Chair said that this discussion should stop, attempting to take the meeting back to substance.

But the US intervened once more, asking yet again about process, persisting that it was still not clear.

Tayeb said that he had looked at the organisation of the work from a time management perspective. He will be chairing discussions as much as possible. There are facilitators for spin-offs, and issues that are not in spin-offs will be here (in the group as a whole) and he will have facilitators to help him. He stressed that there is nothing new as this is the way they have been working from the beginning.

He added that they should be in an informal setting so that they can achieve the agreed outcome of the LCA. He stressed that Parties have all expressed to him that they are willing to go straight to work. 'I will kindly request you to have a greater exchange on the issues at hand. I will continue to talk with Japan after this meeting … With that I go back to what we have on these proposals and on the four categories. Is the acknowledgment of the existing institutions useful to us in doing our work?'

The US responded that they are here to talk generally, and not on technology. Under the Chair's guidance they had walked through the entire Bali Action Plan (referring to the Bonn and Bangkok meetings earlier this year), and technology was one of those areas that did not have agreement – in this area they have not heard agreement in Bonn or Bangkok. So the idea of a text is premature, according to the US. It said that they should have an exchange of views to see if there is any change. And if there is not then they should move on.

Chair Tayeb said he appreciated the views of the US that the technology discussion is not necessary but there are Parties that have identified issues. That is why he is suggesting to look at what is achieved, and then to proceed from there.

Canada said that categorisation is premature and supported the US – there was some issues that had agreement for further work, and others where there was not. It said the Chair is categorising in 4 areas where there are some not sanctioned for work. A broader discussion needs to be had first, it added.

The US spoke again, telling the Chair that he had not responded to its question, and that categories should not be discussed until the procedural issue is settled.

Developing countries that had listened to this extended exchange, that at times bordered on aggressiveness by some of the developed country delegates concerned, took to the floor one after another.

The Philippines said it commiserated with the Chair in the way he had been treated. 'To answer your question, we are in your hands and we trust you to find a way to move us forward. Indeed what you are trying to do is to lay out the process. Your proposed way is a good first step – it started in Bonn, it was not so extensively dealt with in Bangkok, and now in the final stretch we need to determine the final outcome. We reiterate our trust in you.'

China thanked the Chair for working with the Parties in this session. 'The technology topic is very important to us – it is part of the means of implementation – and without technology support developing countries cannot mitigate and adapt. We do not agree with some other Parties; we do see important issues that are unresolved for the LCA outcome.'

It said that 'we cannot accept that in some issues if we cannot reach agreement then we do not address them; we cannot accept that those issues fall off the table. If we cannot reach agreement we need to find a way to reflect how we are going to in the future continue the discussion.'

Saudi Arabia said that, 'As usual I am trying to restrain myself from comments as the Chair is from Saudi Arabia. But after Japan (its remarks on the facilitator) I am comfortable to do so. This reminds me of Bonn – of the long time we spent on conceptual and philosophical discussion. The Chair has adequately reflected the positions of everybody on his text, from various submissions on the various issues to "no text", but the no-text position is not acceptable to us. All these need to be addressed. To agree or not agree is not the way to have a successful outcome of LCA. We will not have an agreed outcome if we don't deal with these issues.'

On the issue of one country doubting the nationality of those who should be doing the facilitation for Parties, Saudi Arabia said this is a dangerous precedent. 'In the previous LCA Chair, we had trust in him and his guidance (referring to the last AWG-LCA Chair from the US) and so it should be for the current Chair. Now people are questioning the composition of the Secretariat. We are in the long haul, and in future we can also ask about non-Annex I facilitators removed,' he cautioned.

Saudi Arabia urged Parties to go directly into the agenda at hand. 'For us we must have an agreed outcome of the Bali Action Plan. We are not accepting a dilution of the work of the LCA saying it is already successful when there are still unresolved issues that still need to be addressed,' it said.

Chair Tayeb said that every Party has the right to express concerns that it has. He still sees willingness to work; he sees eagerness from Parties to seek solution and to reach closure as they are mandated to do.

The EU then said that the categories presented by the Chair are pertinent, but it also said that it did not want to enter into discussion of this subject of technology development and transfer.

The Chair replied that if there is any other category that the EU feels is helpful on this topic it should make suggestions.

India spoke next, observing that there was a sense of palpable tension in the room and that was not good. It felt there has been an exercise of 'pick and choose' since Durban as far as technology is concerned. It supported China on the importance of means of implementation, adding that 'We have achieved very important progress in Durban but there are other issues of interest to many people; the Chair's compilation (CRP 3) reflects the views of Parties and it is certainly not the view of all Parties to not have text.'

It said further said that 'We need to narrow our differences, but proceeding in a manner where we pick an issue and find agreement on them, and if there's no agreement it should no longer be on the table is not the way to proceed. We need to discuss where we can find some common ground and that is the helpful way.'

India also said, 'Surely we do not want to bicker while we move to a 6-degree world. We do feel the need to keep the discussion alive, even if we may not reach an agreement, and we should not waste time on procedure.'

Bangladesh supported China and India. 'We have built a house – some elements are there but not all essential ideas are there. The Chair has already put a sequence of discussion and we support that,' it said.

Mexico agreed that technology and means of implementation are very important and that the AWG-LCA has achieved an agreed outcome and that they have to move to implement in order to move forward. It did not see any issue in the Chair's text. 'If people believe that there are real issues on technology not discussed in other bodies then we can do so but we do not see any such issues,' it said.

Norway supported Mexico that they have found a home for all the technology issues and do not see a need to discuss it. The EU also supported Mexico, saying that technology issues have been successfully completed as part of the Durban package and it did not see a need to discuss further under the work of the LCA.

The Philippines responded to that exchange by saying that perhaps the view expressed on a successful outcome is not shared. 'This is precisely the folly of those who say that if we don't agree on an issue, we drop it. What China and India are saying is that precisely because there are disagreements that we find areas of commonality and differences. Other countries such as us believe there is still work to be done. We need to discuss the final elements to close the work. We support the Chair,' said the Philippines.

The US said it did not believe everything has been discussed, that the work of the LCA is done and there are other fora and a series of bodies to discuss remaining issues. It said Parties have divided views from the beginning and they can have discussions in the other fora.

It was at this juncture that the Chair called on a youth representative who had requested to make a statement. She said we need to ensure that the work of the CTC is about community empowerment that goes along the lines of the work of the CTCN; highlighted that the conduct of national technology need assessments should be done with indigenous peoples; and that the issue of barriers must be addressed, particularly IPRs. There are many issues, let's get it right, but let's get it done, she urged.

Uganda said it had been listening very carefully and that this is not helping to move things forward, noting there is slackening will. 'The LCA was established for a purpose and we are all working towards achieving the purpose for which the LCA was established. We are also aware that different bodies have been established but there are also some other issues that we need to deal with while we operationalise those establishments and institutions. The LCA is still breathing – there are other accomplishments to achieve before we terminate it,' stressed Uganda. It urged Parties to reconsider their stance, adding that it would even prefer the continuation of the LCA if there are issues to discuss under the LCA.

Nicaragua also supported the Chair's way forward, adding that, 'We have wasted time on issues that are not priority. Let us try to get back to a discussion of the text we have now. We agree with the Chair's identification of 4 elements. As we get into negotiations we can find common ground. If we do not start negotiations we will not find a path to find agreement.'

The US came back once more on the same point – that what remains is only implementation and there is no more work at the AWG-LCA.

The Philippines disagreed. It said that all these bodies have been created, but are not clear on linkages among the various bodies and institutions. Though it is a matter of implementation, there is also a question of mandate of the Bali Action Plan which the new bodies such as the TEC (Technology Executive Committee) and CTCN (Climate Technology Centre and Network) cannot address; the AWG-LCA has to do it to ensure a successful outcome.

By now the allotted time for the meeting had ended. Chair Tayeb said that Parties should not perceive the discussion with any negativity. Sometimes a slower start results in a faster result. In the desert we drive a lot and we get stuck in the sand, and once we get out of the sand we move very fast, he concluded.

As the meeting dispersed, several delegates remarked on the equanimity with which the AWG-LCA Chair conducted the proceedings.

The continuing refusal of developed countries to address IPR issues was also seen at the joint contact group on technology transfer (a separate process of the 2 subsidiary bodies of the UNFCCC on implementation, and on scientific and technological advice) that met later in the afternoon of 28 November. When Parties considered the report of the 4th meeting of the TEC held in September 2012 in Bangkok, developed countries especially the US, Japan, Canada, Australia and the EU did not want an elaborate set of conclusions but just merely to acknowledge the report and thank the TEC for its work.

On the other hand, developing countries wanted to highlight certain aspects of the work of the TEC, especially the work on the enabling environment for technology transfer including the issue of IPRs, as part of the guidance to the TEC in carrying out its work.

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AWG-LCA: Disagreement over Need for Expert Group on 'Review'

Doha, 29 November (Hilary Chiew) – Disagreement arose among Parties over a proposal to set up a 'review expert group' at an informal group meeting under the Ad-hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) to address the issue of 'Review: further definition of its scope and development of its modalities'.

The informal group met on Wednesday, 28 November in Doha, Qatar, and spent most of the time deliberating on the setting up of a 'review expert group' (REG), instead of focusing on the further definition of the scope of the review.

In Durban, Parties reaffirmed that 'the review should periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, in accordance with the relevant principles and provisions of the Convention' and also confirmed that 'the first review should start in 2013 and should be concluded by 2015'. They had also agreed that 'Parties will continue working on the scope of the review and considering its further definition, with a view to taking a decision at the 18 session of the Conference of Parties' (which is the COP 18 in Doha).

Parties in Durban also decided that the review 'will be conducted with the assistance of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, and that the work shall be supported by expert consideration of the inputs… inter alia, through workshops and other in-session and intersessional activities, as appropriate'.

They also agreed in Durban 'to further define the expert consideration of inputs …including the possible establishment of a review expert group, to provide technical support to the review'.

In Doha, during the informal group discussions held on Wednesday, several developing countries were sceptical about the need for the REG when the job could be done by the Convention's Subsidiary Bodies (SBs) as mandated by the Durban decision and expressed concern that the discussions on the REG will bog down negotiations on this agenda item.

It is the Alliance of Small Island States (AOSIS) that proposed the need for the REG. The facilitator of the informal group on this issue, Ms. Gertraud Wollansky (Austria), drew the attention of Parties to a submission from AOSIS dated 26 November on the REG.

The AOSIS proposal called for the establishment of a REG 'to provide technical support to the review in its technical assessment and preparation of synthesis reports phase, composed of 21 experts with recognised scientific and technical expertise…'.

The proposal further states that the REG is to 'commence its substantive work by no later than September 2013; provide an update report on its work to the 19th and 20th sessions of the COP; meet as many times as necessary, including intersessionally, in order to complete its work and to present its synthesis report(s) to the first negotiating session of the Ad-hoc Working Group on the Durban Platform for Enhanced Actions (ADP) in 2015 in order to inform "appropriate action" in the context of final negotiations on a new Protocol under the Convention applicable to all Parties'.

China asked when Parties could start discussions on the substantial issue (of the further definition and scope of the review and development of its modalities) instead of focusing on the AOSIS proposal. It wondered how the AOSIS proposal was consistent with the Durban decision which said that the review should be conducted with assistance from the Subsidiary Bodies (SBs) which meant that all the work will be conducted by them. The AOSIS proposal had broadened the mandate (for the REG) to report to the COP and not to the SBs, which will be contrary to the Durban decision, said China further.

In response, AOSIS said it believed the proposal was in line with the Durban decision. It saw a role for the REG from the beginning to gather information and allow for a constant flow of information from the SBs to the REG to conduct technical and analytical review of the materials.

India said the review process is an important element with a specific mandate to start work next year. It wanted quick progress and it cannot begin before settling the outstanding tasks, referring to negotiations on the scope of the review. It was not convinced that the REG is needed when there is an expressed mandate for the SBs to carry out the work. It was concerned that Parties will be bogged down by including discussions on the REG.

It said that the SBs are expert groups in themselves and are party-driven so Parties must evaluate whether they need another body that does what the Subsidiary Body on Scientific and Technological Advice (SBSTA) is supposed to do. It did not want to create another level of work between the SBs and the COP. With regard to the REG providing inputs to the ADP as proposed by AOSIS, it felt that was premature and the task should be for the SBs to submit decisions to the COP for consideration.

South Africa echoed the sentiments of China and India. It said that the Durban decision outlines that the SBs will undertake the review.

AOSIS replied that Parties seemed to have issues with the interpretation of the Durban decision and noted that there is no inconsistency with the decisions to have the REG. The door, it said, was clearly open to provide technical support for the review and this is of extreme importance for AOSIS. It said the review must feed into the ADP. From its perspective, the timeline with the review and the conclusion of the work of the ADP make it imperative that the REG will feed into the ADP.

China referred to the BASIC (Brazil, South Africa, India and China) Ministers' meeting which expressed concerns over the importance of the review process with emphasis on defining the scope of review prior to its launch. It did not want to start the review process without further defining its scope.

Developed countries welcomed the AOSIS proposal with the United States, saying that it was good to have substantial discussions on this before moving to the informal overview text (known as CRP3) prepared by the AWG-LCA Chair, Aysar Tayeb (Saudi Arabia).

Mexico had posed a process question to Tayeb, asking him to clarify if the meeting is a 'spin-off group' instead of an 'informal group' as listed in the daily programme.

Tayeb said the meeting has always been called an 'informal group' since the beginning (this year) and nothing was new. He also said the section on 'Review' in the CRP3 document is not different from the note Parties had when they left the Bangkok session of the AWG-LCA in September this year. He suggested that it may be helpful for Parties to have a brief exchange before looking at the text to make the process faster and smoother.

Echoing Tayeb, the facilitator of the informal group on this issue, Ms. Gertraud Wollansky (Austria) noted that changes (referring to the Chair's informal overview text) are mostly editorial and did not change the substance of discussions held this year in Bonn (in May) and Bangkok. She urged Parties to use this slot to discuss where Parties stood on the issue and where there are new developments.

(On Tuesday 27 November, at the opening plenary of the AWG-LCA, developed countries rejected Tayeb's informal overview text as having any basis for further discussions.)

Following the facilitator's remarks during the present informal group meeting, the United States, Mexico, Japan, Switzerland and Canada reiterated that they are not using the Chair's informal overview text as the basis for negotiations.

Discussions on the review issue are expected to continue next week.

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AWG-LCA: 'Various Approaches' for Mitigation Actions Further Explored

Doha, 30 November (Dale Wen and Fauwaz Abdul Aziz) – An 'informal group' of the AWG-LCA met on 28 November to discuss agenda item 3b(v) on 'various approaches, including opportunities for using markets, to enhance the cost-effectiveness of, and to promote, mitigation actions, bearing in mind different circumstances of developed and developing countries'.

AWG-LCA Chair Mr Aysar Tayeb (Saudi Arabia) first explained the thinking behind the Chair's overview text. Standards for a framework for various approaches (FVA) are elaborated based on Parties' input, which covers both non-market approaches and market approaches. For non-market approaches, new ideas are still coming in, thus it must be considered where this could further happen and the SBSTA could be the place. On market approaches, there are numerous national-level markets and a possible function of the UNFCCC is to have a facilitative role. Then new market-based mechanisms (NMM) could be a place with a governance role to do with trading between different markets.

The facilitator Ms. Alexa Kleysteuber (Chile) pointed out that for both the FVA and NMM, new homes are needed for all the work that will continue after the AWG-LCA closes. As there is one informal scheduled during this week, she encouraged Parties to have bilaterals to resolve issues. With the Chair's text which covers elements from the informal Bangkok session (August 2012) and Parties' submissions, Parties should focus on how to move forward to a decision text.

Australia, on behalf of **Canada, Japan, Kazhakstan, New Zealand, the Russian Federation, the Ukraine, the United States and Australia**, said that the Bangkok session was valuable to exchange perspectives about the distinct purposes and roles of the FVA and NMM.

Australia then shared the contents of their proposal on the FVA, and suggested that further work on the FVA goes to the SBI (Subsidiary Body on Implementation). The SBI should be tasked with developing elements for providing the exchange of information, experience and good practice on the development of standards; assuring transparency; and avoiding double-counting. Secondly, observer organisations and Parties can be invited to submit their views on the matters to be addressed by the SBI, and importantly, to submit information on the market-based approaches they are developing or implementing, or planning to develop or implement, that would fall within the purpose of the framework, including information on how we are supposed to deliver real, permanent, additional and verified outcomes and avoid double-counting. It said that observer organisations and Parties should be invited to submit their views on the matters to be addressed by the SBI and the secretariat should compile the information submitted for consideration at the next SBI session along with a synthesis report that identifies areas of commonality.

Australia said that their proposal adds to the proposals by oher Parties on the two work programmes. Together, they, rather than the Chair's text, reflect Parties' views. It called on the facilitator to find common ground in the limited time available, to draw on Parties' input and to write text to serve as the basis for discussions.

Ecuador, on behalf of the G77 and China, said that whatever the outcome of the framework, it will need to be under the COP.

The European Union acknowledged the attempts to keep the FVA and NMM separate for the moment according to the main elements and structure of the text. The functions of the framework are to establish common accounting, robust common standards, conformity checks and recognition of activities eligible for compliance with pledges and commitments under the Convention. The basic elements for common standards should include participation requirements, MRV, and also occasional requirements, and further rules to ensure that the basic objectives, e.g. greenhouse gas emission reductions, are observed and efficiently achieved.

The EU has a 12-page text submission that outlined the detailed rules of NMM, defining what sectoral trading and crediting are, and for the setting of baselines, thresholds, their approval, and definitions of broad segments of the economy and institutional arrangements. The EU supports having informal-informal consultations and exploring how to reach a successful outcome in Doha. The EU also supports the facilitator developing a text based on the submissions, discussions and interventions so far.

Papua New Guinea has made an official submission, and welcomed the LCA text, saying the Chair's explanation is very useful. PNG would like to see the development of a REDD+ mechanism as part of the mandate for next year's programme of work. The COP as a global regulator must play a role in compliance with any commitments being made with the UNFCCC. PNG proposed using the structure in the Chair's text going forward. There are options and Parties can take different views. PNG sees the framework as a set of components and rules dealing with mitigation units across international borders, national only units are not relevant here.

PNG said that the distinction between market and non-market is not necessarily helpful, as it is divisive. Reduction can come from a different set of incentives, either market-based or non-market-based. PNG said a political decision should be made here and given to the (UNFCCC) subsidiary bodies, as it is not appropriate for a technical body to do political work.

Norway said the CDM's achievement of 1 billion tonnes reduction through 5000 projects in 10 years is impressive. Norway expects to increase CDM use in the second commitment period. Norway has proposed sectoral approaches and NMM under the Convention. It would like to see progress on a framework, seeing value in openness and transparency – to avoid double counting and to maintain environmental integrity. It hopes a subsidiary body (either SBSTA or SBI) can recommend the next steps. UNEP says the gap is 8 billion tonnes, thus the existing and proposed market should be scaled up.

Switzerland, on behalf of the **Environmental Integrity Group**, said both the FVA and NMM are important and a balanced outcome is required. The framework must lead to a net decrease of emission. Good governance is a key element with monitoring/ tracking. The SBI should give further guidance based on common standards. Regarding NMM, the SBSTA should further develop the guidelines.

Bolivia is concerned about the imbalance of not having non-market mechanisms in the work programme. It agreed with PNG that one should not limit differentiation between market and non-market, as there is a range of opportunities that are non-market based. Bolivia has a submission on the establishment of a non-market mechanism. It also has a joint submission by Bolivia, China, Cuba, the Democratic Republic of the Congo, Ecuador, El Salvador, Iran, Iraq, Malaysia, Mali, the Philippines, Saudi Arabia, Sudan and Venezuela submitted in order to be a part of a CRP. It said a work programme for non-market mechanisms should also be established.

The Dominican Republic said the Parties can continue with what has been produced. Finding common ground is crucial. Referring to the Chair's text, it said any outcome should apply to both market and non-market action with solid and stringent rules. There is no reason that the framework and mechanism should help only developed countries – Parties all have different tasks, and the FVA and NMM should help us all.

The United States associated with Australia. It hopes to achieve a clear mandate for the SBI for elaboration and decisions. Clear text should be developed to forward to ministers for consideration and approval. It does not see the Chair's text as acceptable text from which to work. It looks forward to a truly Party-driven text.

China said that Parties need to have a clear boundary on which issues fall within the discussion – those issues that are purely domestic do not need to be considered. China reminded Parties as to why this discussion is here – for various approaches to allow developed countries to increase mitigation ambition. Considering the whole context, it is not necessary that we make the NMM operational or define other mechanisms that generate credits for compliance purpose; if one looks at what is happening in carbon markets, that is clear – that there is no need at this stage.

It said that the UNFCCC should not have a mere role of facilitator – it should be the body setting all the rules, only then can we ensure comparability of ambition between different Parties. China reminded Parties that the mandate is not only from Durban, but also from Bali. The programme of work should cover all issues, not only technical issues.

The political issues must be kept in the programme as the subsidiary bodies are not the appropriate place for political issues.

Regarding the suggestion for an 'informal-informal', China doubted the usefulness given the importance of the transparency of the process.

Indonesia suggested that given the limited time, at least in Doha Parties should decide on the division of the framework and NMM, and what is the scope of each.

Japan said it is crucial for the Parties to establish a wide variety of approaches while ensuring environmental integrity. The existing market mechanisms should complement each other, and the development of market mechanisms under decentralised governance is already happening, including in developing countries. Some of those units may transfer across the border in the near future, thus it is important to coordinate between the variety of places. Japan fully supported the statement made by Australia and associated with it.

Ecuador said the establishment of modalities of NMM and non-market mechanisms should be under the common principles of common but differentiated responsibilities and respective capabilities. It is important to expedite standards on environmental integrity, including net reductions from NMM and non-market mechanisms. There should be clarification of fungibility with Kyoto Protocol flexible mechanisms with second commitment period Parties. Work needs to be undertaken to define institutional arrangements.

Kenya said the mandate is clear – a framework and new market mechanism under the Convention. This process is linked to the ambition discussion of developed countries. There must be a clear balance between supply and demand and the rules that need to be established for these new market mechanisms.

The other issue is lessons from the CDM and other flexible mechanisms of the KP, and it is very critical to have a look at environmental integrity of the whole system to achieve real reductions and limit the use of market mechanisms that do not lead to real reductions. Common rules and standards are needed to avoid fragmentation under the framework. One lesson from the CDM is fair access to the mechanisms, thus it is important to look into capacity building issues. NMM and the framework should be linked to the financial mechanism to fund developing countries for implementing adaptation.

Further work on non-market mechanisms is needed, as it is a clear priority for some Parties.

Grenada does not mind using either the Chair's text or the submissions (of Parties). It disagreed with Australia about the framework as facilitating emerging and existing markets – the COP should be a regulator – the facilitator role is too loose. Some Parties want NMM because they are concerned that the CDM cannot be scaled up – but 3000 cases were registered this year, so it's not true to say the CDM can't be scaled up.

Canada associated with the Australian statement. It recognised the role of markets in assisting to meet targets including the flow of finance through the private sector. As units cross borders, the framework will play an important role in the environmental integrity. The FVA should begin with MRV of units and tracking. In the absence of proper management, the challenge of avoiding double counting in 2020 will be difficult if not impossible. Subsidiary bodies need a clear and ambitious mandate. A possible way to structure would be to articulate functions and allow the subsidiary bodies to do form.

South Africa is comfortable with the facilitator developing text, especially given the limited time. Reaching for a common understanding of the Framework is useful – it should not be just a facilitation tool. South Africa supported what Kenya said – the demand is important and Parties cannot divorce this discussion from the demand discussion. Parties cannot lose sight of the fact of assurance for the need of the NMM.

New Zealand said the suggestions from Parties are not too different. It strongly supports the facilitator pulling together views from submissions, rather than the LCA chair's text.

PNG said that Parties have disagreement on certain things – one difference is regarding the role or function of the framework. There are two options – one is that it has the function of approval of different mechanisms, approval of units; two is that it provides transparency. Once the Parties are clear on these two options, a number of elements fall into place, or maybe there's a hybrid option. There are many commonalities, but Parties need a clear view on this.

The facilitator said as there are lots of divergence on the function of the framework, Parties need to explore that and work on options. In terms of NMM, there have been discussions regarding how far Parties can go in terms of a mandate on modalities and procedures. She has heard a lot of support for her to come up with text to move discussions forward, but she will wait for instructions from the Chair. There is interest in more discussions and moving into 'informal-informals', so she will see what additional time she can get for the group. She will continue this work bilaterally as well as encourage bilaterals amongst the Parties to get somewhere concrete in one week and a half.

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Continuing Differences on REDD-plus and Way Forward

Doha, 1 December (Hilary Chiew and Kate Dooley) – Parties remained divided on the issue of whether results for REDD-plus included payments for non-carbon benefits, with Tanzania (on behalf of Least Developed Countries), Sudan, Bolivia, Malawi and the Philippines saying this was an integral part of achieving results. Bolivia called for a variety of approaches, outlining an alternative to REDD-plus that focused on a non-market approach.

At the first informal spin-off group on REDD-plus under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) (agenda item 3b(iii)) on 28 December, new proposals were made by the European Union (EU), Colombia and Papua New Guinea.

(REDD-plus refers to Reducing Emission from Deforestation and forest degradation, and conservation of forests, sustainable management of forest and enhancement of forest carbon stocks in developing countries.)

Parties also spent time discussing how REDD-plus negotiations might look beyond 2012 if the AWG-LCA track is completed in Doha, with Papua New Guinea, supported by Tanzania, Indonesia and Dominica proposing a new REDD-plus institution, while the United States, Norway and Australia opposed this idea, emphasising a focus on function and existing institutions.

The AWG-LCA Chair Aysar Tayeb opened the meeting by saying that the Chair's informal overview text is flexible, and submissions from Parties may consider what elements are already in the text and what elements can be agreed here, or may require further work after Doha.

The facilitator Yao Osafo (Ghana) subsequently asked for a mandate to prepare a new text based on feedback received, and expressed hope that the new text would reflect most Parties' views. With no objection to this proposed way forward, the facilitator asked for additional views.

(At the Bangkok meeting, the AWG-LCA Chair prepared an 'informal overview note' that included the REDD-plus facilitator's capturing of the Bangkok discussion. In preparation for the Doha COP meeting, the Chair built upon this note to produce an 'informal overview text' aimed 'to reflect the exchanges and views, interventions and options presented by Parties' in 2012.)

The EU opened the discussion with a proposal on incentive levels, differentiating this from the Forest Reference Levels and Reference Emissions Levels (FRL/FRELs) agreed in Durban.

It suggested that an incentive level can serve as a basis to indicate actions which will be subjected to domestic support and do not need to be captured in an FRL, which is the benchmark for assessing each country for international support.

It further explained that the concept of an incentive level will be a useful tool to direct money to where it is needed, by assessing what countries are capable of doing for themselves, and underlined that it does not expect this to be reflected in a COP decision in Doha, but has circulated language to explain the idea further.

PNG, speaking on behalf of a number of countries in the **Coalition of Rainforest Nations,** also presented a new concept – it stated that the governance of REDD-plus is currently spread across a number of multilateral institutions, and believes the time is now to have these institutions brought into the UNFCCC.

It stated that the LCA cannot close without a governance mechanism that interfaces with the Green Climate Fund (GCF), new market mechanisms yet to be created and the Kyoto Protocol. It presented the idea of a REDD-plus Committee, established under the Convention which can interface with the subsidiary bodies based on relevant subjects. PNG suggested that having this Committee is a requirement to maintain and avoid any fragmentation of standards, scale up actions and ensure environmental integrity.

PNG said that REDD-plus is a building block, in a similar vein to finance and technology, which already have independent Committees. PNG wants to see agreement on this issue before leaving Doha to 'ensure REDD+ is not an orphan'.

Tanzania, Indonesia, Dominica, Malawi and Thailand subsequently supported the proposal from PNG.

(REDD-plus is not a building block as such, but is part of mitigation that is a building block of the Bali Action Plan. Observers note that REDD-plus cannot therefore be equated to finance and technology.)

Colombia presented its submission, emphasising that REDD-plus requires broad participation and scaled-up finance for all three phases. It stated there is a need to adopt minimum modalities to enable participation, and explained that sub-national implementation enables governments to build up to national systems. It clarified that sub-national referred to areas of significant scale and not a project-based approach to REDD-plus. Developing countries with large forest areas and multiple districts require more time to develop national forest reference levels, and Colombia fears these countries will be excluded which will affect the global goal to reduce emissions. For the LCA text it proposed that sub-national interventions would need to show reductions that are Monitored, Reported and Verified (MRV) at national level, in tandem with National Forest Monitoring Systems (NFMS), and measuring of displacement at the national level.

Mexico supported this proposal although it thought some of the ideas were too detailed given the limited time available, while Tanzania expressed some concerns and said they would share their views for a new text.

Tanzania, speaking on behalf of LDCs, requested that incentives for REDD-plus should include payments that reflect other environmental and social benefits, and noted that the focus is now on the carbon, but environmental and social elements of REDD-plus are also key. It suggested requesting the SBSTA to explore how performance payments for non-carbon benefits could be developed.

Sudan supported Tanzania, saying they had raised this same issue on behalf of LDCs in Bangkok (the informal AWG-LCA session in August/September), and emphasising the need to assess co-benefits arising from full implementation of results-based actions. It requested the SBI to develop guidance on an approach for results-based payments at COP 19, and the SBSTA to further explore non-carbon benefits.

Bolivia supported these interventions, recognising that the idea of different approaches is in line with outcomes from Rio+20 (June 2012 UN Conference on Sustainable Development) which calls for different tools and visions for sustainable development.

Bolivia is very committed to enriching discussions with the non-market approach, to facilitate the role of forests in dealing with climate change. It has proposed an alternative approach to REDD-plus with the Joint Mitigation and Adaptation Mechanism, and considers the challenge of COP 18 will be to promote the development of a non-market-based approach.

Recalling paragraph 70 of the Cancun decision, Bolivia noted that it is important to establish different approaches according to paragraphs 66 and 67 (market-based and non-market approaches respectively), and not just focus on one approach. REDD-plus has been built around a market approach, aimed at ascribing value to a unit irrespective of connection to carbon markets. It does not accept REDD-plus encompassing all approaches needed; therefore this group should be oriented to building different approaches.

In order to establish and recognise different approaches, Bolivia suggested it would be necessary to request the SBSTA to conduct a work programme to consider the modalities, procedures and institutions required for the Joint Adaptation and Mitigation approach, and report to COP 19 for a decision, including identifying needs. This group should establish linkages and approaches for transfer of finance here in Doha, in particular specific windows for the financing of different approaches.

Indonesia stated it was very happy to give the facilitator the mandate to prepare the text, noting there were many good elements from Bangkok (referring to the facilitator's note). It stressed the importance of seeing the progress from what was achieved in Durban, in particular on sources of funding (paragraph 65), and paragraphs 66 and 67 (markets and non-markets).

It welcomed the proposals from the EU, PNG and Colombia, although noted that with a very limited time, it would be necessary to discuss how to best reflect these proposals in a decision.

Guyana supported the facilitator's proposal to prepare a new text, noting there was enough by way of the synthesis paper, the workshop paper and output from Bangkok for the facilitator to work with.

With regard to Colombia's proposal on sub-national, this would be fine provided that it adhered to previous COP decisions relating to such activities.

Guyana expressed concern regarding the EU proposal for an incentive level, suggesting further reflection was necessary. A lot of work has been done on FRLs/FRELs, and as much as we want to believe they are purely technical tools, they in fact create benchmarks which can still be converted into carbon or dollar metrics, thereby becoming a crediting tool.

Regarding PNG's proposal, Guyana cautioned against being over-ambitious, but agreed that Doha needed to deliver on the 'broad institutional infrastructure' to create a future path for REDD-plus where the details could be fleshed out.

Dominica echoed the sentiment of Guyana and supported the creation of a REDD-plus Committee.

The **US** suggested the need for a shorter text that reflects the areas where a common position could be found. It stated that it was happy with the mandate to produce new text, but that this is not the time to create new bodies and institutions.

Colombia suggested the text could be treated as four categories: recalling previous decisions; identifying areas with convergence; putting forth important areas where views diverge and identifying missing elements.

It agreed with previous sentiments that REDD-plus discussions need a home, and suggested a work programme under the COP, similar to the one on long-term finance.

Norway noted that scaling up finance is critical, with significant and predictable demand for REDD-plus needed before 2020, or there will be no incentive for REDD-plus. In Durban a wide variety of finance sources was agreed on; here in Doha the focus is on the rules and how results-based finance is provided.

It supported the facilitator developing a new draft decision text, and agreed with the US that the Bangkok text included too many options, without reflecting areas of convergence.

Norway specified that REDD-plus activities are undertaken with the aim to reduce emissions. They agreed there are multiple benefits, but the sources for REDD-plus finance are for emission reductions and results-based payments are therefore for emission reductions only.

They urged Parties to focus on the functions rather than new institutions, and outlined the requirements necessary for results-based payments as verified emission reductions, and a Safeguards Information System (SIS).

Malaysia supported the facilitator's proposed way forward but requested more details on views by the EU and Colombia, including clarification that the EU approach would not delay REDD-plus implementation.

Malawi associated with Tanzania and the LDCs, saying that results-based payments must include non-carbon benefits as these are essential for the sustainable management of forests.

Thailand emphasised the need to prioritise the majority issues where agreement can be reached; divergent and immature issues should be referred to the SBSTA.

The Philippines agreed with the LDCs and others that expanding results-based payments to include non-carbon benefits should be supported. It reminded Parties that the objectives of REDD-plus included emission reductions, as well as co-benefits such as biodiversity and poverty alleviation.

It agreed that it would be important to find a home for REDD-plus in case the AWG-LCA closes.

Australia felt that the text from Bangkok was a good summary of views put forward by Parties between Durban and Doha, but is not a good basis for negotiations. It reminded Parties that the ultimate aim is to reduce emissions, and for that reason it believes that results-based finance for REDD+ should be only for carbon.

Ecuador stated it expects a decision on finance for REDD-plus, including ensuring more public funding for phase 3. It emphasised the need to ensure sustainable livelihoods and environmental integrity, with technical guidance as an enabling condition. It noted that the priority should be to achieve multiple benefits, and called for a REDD-plus window in the GCF.

China noted that it would like to see progress in this agenda item, even if consensus cannot be achieved at Doha. After Doha there should be space for continuing to discuss REDD-plus.

Ghana felt that the comprehensive text developed in Bangkok captured well the Parties' views, but needs restructuring.

Parties then discussed the group's mandate in relation to the GCF; PNG noted Colombia's proposal was a good compromise on a difficult issue and there was a discussion in relation to the role of non-carbon benefits in the climate change convention.

The EU clarified that their incentive-level proposal is similar to the reference level, and that it was intended to facilitate, and not to delay, action.

A new text is expected on Saturday, 1 December with a further informal meeting in the second week of the Doha negotiations.

SBSTA

On 26 November 2012, a contact group on REDD+ was established under the SBSTA, with a mandate to report to COP 18 on National Forest Monitoring Systems; Measuring, Reporting and Verification (MRV) and drivers to deforestation.

Parties heard several statements from civil society groups and indigenous peoples' organisations, before the negotiations moved to a closed session.

Lakpa Nuri Sherpa from Asia Indigenous Peoples' Pact (AIPP) spoke on behalf of the International Indigenous Peoples' Forum on Climate Change (IIPFCC) expressing issues and concerns regarding REDD+. He stated that in all REDD+ policies, strategies and actions, the collective rights of indigenous peoples to forests, land, territories and resources should be respected in line with our Cosmo vision and international standards and instruments such as UNDRIP (UN Declaration on the Rights of Indigenous Peoples) and ILO Convention 169, and that full and effective participation of indigenous peoples must be ensured in all REDD+ phases, in line with free, prior and informed consent (FPIC).

Regarding MRV and SIS systems, he stated that traditional knowledge, customary laws and the forest management systems and practices of indigenous peoples, particularly roles and contributions of indigenous women, should be recognised and respected.

He reflected discussions in the LCA by stating that MRV systems should go beyond carbon to include a broad range of forest values such as traditional livelihoods, conservation enhancement, and biodiversity, among others.

Speaking on behalf of the Accra Caucus on Forests and Climate Change, Monica Lopez Baltodano from Centro Humboldt in Nicaragua reminded Parties that REDD+ must focus attention on the actions which lead to reduced forest loss, while respecting the rights of indigenous peoples, local communities and women.

She suggested that results for REDD+ must be seen as a broad package of performance, covering governance, social and environmental aspects that contribute to reducing emissions.

She noted that the present focus on establishing detailed MRV of carbon is taking attention away from the actions needed to reduce deforestation. Simplified measurement of emissions is sufficient, combined with national forest monitoring systems that are designed to monitor a broad range of forest attributes that represent the multiple benefits of forests.

Finally she urged negotiators to ensure that all Parties are responsible for addressing the drivers of deforestation and for a robust Safeguard Information System.

Speaking on behalf of the Climate Action Network (CAN), Patricia Elias from the Union of Concerned Scientists (UCS) urged the SBSTA to develop a common reporting format for MRV, a step-wise approach to reference levels, and requested the SBSTA to extend the mandate of the group to continue discussions on drivers of deforestation.

She noted that successful monitoring and MRV of REDD+ will encompass more than just measuring carbon. The national forest monitoring text should support holistic national forest monitoring systems that can provide information on emissions, implementation of safeguards, additional benefits from REDD+, and drivers of deforestation.

Noting discussions taking place in the LCA, she advised Parties to leave room for non-carbon elements to be incorporated into MRV systems. In terms of the emissions-related elements of national forest monitoring and MRV systems, these should be based on reference-level information, and employ a step-wise approach to measurement beginning with the use of appropriate proxies, culminating with the use of tonnes of CO2eq.

The informal continued meeting throughout the week, with an aim to report back to the SBSTA plenary on 1 December when the work of both the SBI and SBSTA is to end.

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Climate Finance – a Major Make-or-break Issue for Doha

Doha, 1 December (Meena Raman) – The lack of a decision at the 18th meeting of the Conference of Parties to the UNFCCC in Doha on setting clear mid-term finance targets for the period 2013-2020 is not an option, warned developing countries.

The G77 and China wants a decision in Doha that developed countries would mobilise jointly, new and additional resources amounting to US$60 billion by 2015, to address the needs of developing countries in mitigation and adaptation.

This is a major make-or-break issue, said the Alliance of Small Island States (AOSIS). Pakistan said that no decision on a finance roadmap could risk the collapse of COP 18, while Kenya said that no decision was not an option. Guatemala said that it could not join consensus (in adopting an outcome) if there was no decision in this regard.

Zambia for the Least Developed Countries stressed the importance of sustainable, predictable and additional finance for planning and budgeting in developing countries as there are potential debts that are going to be incurred as money needs to be borrowed for disasters, for crop losses and for loss of lives. The AWG-LCA must be closed in a manner that does not leave our people in danger, it said.

In stark contrast, developed countries, including the United States, Japan, Canada and the European Union said that no further decisions were needed under the work of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA), as all work had been completed and the working group should be closed in Doha.

These views were expressed at an informal consultation on finance held on 30 November by the Chair of the AWG-LCA.

Chair Aysar Tayeb (Saudi Arabia) wanted Parties to focus on the following issues: the continuity of finance from 2013 to 2020, fast-start finance, and the measurement, review and verification (MRV) of financial support. Given the shortness of time, Parties focused on finance from 2013-2020.

The Philippines for the **G77 and China** had submitted a proposal to address the financing gap for the period 2013-2020. This proposal calls on developed countries to 'provide significantly scaled-up financial resources that are predictable, new and additional, to developing country Parties, … to enable and support enhanced action on mitigation, adaptation, capacity – building and technology development and transfer in developing country Parties, taking into account the need for a balanced allocation between adaptation and mitigation'.

It also calls on developed countries to '… mobilise jointly new and additional resources amounting to US$60 billion by 2015, to address the needs of developing countries in undertaking climate change actions in adaptation and mitigation, taking into account the urgent and immediate needs of those developing countries that are particularly vulnerable to the adverse effects of climate change'.

The G77/China proposal also states that 'direct and facilitated access to these financial resources shall be guaranteed', and 'that the main sources of funding by developed country Parties will be public sources, with supplementary financing from other sources, including consideration of alternative sources, subject to measurement, reporting and verification procedures of support as may be agreed upon'.

The proposal also invites developed countries 'to report annually on the fulfilment of this commitment … including detailed information on their national plans to scale-up the mobilization of finance after 2012, as well as the projected trajectories and milestones set for achieving the 2020 goal'.

It also 'requests the Standing Committee (on finance), in consultation with the subsidiary bodies of the Convention, to prepare by May 2015 for the consideration of the Conference of Parties at its 21st session, a synthesis report on the implementation of this decision'.

In explaining the proposal, the Philippines said that in Copenhagen (2010) and Cancun (2011), developing countries were told that there would be fast-start financing of US$30 billion for the period 2010-2012. It was agreed that developed countries would commit to a goal of mobilising jointly at least US$100 billion per year by 2020. It said that for the period 2013 to 2020, climate financing to developing countries must be ensured.

The Philippines said that although the Green Climate Fund (GCF) was established, it remains an 'empty shell' with only a budget for administrative services and not for funding developing country needs. The sum of US$60 billion is puny, in comparison to what has been shown by studies to be very much higher for mitigation and adaptation efforts in developing countries.

The United States said that the G77/China proposal was not relevant. It said that there is no disagreement that the issue of finance is important and the amount needed is enormous.

Despite the economic downturn in major developed countries, the US said that countries had come forward to provide more than US$33 billion (fast-start finance). It said that tremendous work had been done under the AWG-LCA in building institutions such as the GCF, the Standing Committee, and having a work programme on long-term finance. The US said that the provision of the fast-start finance was an act of good faith and this was not a binding obligation. It added that developing countries need not worry that there would be no further financing and that all governments plan their budgets and that will not change.

There need to be new ideas for scaling up finance, it said, but there was no need for a decision in Doha as this was not called for by the Durban decision (referring to COP 17). The AWG-LCA had done its work and no further decisions were needed and the working group needs to be closed, said the US.

Barbados for the **Alliance of Small Island States** said that there is a need for clarity on what happens after the ending of fast-start finance. The mid-term target on finance is a way to measure progress of the commitments made in Copenhagen and Durban. The mid-term target is not a new obligation but is a way of assessing progress in meeting the commitments. It is about implementing the existing commitments. Developing country Parties had undertaken obligations on mitigation and adaptation from Cancun and Durban and it was only natural for a scaling-up of resources. A decision and the need for clarity on the post-2012 finance will make or break this Conference, it added.

Looking at the negotiations, Barbados said there was no progress on mitigation ambition under the Kyoto Protocol, even when climate impacts are worsening. There has been a significant push back on central issues on 'loss and damage' and on 'review' (on the adequacy of the long-term global goal for emission reductions). The GCF remains an empty shell. It did not care where the discussions on finance take place (under the COP or the AWG-LCA) but there must be a discussion on finance. Developed countries must recognise that this issue will make or break the Doha Conference.

Zambia speaking for the **Least Developed Countries (LDCs)** said that there was still work to be done before closing the AWG-LCA. In an obvious reference to the US comments, Zambia said that planning and budgeting is also going on in developing countries. We have to worry about the next flood or drought, it added. There is a need to be sure where money is going to come from for there are potential debts that are going to be incurred as money needs to be borrowed for disasters, for crop losses and for loss of lives. Hence, it is important to have financing which is sustainable, predictable and additional. The AWG-LCA must be closed in a manner that does not leave our people in danger. How do we ensure that our people can have coping capacities, it asked. The financing asked for is not too much and it is very minimal compared to what is really required.

Egypt, speaking for the **Africa Group**, in response to the US said that if no work was needed under the AWG-LCA, it should have been closed already in Durban. It said that the Africa Group had a proposal too which had been submitted as there was a need for clarity on the financing commitments for the period 2013 to 2020. There was a need for adequacy, predictability and sustainability and a process for reviewing the financing target. Egypt said that this was about meeting the commitments of developed countries and was not about 'side-events'. It was not about one Party giving money to another but was about funding for all developing countries with clear rules which come from (COP) decisions.

Kenya said that the AWG-LCA has achieved a lot in terms of setting up institutions and frameworks to enhance implementation of the Convention. However, there were still grey areas from now to 2013 to 2020 on the issue of financing commitments.

The AWG-LCA needs to have a successful closure and there is a need for a COP decision with clear mid-term targets. Not having a decision is not an option, it added.

Pakistan also said that having no decision on finance is not an option. It said that there is a need to have some decision in this regard and this was an issue that would collapse the Conference. A roadmap on mobilising finance is an important product of Doha and would be that pathway to the biggest confidence building among Parties.

Guatemala said that it was essential that there be an outcome in Doha on finance. It could not join a consensus (in adopting an outcome) if finance is not part of the outcome.

Colombia said that the purpose of the AWG-LCA has to be fulfilled before it is closed. A mid-term target for financing has been proposed because Parties had agreed from Copenhagen (COP 15 in 2009) that US$100 billion per year by 2020 would be mobilised and there was a need to set a target in between to set the direction. There was a need for clarity about financing beyond 2012. It also echoed Egypt's remarks on the need for finance which was predictable and sustainable.

Ecuador shared the concerns of other developing countries. It said that the GCF is still empty and that financing was a commitment of developed countries that must be met. There was a need for accurate accounting of the funding given and a process for compliance assessment for implementation of the commitments.

The European Union said that the finance issue was not new and the AWG-LCA had done a lot of work already, reflecting similar views as the US on the progress made regarding the institutions and processes that have been set up. It was 'puzzled' as to what else was left to do under the AWG-LCA and there was no mandate from Durban in this regard. It also said that work was being done under the COP on a work programme on long-term finance and since discussions are happening there (under the COP) it is a duplication to discuss matters under the AWG-LCA. It stressed that there was no further work under the AWG-LCA on finance as the work had been done.

Canada also said that that there were no further issues on financing under the AWG-LCA and there was a need to close the work of the working group.

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Deep Divide over Russia's Proposal to Amend Convention

Doha, 1 December (Chee Yoke Ling) – The deep divide between developing and developed countries remains over the proposal from the Russian Federation to amend Article 4.2(f) of the UN Framework Convention on Climate Change, to periodically review the lists in Annexes I and II of the Convention.

Developed countries and countries with economies in transition that support the amendment, argue that since 1992 when the Convention was adopted, the socio-economic situation in the world has changed. On the other hand, developing countries that do not support this move reiterate that the proposal goes against a basic principle of the Convention, i.e. common but differentiated responsibilities (CBDR) based on the historical responsibility of developed countries for the accumulation of greenhouse gases in the atmosphere.

The Convention provision currently reads as follows:

Article 4.2 -The developed country Parties and other Parties included in Annex I commit themselves specifically as provided for in the following:

(f) The Conference of the Parties shall review, not later than 31 December 1998, available information with a view to taking decisions regarding such amendments to the lists in Annexes I and II as may be appropriate, with the approval of the Party concerned;

The Russian Federation on 24 May 2011 submitted an amendment text to insert after the words 'with the approval of the Party concerned', the following sentence:

'*A further review of amendments to the lists in annexes I and II shall be conducted on a periodic basis, as determined by the Conference of the Parties, until the objective of the Convention has been achieved*.'

(Annex I to the Convention contains a list of developed countries and countries with economies in transition, with obligations to reduce greenhouse gas emissions. Annex II contains a list of developed countries based on the list member States of the Organisation for Economic Cooperation and Development in 1992, with obligations to provide new and additional finance to developing countries. The Annexes reflect the principle of 'common but differentiated responsibilities and respective capabilities' of the respective Parties to fulfil their obligations under the Convention.)

One of the controversial issues in the UN climate negotiations is the move by developed countries to reinterpret CBDR to shift more mitigation obligations to developing countries even as developed countries themselves do not take the lead to take ambitious emission cuts in accordance with their historical responsibility. Developing countries are concerned that the Russian proposal goes against this principle.

At the 17th meeting of the Conference of the Parties (COP 17) in Durban last year, the Russian Federation said in a contact group (that met 4 times) that it would request for a vote by COP 17, but most Parties called for continued discussions at COP 18 in Doha. Thus the issue has been allocated 3 time slots for contact group discussion.

At the 30 November Contact Group meeting in Doha, the facilitator Ambassador Javier Diaz (Costa Rica) requested the Russian Federation to present its proposal, whose delegate then reiterated that it is about the possibility of addressing annexes of the Convention, because the Convention was adopted in 1992. Annexes I and II were not designed or meant to be cast in iron forever and we need to change with changes in the socio-economic situation in the world, said the Russian Federation. So we want Parties to refer to the wording in the proposal, which is simple: a periodical review of Parties in Annex I and Annex II, consistent with the main objective of the Convention, to prevent dangerous anthropogenic interference with the climate system, it said.

Belarus and **Turkey** expressed support for the Russian Federation.

China said that it really appreciated the effort or intent of any colleague who wants to improve the Convention according to dynamic situations and wants to enhance the Convention. But specifically on this proposal, its understanding is that the purpose is to review the 2 lists of States of the Convention and to modify the Annex I or Annex II lists, and that it is not a matter of whether we add or delete names. If this is the case, this concern could also be met by present mechanisms or practice of the Convention. If we want to add or delete, we can do that already, said China, giving the examples of the addition of Belarus and Malta to Annex I and the deletion of Turkey from Annex II with similar (COP) decisions.

So the present articles provide mature mechanisms for us to address Annex I and Annex II dynamics in accordance with the provisions and mechanisms of the Convention, it concluded.

India said that Parties had 4 rounds of discussion in Durban which were useful and enriching, and we examined the issue from all angles. From whatever it had seen in the last one year, India did not see the need for its delegation to review its position.

After our discussion we adopted the Durban Platform, it said, and we are getting into a post-2020 arrangement. Discussions on pre- and post-Durban Platform (decision) make me more convinced that the lists reflect historical responsibility, CBDR and equity and nothing has changed so drastically that we need to change this.

How the Durban Platform outcome is going to shape and look is already in process. We are getting into an architecture that we want to reflect CBDR but that is evolving. So to look at this proposal at this juncture is not possible for us, said India.

The facilitator thanked India for putting the group in the new circumstances that we are now in.

The United States said the proposal is important if we want the UNFCCC to move forward. It shared Russia's concern that the Annexes are based on 1992 economic circumstances that do not reflect our current reality. The US indicated that it is precisely to link to other processes under the Convention that the Annexes will pose an obstacle (referring to the Durban Platform track).

(At the Durban COP, the US categorically refused to have CBDR or even the word 'equity' explicitly contained in the Durban Platform decision. The compromise was that the new working group will work towards a 'a protocol, another legal instrument or an agreed outcome with legal force' by 2015.)

The US also said that several among the top 10 largest economies, emitters and richest countries are non-Annex I countries and the annexes do not reflect reality. There is real reluctance to talk about graduation and changing Annexes according to those terms, it added, and to have comprehensive participation necessary to meet our climate challenges, one possibility is to review (the annexes). Another possibility is in the discussion during the Durban Platform negotiations, but we may be moving towards a system where annexes still exist but those annexes may not be so important for mitigation. So in the context of relevance of annexes, the US said this discussion should continue.

Singapore raised 3 points. First, what the Russian Federation is proposing goes against the basis of the Convention, where one fundamental principle is CBDR, where developed countries are to take the lead, and this is also historical responsibility. Secondly, it is hard to understand how the proposal reflects that responsibility. Thirdly, similar to China and India, its position is quite clear, there is not much time at this COP so it did not see much need to discuss this proposal.

Australia said that as with the US and others, it very much supports the intent of this proposal. A regular review will ensure that the Convention will not be led into something that does not reflect reality. Parties agreed to review in 1998 and this proposal ensures that they will do that, it said.

(The existing Convention provision states that a review to amend the lists in Annexes I and II shall be *with the approval of the Party concerned*.)

Turkey agreed with the US and China that we can have different ways and means to reflect dynamism. But the exclusion of Turkey from Annex II in Marrakesh (COP) was after difficult negotiation. If there were efficient mechanisms it would have been excluded earlier, and its experience shows how difficult the present mechanism is, it said.

Saudi Arabia thanked Russia for its good intention for protecting the global climate. It supported China, India and Singapore, and said it would like to highlight a very important fact: that we have in Doha a situation that is very different from Durban, that is the content of the decision for the Durban Platform for 2020.

If we compare from 1990 to 2012, or from 1998 (review in Article 4.2) till now, there is change. But this cannot compare with 150 years of historical responsibility, we need 20 and 20 and more 20 years. It is from the industrial revolution. We need to show that, then we can talk. We need to take into account the important fact of the Durban Platform decision.

Saudi Arabia said it cannot accept the (amendment) proposal, as we are short of time. We have 7 processes and we have no time.

Responding to Turkey, it said that it proves there is a mechanism for joining or going out.

India then referred to China's point on how changes can be made, and said that even without changing Annexes developing countries have recognised they have to contribute more. That is why developing countries' pledges are more than developed countries' – we have turned the Convention upside down. We are reflecting dynamic changes. It is not as if there is 1 side to the coin, there are 2 sides to the coin.

Iran said that this is not the appropriate time for the proposal. We have started the Durban Platform negotiations and we need convergence and full cooperation, adding that we are concerned this proposal will make a divergence between the Parties at the same time. It agreed with China that there is a mechanism to make changes to the annexes.

Iran said further that developed countries have commitments and pledges within the framework of the Convention and this proposal paves the way for developed countries to evade their commitments. It cannot go along with this proposal.

Canada said it very much agrees with the US, Australia and Russia for introducing the proposal. There is nothing (in the proposal) to compel a Party to move from one Annex to another, and it allows for useful and constructive discussion. It said that the fact that this proposal is at the same time as the ADP (Ad Hoc Working Group on the Durban Platform) is good timing, as we discuss over the next 2 years, the Russian proposal may allow us to overcome the inflexibilities experienced in the past.

The next 2 meetings of the Contact Group will be on Monday and Tuesday next week.

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Unhappy First Week at Doha; Uncertainty over the Final Outcome

By Martin Khor
Executive Director, South Centre

At the mid-way point of the UN Climate Conference in Doha, there are fierce battles on many topics, making it difficult to reach agreement.

A BIG battle is taking place at the UN climate conference in Doha. In the first week of the two-week meeting, the developed countries have made it clear they want to close down the working group that has been the main negotiating forum on climate change actions without its having completed its work.

Moreover, the other main group, which negotiates on the Kyoto Protocol, made little progress. While developing countries are adamant that the remaining developed-country Parties in this protocol commit to ambitious emission cuts, the latter are sticking to very low targets and with uncertainty on how legally binding the KP outcome will be.

Midway through this year's Conference of Parties of the UN Framework Convention on Climate Change

(UNFCCC), the battle lines seem to have hardened, and the outcome on the final day on 7 December is very uncertain.

The diplomatic deadlock contrasts with the planet's urgent need to maintain its climatic balance. The damaging effects of climate change are already being felt when the rise of the average global temperature is 0.8 degrees Celsius (compared to the pre-industrial period), yet the world is on a road to a 4-degree rise or more by the end of this century. The scenarios for such a rise are catastrophic.

At the heart of the battles at the UNFCCC are the differences among Parties on what is a fair and equitable sharing of the obligations and burden of mitigation (changing policies to curb emissions), and adaptation (spending money to cope with the effects of climate change).

At the start of the Doha conference last week, most developing countries made it clear their priority was to entrench the second commitment period of the Kyoto Protocol (KP) and to complete the work of the group on long-term cooperative action under the Convention (LCA).

They laid down what needs to be done under the KP – to get commitments from developed countries to cut emissions deeply (40% or more by 2020 compared to 1990), and to get this started on 1 January 2013 for the next five or eight years.

Developed countries that have left the KP or its second commitment period cannot take advantage of the 'flexibility mechanisms', such as paying other countries to reduce their emissions on their behalf, instead of taking their own domestic action.

The G77 and China, representing all developing countries, stated that the second commitment period must be ambitious and begin with effect from 1 January 2013 without any gap between the first and second periods and with the adoption of ratifiable amendments to the KP, to make it legally binding.

For the Alliance of Small Island States (AOSIS), the overarching issue to be addressed in Doha is the ambition of Annex I Party commitments. However, many of the targets presented by developed countries were 'plainly inadequate and inconsistent with pathways to the agreed global goal (of 2 degrees)'.

'The KP must not be an exercise in creative accounting, or a public relations exercise; commitments must be real and they must deliver effective emission reductions,' said AOSIS.

It was gravely disappointed by developed countries that claim to be 'helping' the process move forward, but are actually retreating from their KP commitments, or declining to take legally binding commitments under the KP's second period in the guise of freeing themselves for a future agreement we do not yet have. This is an abdication of responsibility owed to the international community, said AOSIS.

The Philippines, speaking for 24 developing countries, called on the developed countries in the KP to commit to cutting their emissions by at least 40-50% below 1990 levels by 2020 and at least 25-40% by 2017.

Currently, the ambition levels pledged are very low. Also, the other developed countries that are not in the KP or its second commitment period must undertake reduction commitments under the UNFCCC that are comparable. According to the 24 developing countries, 'Those developed countries outside the Kyoto Protocol or opting out should not get away with low emission cut targets. It is this comparability that would ensure environmental integrity'.

The European Union, which contains most of the developed countries still active in the KP, said it would immediately apply the second commitment period, regardless of the timing of ratification.

However, it also said that there were outstanding issues.

The developing countries view the EU's offer of 20% cut by 2020 as too low, especially because many countries are already within reach of this target, and the purchase of 'offsets' from developing countries reduces further the real effort the Europeans have to make.

However, the much bigger problem is from the other developed countries that either won't join the KP or its second commitment period, and last week New Zealand announced it would join this group, together with the US, Canada, Japan, and Russia.

These countries should not be able to just get away with abandoning the KP, because a sub-paragraph in the Bali Action Plan under the UNFCCC implies that developed countries that are not in the KP have to make a 'comparable' effort to those in the KP.

If this principle is to apply, then all the non-KP developed countries have to undertake obligations similar to the EU. They are meant to make their commitments under the Convention (which all are members of) through a decision of the LCA group.

This clause, together with the principle that developed countries have to undertake stronger mitigation commitments than developing counties (there is a clear distinction between the legally binding commitments of developed countries and the mitigation actions of developing countries supported by finance and technology), is the main reason why the US is leading other developed countries to shut down the LCA working group that negotiates the Bali Action Plan, without even allowing the Doha Conference to adopt new decisions on unfinished issues.

Other principles agreed to in the launch of the Bali Action Plan (which the LCA group has been negotiating) are that the financing of developing countries' actions by developed countries and the transfer of technology would be operationalised; and that adaptation actions by developing countries would be given priority and also operationalised.

In the four years of negotiations of the LCA group, the developing countries have also highlighted the issues of equity, the adverse effects of unilateral trade measures, and the potentially negative effects of intellectual property on technology transfer.

On a long-term global goal for emission reduction, many developing countries have argued strongly that numbers attached to such a goal should be accompanied by a framework for equitable sharing of responsibilities between developed and developing countries. These countries argue that when this major issue is to be transferred to another body after the LCA group closes, this transfer should be together with the context and framework of equity that has been brought up.

Because of the clear principles in the Bali Action Plan (that reflect those in the UNFCCC) and the complexities of the contexts surrounding the key issues, it would appear that some of the developed countries (if not all) would like an early or even premature closure of the LCA group before it can wrap up its work or arrange for a proper transfer of outstanding issues to other bodies.

'If you are adamant in doing away with the life in the body, at least make sure there is a proper allocation of its property and continuity of its heritage, and then give it a proper burial' seems to be a popular refrain of the developing countries about the LCA group in the corridors. After all, when the Bali Action Plan and Bali Road Map (i.e. the Bali Action Plan together with the plan for the Kyoto Protocol second commitment period) were launched in December 2007 in Bali, they were hailed as the newest and brightest stars of the global climate change regime, and they should not be unceremoniously ushered out without a proper conclusion of their work.

Last week at the Doha meetings, the developed countries aggressively attacked an attempt by the Chair of the LCA group, Aysar Tayeb, to suggest how to carry forward the important unresolved issues of the group before it disbands.

He provided a paper containing suggested texts of decisions on issues including mitigation of developed countries (and comparable emission reduction targets among them); technology transfer (including the effects of intellectual property rights); several issues on finance for developing countries; and unilateral trade measures using climate change as a reason.

Many developing countries appreciated the Chair's paper and wanted it to be the basis for negotiations. But the developed countries, led by the US, were hostile, claiming there was no need for any further work in the LCA, which should close down.

The hostility turned to aggression and rudeness in a session on technology. The developed countries (including the US, Japan, and the EU) refused to discuss the substance of the Chair's paper. Instead they challenged the procedure of the Chair producing texts when there was no agreement. The US view seemed to be that if there is no agreement on an issue, it should be dropped off.

The developing countries on the other hand insisted that an important issue should continue to be discussed if there are no agreed conclusions yet. And they considered technology transfer to be crucial for their climate actions.

There is also deadlock in finance, an issue which is of central importance, since the developed countries had agreed to finance climate actions in developing countries, and to mobilise $100 billion a year by 2020.

Last week, the G77 and China proposed that developed countries make available new funds of $60 billion by 2015 and that most of it should be from public sources. It explained that the $100 billion promise was for 2020. But funds should be guaranteed from 2013 to 2020. It added that the new Green Climate Fund remains an 'empty shell' without money in it and that even $60 billion being targeted is puny compared to what is needed.

In response, the United States said the G77 and China proposal was not relevant. Though finance is important, all the issues had already been settled and there was no need for any decision to be taken in Doha. This was supported by Canada, Japan, Russia and the EU.

AOSIS in contrast said a decision and the need for clarity on the post-2012 finance will 'make or break' this Conference. And the least developed countries said financing should be sustainable and predictable. 'The AWG-LCA must be closed in a manner that does not leave our people in danger,' they said.

The situation at the end of Week One in Doha is thus bleak. The emission reduction targets of developed countries are low, the Kyoto Protocol process is in trouble, yet the developed countries are still blocking proposals from developing countries in the LCA group, while not wanting to commit anything of substance in finance or technology transfer.

The frustration is building up among the developing countries. Unless there is a turnaround in Week Two, which is unlikely, the UN Climate Conference may end with a very weak outcome or even without agreement on crucial areas.

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Disappointment Expressed at Informal Stocktake at Doha Climate Talks

Doha, 4 December (Meena Raman and Chee Yoke Ling) – As the second week of the climate talks begins, and ministers begin to arrive, deep divisions remain in key areas of the unprecedented seven tracks of negotiations under the UN Framework Convention on Climate Change and its Kyoto Protocol.

Given the wide divergences, many of the issues especially under the Ad Hoc Working Groups under the Kyoto Protocol and the UNFCCC are expected to be forwarded to ministers for further political guidance.

The President of the Conference of Parties (COP), Abdullah Bin Hamad Al-Attiyah, convened an informal stocktake on 3 December evening on the status of work of the negotiations. In his opening remarks, he said the 37th sessions of the Subsidiary Bodies closed on Saturday. Although many items were resolved, the Chairs of the Subsidiary Bodies had informed him that there are still some issues that need further work and several of these were forwarded for consideration and finalisation under the Conference of Parties and the COP acting as the Meeting of Parties to the Kyoto Protocol (CMP).

Al-Attiyah urged Parties to look for common ground and solve issues under the UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) by Thursday (6 December). He also said that some texts from the three Ad Hoc Working Groups (of the Kyoto Protocol, the Long-term Cooperative Action under the Convention, and the Durban Platform) required further work and that he planned for ministerial outreach this week.

Developing countries expressed strong concerns that developed countries are still not willing to commit to more ambitious greenhouse gas emission reductions or to even have decisions adopted on adaptation, finance, technology and capacity building, all of which are crucial for an effective and meaningful conclusion of the Bali Roadmap (the second commitment period of the Kyoto Protocol and the Bali Action Plan).

Reports were made by the Chairs of the SBSTA, SBI, the Ad Hoc Working Group of the Kyoto Protocol (AWG-KP), the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) and the Ad Hoc Working Group on the Durban Platform (ADP).

SBSTA

The SBSTA Chair, Richard Muyungi (Tanzania), said that issues forwarded to the COP for further guidance include development and transfer of technology, and methodological issues under Protocol Articles 5, 7 and 8. A report will be made to the Presidency on Tuesday (4 December).

[Two SBSTA issues will be further considered next year: (1) On issues related to agriculture, the SBSTA Chair had ruled that there was no consensus amongst Parties to refer this matter to the COP for further consideration at the next 38th SBSTA session. (2) On the implications of the establishment of new hydrochlorofluorocarbon-22 (HCFC-22) facilities seeking to obtain certified emission reductions for the destruction of hydrofluorocarbon-23 (HFC-23), the SBSTA agreed to continue its discussions on this agenda item at its 39th session.

On emissions from fuel used for international aviation and maritime transport, the SBSTA took note of the information received from and progress reported by the secretariats of the ICAO and the IMO on their ongoing work on addressing emissions from fuel used for international aviation and maritime transport, and noted the views expressed by Parties on this information. The SBSTA invited the secretariats of the ICAO and IMO to continue to report, at future sessions of the SBSTA, on relevant work on this issue.]

SBI

The SBI Chair, Thomaz Chruszczow (Poland), said Parties were able to successfully close many items for the COP and CMP to adopt. Some issues might need more attention and there is a need to make political choices, including national adaptation plans and finalisation of implementation of MRV for non-Annex I Parties related to international consultation and analysis. He also said that items for political consideration include loss and damage, and issues related to technology. Discussions will continue in the hope that there will be clarity if ministerial involvement may be needed.

(Discussions continued late into the night, with some continuing till the next morning.)

AWG-KP

The AWG-KP Chair Madeleine Diouf (Senegal) said that in the first week Parties made some progress and a CRP 2 was issued late Saturday evening (1 December), and there was a stocktaking by the Contact Group (on 3 December morning). She expressed firm intention to complete the work of the AWG-KP on Wednesday (5 December). Parties will continue to resolve as much as they can, and it is clear that some issues will need ministers' intervention. She presented an outline of the work over last week. In her assessment, views remain divergent on the length of the second commitment period, quantified emission limitation reduction objectives (QELROs) and ambition level. This issue is critical for an agreed outcome.

On legal continuity from 1 January 2013, the options are fewer and clearer, and convergence may be possible. On operational continuity for Annex I Parties in the second commitment period, there are proposals on the table and there is a need for time to negotiate. On eligibility to access the flexible mechanisms under the Kyoto Protocol for Annex I Parties not in the second commitment period, views remain divergent. On the issue of the surplus AAUs (Assigned Amount Units Allowed), proposals are on the table, and this issue is complex and sensitive.

Diouf will issue a revised text on Wednesday (5 December) to reflect on the progress, stressing final delivery in Doha. This text will be a clean text with options for ministers, and she added that the issue on access to flexible mechanisms by Parties who will not take on the second commitment period and the extension of the share of proceeds to other mechanisms need ministerial guidance. Raising the level of ambition may require ministers' intervention, she added further.

AWG-LCA

The AWG-LCA Chair Aysar Tayeb presented the status on the different elements and said that at the stocktake he suggested a change of mode of work that looks at all elements and tries to see how to make progress for an agreed outcome. Informal consultations were supported by all Parties. He said that he prepared a document on the status of work that included various texts from working groups representing text for negotiations and there were divergent views on the agreed outcome expected. Some parts of the document remain blank. (See accompanying article on this.)

He said there is a need to identify areas which can help with further work and start drafting text and through further exploration, identify areas where higher political engagement from ministers may be needed.

ADP

The ADP Co-Chair Harald Dovland (Norway) reported that the co-chairs held informal consultations focused on the outcome of work at this session. They have produced an informal note for the consideration of Parties that contains elements of work for the ADP outcome. This seeks to reflect areas of common ground in 2012 for a basis of work in 2013 and beyond. After further consultations and on the basis of rich feedback, they will now make a revision of the note for further consideration on 4 December.

The COP President then said that in response to a request for an early outreach to ministers, he has invited 2 ministers – Luiz Figueiredo Machado (Brazil) and Bård Vegar Solhjell (Norway) to hold an informal ministerial outreach process to assist the AWG-KP Chair on discussions related to access to the Kyoto Protocol flexibility mechanisms for Parties not making commitments under the second commitment period and extending the share of proceeds to the other flexibility mechanisms. He also said that other issues could require further involvement by ministers and he will inform Parties on this later.

Algeria for the **G77 and China** supported the President's approach, stating that any document must take into account concerns of the Group, stressing on adaptation, finance and technology transfer which are crucial for this group.

Nauru for **AOSIS** said that the group's ministers had met to assess the status of negotiations and it was a sobering assessment. Across all tracks they do not see urgency or ambition. The KP Parties have not shown progress, there is no environmental or legal integrity. The LCA text is disappointing with major gaps. The ADP workplan does not include pre-2020 mitigation ambition which was agreed in Durban and is missing from the co-chairs' text. It said that AOSIS will be introducing its own text on 4 December on how to reduce emissions. Finance was missing from Durban and cannot be missing in Doha, stressed AOSIS, and success in Doha needs an ambitious outcome. Doha cannot be the first COP where members will leave with less than what we came with. Nauru also called for the process to be open, transparent and inclusive and hoped that it will not be a take-it-or-leave-it text. All Parties must have ownership, it said.

India for the **Like Minded Developing Countries** said the group came to Doha with great expectation, looking for a balanced comprehensive outcome to ensure that the COP in Doha is a success but progress has been a disappointment. On the KP there must be a ratifiable and legally binding second commitment period, and a need for an ambitious outcome. A meaningful conclusion of the LCA is one of the main components of the Durban package and we did not extend the LCA (in Durban) to close it without substance. It stressed that adaptation, capacity building, finance and technology transfer are crucial.

Egypt for the **Arab Group** called for a fair deal that has everyone's ownership, stressing that there is no contradiction between ambition and equity, and that equity is the gateway to ambition. It expressed consternation that people call for ambition but it did not see this in the LCA or KP.

Venezuela stressed there are no more excuses for those who have been evading actions and they need to take them now. It said that at the beginning of the second week Parties are heading to a mitigation and market agreement that will enrich developed countries. There is nothing for environmental integrity. The LCA text has nothing on finance, adaptation and technology transfer – text (from the previous Chair's overview paper) has been deleted and there are blank pages. On the other hand, said Venezuela, there are two consultations in less than 24 hours on the market mechanisms.

Referring to the KP, it was concerned that some countries do not respect what we have agreed and decisions made, and added that if some countries do not respect the law, it is difficult for others to respect decisions at the COP. It did not support access to flexibility mechanisms for non-second commitment period Parties, saying that this violates the principles of the KP.

Bolivia was concerned that the informal notes produced by facilitators do not consider submissions from some Parties and highlighted the lack of progress to raise the level of mitigation ambition.

Nicaragua wanted to see an ambitious second commitment period and to see the AWG-LCA fulfil completely its mandate under the Bali Action Plan. It is illusory to think that what cannot be agreed in the AWG-KP and AWG-LCA will be able to be agreed in the ADP. On the contrary, it will negatively predispose the ADP negotiation. The only thing that is guaranteed by this approach is the loss of critical time at a decisive juncture in the history of the climate of our planet.

Given that the International Energy Agency has warned that the 1.5 or 2 degrees is practically lost and that only the current conversion to natural gas will lead us to a 3.5 degree scenario by 2035, as well as the advice from the World Bank that we are on track for a 4 degree centigrade world with catastrophic consequences for our species, especially for poor countries, it is incongruent and indeed irresponsible to have a lost decade for climate finance.

Nicaragua said that many of us have yet to receive new, additional, and sufficient Initial Fast Start financing and quite obviously none of us has received Green Climate Fund financing, while the GEF facility is being reduced by US$590 million, 13.8% of the fund, and there is no road map to lend credibility to the US$100 thousand million per year beginning in 2020, that we were told in Durban is a goal and not a commitment. There is no new, additional, and sufficient financing foreseen for the period 2013-2019.

Australia for the **Umbrella Group** stressed the issues on eligibility continuation of the KP flexible mechanisms, called for focus in the AWG-LCA, and a Doha outcome that signals that the ADP is on track.

The EU said it came to deliver on the KP and that it is important to develop a text that is ripe for political decision making. It expects a strong signal that the ADP is on track for a legally binding agreement and to raise the level of ambition. On the LCA, it said that the facilitators' texts is not ripe yet and that it is important to work on compromises, and where this is not possible they must deliver clear options for ministers.

The COP President concluded by saying that he intends to complete the work forwarded by the SBs by Tuesday and to close the AWGs on Wednesday.

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AWG-LCA: Developing Countries Outraged over Lack of Text in Key Areas

Doha, 3 December (Hilary Chiew and Meena Raman) – At the informal plenary of the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) under the UNFCCC, developing countries expressed outrage over a document reflecting the status of work, at the start of the midpoint in the two-week negotiations in Doha.

Developing countries, led by the G77 and China, could not accept the document which was prepared by the AWG-LCA Chair Aysar Tayeb (Saudi Arabia) and presented to them on Monday, 3 December.

They said that the document did not reflect any text (as it contained blank pages) on the issues that are crucial for them and accused developed countries of blocking progress in the negotiations with many declaring that 'no text is not an option'. Developing countries urged the Chair to produce a text which addressed all the elements of the Bali Action Plan (BAP) in a balanced and comprehensive way.

The Philippines (which is the AWG-LCA finance coordinator for the G77 and China) said it could not let the position of developed countries prevail when they had offered nothing on mitigation commitments and nothing on finance. In reference to COP 18 being a paperless conference, it said 'paperless did not mean no text', drawing loud applause from the floor.

It referred to developed countries as 'blockers and deniers who are refusing to show commitments and push obligations onto developing countries'.

The controversial document, entitled '*Inputs to the informal consultation on the agreed outcome – status of work on the agenda item 3-5*', was issued late Sunday night on 2 December.

Delegates and observer organisations packed the meeting room at the Qatar National Convention Centre on Monday morning, expecting a big clash of views among developed and developing countries to take place at the informal consultations of the AWG-LCA held by the Chair.

In his initial remarks, Tayeb, reflecting on the status of work, said Parties made good progress in various agenda items through the spin-off groups and informal meetings. He said that he also received submissions for draft decisions from Parties on various elements on the agenda.

Tayeb explained that he compiled the document to reflect the status of work after the first week to provide inputs for consultation for the informal plenary, adding that it contained nothing new but provided a recollection of where Parties stood at the end of the first week.

He said in areas where there were still divergences in views on whether an outcome is needed, there was no text. In the 28-page status of work document, in key areas of major concerns to developing countries especially on the means of implementation, there were blank pages (5 pages) with no texts under the headings, which prompted a massive outcry from developing countries led by the G77 and China, and followed by other developing country groupings and countries.

Guatemala asked the AWG-LCA Chair for an explanation if this was a 'technical omission' and Tayeb replied that it was not. Where agreements could not be reached in these areas, there were no texts, explained the Chair.

There were blank pages under the following issues – adaptation; technology development and transfer (which includes the issues of intellectual property rights and technology assessment), finance, capacity-building and economic and social consequences of response measures (which includes the issue of unilateral measures).

Developed countries have been blocking texts on these issues, saying that no further decisions were needed on them as this was not mandated in Durban at COP 17. They also stressed that institutions and processes are in place to deal with these issues and no further decisions are needed and the AWG-LCA should terminate its work in Doha.

In response, developing countries stressed that the AWG-LCA could not close until it fulfilled the mandate of the Bali Action Plan and decisions were needed to address the uncompleted work.

(At the opening plenary of the AWG-LCA on Tuesday, 27 November, Tayeb had presented an informal overview text to facilitate discussions (CRP 3), which reflected the various submissions by Parties including a 'no-text' option. This overview text was rejected by developed countries as a basis for discussions.)

Algeria speaking for the G77 and China said that Parties would not be able to achieve the full, effective and sustained implementation of the Convention without a balanced and successful outcome of the AWG-LCA.

It expressed concern that the AWG-LCA has seen limited progress for the past one week, with developed countries blocking discussions on key issues for developing countries in the areas of adaptation, finance, technology transfer and capacity-building which must be concluded before a successful closure of the AWG-LCA and Parties must work on a text to reach decisions in Doha.

Echoing the G77-China, the **Philippines** in a very strong and impassioned response said that it was absolutely unacceptable that the submissions by the G77-China, Least Developed Countries (LDCs) and African Group were not reflected in the Chair's document. It said with the remaining gaps in the BAP, it will not be possible to come to an agreed outcome in Doha as these texts are crucial for developing countries if there is to be movement in the other process (referring to the Ad Hoc Working Group on the Durban Platform).

It refuted claims of the developed countries that the outstanding issues are taken care by the setting up of several institutions as totally inaccurate; there are gaps and it can prove that the financial support is inadequate. The oft-cited Green Climate Fund (GCF) is an empty shell.

The Philippines said it could not let the position of developed countries prevail when they had offered nothing on mitigation commitments and nothing on finance. In reference to COP 18 being a paperless conference, it said 'paperless does not mean no text', drawing loud applause from the floor.

In an obvious reference to developed countries, it asked who were the blockers of the negotiations and deniers, refusing to show commitments, while pushing the commitments onto developing countries.

Venezuela said a text that made every single Annex I country happy and every non-Annex I country unhappy cannot be a basis for negotiation. It stressed that whenever Parties could not reach agreement, they have to continue discussing the issues. In this case, texts were deleted, it added in alarm.

India said that no agreement on the issues did not mean there is no mandate.

Concurring with the G77/China, **Nicaragua** representing the **Like-Minded Developing Countries** said that it is a matter of concern that procedural debates have been used to stall meaningful discussion on matters of substance and many Parties have failed to engage in deliberations in good faith. A meaningful conclusion of the LCA was one of the main components of the Durban Package. The AWG-LCA's mandate was extended not merely to close it, but to do meaningful work on all the unresolved issues to reach a comprehensive agreed outcome under the AWG-LCA. This must remain our objective in this session.

All the elements under the AWG-LCA must be addressed in a balanced manner. Nothing less would do. Nicaragua was against a selective pick-and-choose exercise when it came to addressing issues, and this is not acceptable. Text-based discussion on all issues in a balanced manner is important. A no-text option cannot be an option, it added.

Not having a text on adaptation, transfer of technologies, finance, capacity building and response measures is unacceptable, as we need a negotiating basis to resolve these issues for a successful conclusion of the AWG-LCA in Doha. Therefore, we ask you to produce a text on all the elements of the BAP, on the basis of Parties' submissions and presentations, as soon as possible in order to reach an agreed outcome in Doha, in accordance with the BAP.

Kenya speaking for the African Group said no text on the features of the BAP is not acceptable, adding that there is no reason why some elements are included but others are left out.

Barbados for the **Alliance of Small Island States (AOSIS)** said that the AWG-LCA can be closed but it must give the assurance to all Parties that their issues have been addressed in a satisfactory manner. Important issues have not been sufficiently addressed. On the issue of finance, in reference to claims by developed countries that this is being dealt with elsewhere, it asked where the 2013-2020 finance gap is addressed. It is not being addressed by any other body and all the institutions are empty.

The GCF is an empty shell. There is a need to focus on real action.

Egypt for the **Arab Group** said there needed to be a successful and meaningful closure of the AWG-LCA and all the elements of the BAP must be given balanced treatment. There cannot be a pick-and-choose approach. Having no text is not an option.

Bolivia, Malaysia, China, Guatemala, Colombia, Cuba, Tanzania, Egypt, Brazil, Venezuela, Bangladesh, India, the Democratic Republic of the Congo, Argentina, South Africa, Papua New Guinea, Mali, the United Arab Emirates and Saudi Arabia were among many developing countries who spoke, supporting the G77/China statements. Many of them stressed the importance of a balanced and comprehensive outcome of all the BAP elements and not to adopt a 'pick and choose' approach.

Bolivia expressed concern about what was happening not only in the AWG-LCA but also the Ad Hoc Working Group on the Kyoto Protocol (AWG-KP). It said that it is clear that the negotiations are not advancing as it is not in the interest of developed country Parties to address means of implementation expressed in finance, technology transfer etc except to promote the use of market mechanisms.

It said the document is clearly market-oriented, pointing out that on the item about various approaches, the market orientation prevails. It decried the imposition of market mechanisms as a condition for financial assistance which is against the Convention's provisions. It further said the facilitator of the various approaches group had produced a document without considering the submissions of developing country Parties. On a sarcastic note, it said instead of calling the agenda item 'various approaches including markets', the item should be renamed 'various approaches to promote market mechanism'.

China said it shared the concerns of many developing countries over the lack of progress of the work in the AWG-LCA and expressed deep disappointment. It said it understood that we cannot solve many issues but many of the issues can go into substantive discussions to find further solutions.

Cuba expressed surprise that some Parties said there was no time to introduce new issues when the G77/China is referred to issues that had been on the table for a long time and urged Parties to work productively for a balanced outcome.

Brazil and Papua New Guinea sympathised with the Chair who was being 'grilled' by his own group. Brazil was against a pick-and-choose approach, stressing that the mandate from Bali is a global package and there cannot be a wrap-up of only some parts and not the whole.

Venezuela said a text that made every single Annex I country happy and every non-Annex I country unhappy cannot be a basis for negotiation. It also said that if negotiations are about making developed countries happy, then we should propose that they set up their own process and this did not need to include developing countries. It stressed that whenever Parties could not reach agreement, they have to continue discussing the issues. In this case, texts were deleted! Developed countries cannot impose conditions.

It pointed out that item 1b(v) (on various approaches, including markets) was rejected as it does not contain any of the developing country proposals. Hence, the text in the document in this regard cannot be the basis for the negotiations.

Venezuela urged Parties to get to work for a balanced agreed outcome that is not imposed by the views of developed countries.

India noted that all developing countries had spoken with one voice and they don't want to leave Doha without addressing all the outstanding issues. No agreement on the issues did not mean there is no mandate. It reminded Parties that the issues of transparency in mitigation, legal form and review were all new issues since the BAP and these were worked on in good faith. Issues like unilateral measures and equity are inherent issues under the Convention. It said there is a need to identify issues that can be resolved and if not, to take them to the appropriate bodies for further work.

Developed countries such as the United States, Switzerland, New Zealand, Australia, Japan and the European Union said that Parties had made significant achievements on the issues under the AWG-LCA, citing the establishment of institutions to address adaptation, finance, technology transfer and capacity building.

The United States said that much progress has been made under the AWG-LCA and decisions have been taken. Referring to the Chair's status of work document, it said that facilitators had done a good job. In some areas there can be agreement (referring to the Durban-mandated issues) but if there is no agreement, those issues must be put aside.

Japan said despite diverging views on some issues, Parties need to close the AWG-LCA according to the Durban mandate and that Japan has no intention to block discussion but insisted that in areas where there is no consensus there is no need for negotiating text. It said it is saddened that throughout the first week discussion, it can hardly remember developing countries welcoming the US$33 billion fast-start finance.

The EU expressed similar sentiments as the US and Japan, as did **Switzerland for the Environmental Integrity Group**. The EU added that if there is no progress on the issue of market mechanisms, it will not derive any comfort from the package.

Mexico wished that the Chair's text can bring Parties closer instead of the current situation where Parties are polarised, which it said is unproductive.

Chair Tayeb then engaged Parties in deliberating on how to make progress on each of the issues. Informal consultations in smaller groups (closed to observers) were conducted on 'review: further definition of its scope and development of its modalities'; shared vision, mitigation by developed country Parties and mitigation by developing countries.

Another informal consultation in the bigger group (opened to observers) was held in the evening, during which time, smaller informal consultations were launched on forest-related issues (REDD-plus) and various approaches including the opportunity for using markets.

On the issue of capacity building and finance, intense and protracted discussions continued for more than 3 hours which ended at around 1.30 am on Tuesday, 4 December with no conclusions on how to move forward, as developed countries resisted any engagement on the submissions of developing countries including the G77 and China, the Africa Group, the LDCs and like-minded countries for draft decisions.

Developed countries continued to insist that much progress has already been achieved on capacity building and finance with various institutions set up and no further decisions were needed. This led to the Philippines, representing the G77 and China on the issue of finance, to express in frustration that the Chair should put the submissions of the developing countries on the table as a basis for negotiations and if the developed countries do not want to engage, these draft decisions should be adopted.

In response, the EU appealed to the Chair of the AWG-LCA to help find a way forward.

The AWG-LCA resumed informal consultations (which were open to observers) at 10 am on 4 December. The remaining issues being considered are sectoral approaches, economic and social consequences of response measures, adaptation and technology transfer.

At the time of writing, an impasse continues on the issues of sectoral approaches, economic and social consequences of response measures and adaptation. The same is expected on the issue of technology transfer.

With less than 4 days remaining, there is no resolution in sight on key concerns of developing countries.

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AWG-KP: No Shift in Low Ambition, Unresolved Issues to Go to Ministers

Doha, 4 December (Fauwaz Abdul Aziz) – Developing countries continue to express deep concern over the low level of ambition in the greenhouse gas emission reduction targets of developed countries for the second commitment period under the Kyoto Protocol.

At the 3 December meeting of the Contact Group of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), Chair Madeleine Diouf-Sarr (Senegal) said Parties seem to have acknowledged that aggregate and individual levels of ambition need to be raised, but do not as yet agree on when and how greater ambition can be reached.

Bolivia said that while some Parties had described their QELROs as being the 'floor' of possible pledges and not the ceiling, it is rather more appropriate to describe the QELROs as being 'underground' in terms of the ambition needed.

(Quantified emission limitation or reduction objectives or QELROs for the second commitment period of the Kyoto Protocol have been submitted by the EU, Norway, Switzerland, Australia, Kazakhstan and Monaco.)

Diouf-Sarr presented her assessment on progress made so far, where several key issues have been identified to be presented to ministers for political decision making. She also pointed to her revised proposal to facilitate negotiations (FCCC/KP/AWG/2012/CRP.2).

This followed a report by co-facilitator Sandea de Wet (South Africa) on the spin-off group on numbers which reported modest progress while AWG-KP Vice-Chair Jukka Uosukainen (Finland) reported good progress in his informal consultations on issues including the provisional application of the second commitment period that currently has 3 options: opting out, opting in, and an implementing decision. He said that these are not necessarily mutually exclusive.

All this took place at the Contact Group on item 3 (consideration of Annex I Parties' further commitments).

In providing her assessment, Diouf said that most progress has been on legal continuity and operational continuity of the Kyoto Protocol between the end of the first commitment period (1CP) ending this year and the second commitment period (2CP) due to begin on 1 January 2013. About 85-90% of the discussions relating to these two subjects had been completed and they were on their way towards resolution in time for presentation to the ministers by Wednesday, 4 December.

Legal continuity

The issue of legal continuity arises since it has been recognised that once amendment to the KP for the 2CP is adopted, it would take considerable time for Parties to ratify the amendments, resulting in a 'legal gap' between 2CP on 1 January 2013 and the entry into force of the amendments. While several options had been proposed by the negotiating Parties, these are getting 'fewer and clearer' and would be more feasible – relative to the other issues to be resolved – to present to the ministers for their consideration, said Diouf-Sarr.

The options currently on the table are i) the amendments will apply provisionally on all countries except for those countries who cannot and, thus, will 'opt out'; ii) the amendments will apply provisionally only on those countries, and who will thus make a declaration to 'opt in'; iii) there will be an implementing decision, whereby strong language would indicate that while there is a legal gap, all countries will be applying the rules and procedures of the KP as it comes into effect.

Operational continuity

Diouf-Sarr said that similarly, there is the matter of operational continuity, but which centres around the key issue of clarity in terms of the eligibility of Parties to access the flexibility mechanisms under the KP as of 1 January 2013. But while operational continuity as a whole has seen good progress and appears to have been 85% completed, the issue of eligibility for Annex I Parties that have not made 2CP commitments remains the most intractable, with views remaining considerably divergent and without any compromise option in sight. Diouf-Sarr's chart that she used for her presentation indicates less than 25% progress in the talks over eligibility. The issue of eligibility is also under negotiations at the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI).

It is most likely that the issue will have to be resolved by ministers working at the political level to make a decision on the topic, said Diouf-Sarr.

Carry-over and surplus units

Another sticky issue between negotiators in the AWG-KP relates to carry-over and surplus of tradeable units – more specifically whether the current rules regarding carry-over will remain or whether some level of limitation on carry-over and/ or surplus units will be implemented in the 2CP. While discussions on eligibility have emerged with clarity in some areas, there has been less clarity in other areas, with some agreement that non-Annex I can participate in the clean development mechanism (CDM) in the 2CP and that measures must be taken to enable their participation from 1 January 2013. There are challenges related to the establishment of the assigned amount in the 2CP and the effect that this may have on the operations of Joint Implementation and international emissions trading has resulted in new textual proposals. The question of whether and how far Parties included in Annex I have expressed their intention not to take QELROs during the 2CP remains, Diouf said.

2CP length, QELROs and ambition

Of critical importance to the negotiations by far, is the trio of issues relating to length of 2CP, QELROs, and level of ambition in mitigation. According to Diouf-Sarr's chart, only slightly more than 50% of the work toward resolving this matter has been achieved at the negotiating with considerably divergent views on the issues – particularly on the question of how ambition is to be raised. Additional information from QELROs has been received from most of Annex B Parties, with Belarus having provided a revised version of its numbers.

Diouf-Sarr said Parties seem to have acknowledged that aggregate and individual levels of ambition need to be raised, but do not as yet agree on when and how greater ambition can be reached. Provisional QELROs have been expressed in a range, but the chosen numbers were those in the lower end of that range, even if some Parties assert that the condition for more ambitious QELROs does not exist.

Following the presentation by Diouf-Sarr, the issue of ambition occupied a central concern in the interventions – particularly those of the developing countries.

The Philippines expressed deep concern about where the group stands in terms of movement and progress in the search for a high level of ambition. Referring to Diouf-Sarr's chart, the Philippines said that it would like to see 'that brown arrow reach the green box (with the words "full and final agreement") as soon as we can, because the Kyoto Protocol is the fundamental basis for ensuring ambition in the whole climate change regime. The adoption of the 2CP, I would want to stress, was the key part of the Durban package, and other parts of the package would depend on this, and therefore, for all of us to reach that green box. There can be no further quid pro quo. Our call is unequivocal. No more conditions. No more delays.'

For the KP negotiations to arrive at that green box, the Philippines said that Parties must establish a ratifiable, legally-binding amendment to the Annex B, which must enter into force on the first day of 2013. This means the developed countries who commit themselves to the 2CP must undertake those ambitious targets, so that a high level of ambition can be achieved, so that the level of ambition becomes meaningful. Currently what is seen is a very low level of ambition, and it is equally important that those who would not commit to the 2CP must undertake comparable actions.

It said clarity on ambition would unlock other issues, though such clarity in pursuing that high level of ambition remains elusive. While there are key political issues that continue to be dealt with, the notion of bringing these issues to the ministers is something we must seriously reflect on. 'The question in my mind,' said the Philippines, 'is what will my minister think/say if I bring this picture to her? What she will lament on is the poor level of ambition.'

Speaking on the 'delicate' issue of carry-over and surplus of AAUs, the Philippines added that from the point of view of the Group of 77 and China, it is time for the rest to respond to this.

St Lucia for AOSIS said ministers of the Alliance of Small Island States had come to Doha specifically to see an increase in ambition. Citing a UN Environment Programme report and a World Bank report, St Lucia emphasised that the mitigation gap is increasing and that contrary to being on track to reaching any goals, the world is on track to missing the global goals that KP Parties had already adopted, and to missing the below-two-degrees target of temperature increases.

Citing the storms that had recently ravaged the island of Palau and are currently ravaging the Philippines, St Lucia said countries cannot sit here without an increase in ambition; it would not be responsible. Some Parties had actually dropped to the low end of their ambition ranges, which has led small island states to ask, 'Why is this? We already have pledge ranges from Parties that have a low end and high end. Clearly these Parties have already decided that they have a mandate to go to the high end of their pledge ranges. Why can't they move to the top end of their pledge ranges here in Doha?'

St Lucia asked in earnest, 'What conditions have not been met? Why is it that the EU, Switzerland and Norway say, "Thank you, but we will stick to the low end of our pledge ranges." Please tell small island states: What conditions have not been met? In our view, it is not responsible to leave here without an increase in ambition. So again, please explain. The issue of ambition frames this whole discussion, and that needs to be emphasised.'

Bolivia expressed concern about not seeing any real approximation of effort to have the clear numbers that are needed in the next commitment period in trying to avoid the dangerous temperature increases. In the name, or maybe under the excuse, of trying to move into an operating mode, Bolivia said it felt the deeply technical discussions look like the Annex I Parties to the KP had forgotten that they must commit to ambitious QELROs.

While some Parties had described their QELROs as being the 'floor' of possible pledges and not the ceiling, Bolivia said it is rather more appropriate to describe the QELROs as being 'underground' in terms of the ambition needed.

Referring to the CDM, Bolivia said when many Annex I countries seek access to mechanisms without any obligation to reduce (their emissions) for the second commitment period, they want to have only benefits but with no responsibilities to the world. It reiterated its stand that access to the KP's flexible mechanisms can be made available only to those Annex I Parties that have commitments under the second commitment period of the KP.

Brazil, Saudi Arabia and Bangladesh stated similar positions and stressed that significant divergence in some key issues still exists while the imperative is to resolve them by 5 December and to streamline clearer amendment texts before the ministers engage in political negotiations.

Bangladesh cited as being most important to its delegation the following: adoption of a ratifiable Doha amendment KP for 2CP as a key element of a balanced Doha outcome; the deeply dissatisfying and discontenting emission reduction targets described in Annex B; a rules-based internationally binding 2CP as the major instrument for closing the pre-2020 mitigation gap; comparable efforts between Annex I KP and non-KP Parties and the inaction of the free-riders.

Australia said ambition is the broader question, because while the KP is significant in that it was the first international treaty that imposed legally binding emission reductions, the 2CP will cover only 4% of global emissions.

Noting that there is a process started in Durban that will look at ambition in a broader way under the ADP, Australia said what it has put on the table is the floor, and it is prepared in time to 'go up that ambition ladder' if its conditions related to how other countries also act, are met.

It also pointed out that while the common benchmark is that amendments come into force on 1 January next year, it is commonly known that that is not possible legally because three-quarters of the members of the KP are needed to ratify the amendments in addition to a further 90 days. So it thinks Parties need to set aside that particular barrier, and look at the pragmatic suggestion on how we do make sure that we have legal continuity from 1 January.

The EU recounted the actions it had taken to achieve its climate objectives domestically – even without LULUCF – and to close the gap domestically. Unlike when they left Kyoto (on conclusion of the KP), now the EU has domestic legislation in place and they will start implementing on 1 January 2013.

This meeting is really about trying to save the Kyoto Protocol itself, and this is something we would very much like to see, said the EU. But this is only going to be possible if there are compromises. Doha is not the end of the road, but a milestone moving forward, so some of our decisions have to reflect what is going to come in the next year and the years thereafter.

The EU called on Parties to be pragmatic as there is no time and narrow options, and to provide clarity for ministers, mentioning specifically the issue of carry-off.

Norway also noted that the KP covers a small percentage of global emissions, and what matters is the overall ambition level pre-2020 and beyond which is decisive, so it is not in the KP. When it comes to overall ambition, Norway said it is as concerned as others that the global emission gap is too large, and that collectively, the world is not doing enough. But when addressing the overall ambition gap, what is needed is a broader perspective than the negotiations under the KP alone.

We cannot close the ambition gap, it said, but a new commitment period under the KP is a significant contribution by securing legally-binding QELROs under a multilateral rule-based system for those 30 Parties that are moving forward. It stressed its strong commitment to delivering on this key part of the balanced package from Durban.

Adaptation Fund

On the Adaptation Fund involving credits from flexible mechanisms, **China** said that if there are no texts touching upon the Adaptation Fund, the decision of Adaptation adopted under the Marrakesh Accords would stand.

The EU said it wants to see definitely the continuation of the CDM as of 1 January 2013, because that is the link to the Adaptation Fund. It acknowledged that the Adaptation Fund at the moment is not sufficient, and hoped that all Parties in the KP and those with commitments outside the KP will help developing countries set up adaptation programmes.

India said the question of the Adaptation Fund is important for vulnerable developing countries and that since the inception of 1CP, the requirement of a levy on CDM proceeds which, after taking care of administrative expenses, is a contribution to Adaptation. There are proposals for amendments that are relevant to the KP, with Article 6 relating to application of a similar levy on the other flexibility mechanisms under the KP.

It urged that all Parties support these proposed amendments. The EU's support for adaptation is certainly appreciated, and we hope more of the EU's resources will go towards governance and policy structure of the Adaptation Fund. But we also feel that the Adaptation Fund is too important a matter to be left to the discretion of legislatures of Annex I Parties and we feel it is important to have a large component of non-discretionary funding. Therefore, India supports amendments to Articles 16 and 17 which have to do with ensuring the other flexibility mechanisms contribute their due shares as the CDM does to the Adaptation Fund.

St Lucia said the AOSIS supports the two proposed amendments – one with regard to Joint Implementation and the other with international emissions trading. It also noted that there is a proposal for increase in the share of proceeds in flexible mechanisms to 5% – an increase on the CDM and extension of share of proceeds of flexible mechanisms more broadly. It is certainly time with regard to project mechanisms, to put them on an equal footing and we do see the value in having an automatic funding stream for adaptation, said St Lucia.

Parties continue to work in informal consultations and the spin-off group on numbers throughout Tuesday into the night.

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AWG-KP: Outcome Document Forwarded with Brackets to CMP 8

Doha, 7 December (Fauwaz Abdul Aziz) – The Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) at its closing plenary held on 6 December, agreed to forward the proposal by its Chair to facilitate negotiations, to the 8th Conference of Parties meeting as the Parties to the Kyoto Protocol (CMP 8) for its consideration.

The AWG-KP agreed that the proposal by the Chair, Madeleine Rose Diouf-Sarr (Senegal), be forwarded to the CMP for its consideration (with amendments as proposed by the Alliance of Small Island States) and issued as the 'Outcome of the work of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol'.

Under the authority of the CMP 8 President (Qatar), Ambassador Luiz Machado (Brazil) and Bard Vegar Solhjell (Norway) are to consult Parties to identify solutions for the outstanding issues forwarded to the CMP.

The outcome document forwarded to the CMP contains many brackets on the key unresolved issues that have plagued the KP negotiations and these include the ambition mechanism (proposed by the G77 and China for increasing mitigation ambition of Annex I Parties in the KP); carry-over of surplus Assigned Amount Units (AAUs); eligibility to the flexibility mechanisms under the Protocol for those not making a commitment to a second period (CP2); provisional application of the amendments to Annex B (containing the emission reductions to be made); the numbers for the emission reduction targets and the length of CP2.

The 20-page outcome document contains the preamble and six sections (containing the various options proposed by the Parties) relating to the adoption of the amendments to Annex B and the length of the commitment period (Section I), on the legal continuity of the KP between the first and second commitment periods (Section II), modalities for review of the mitigation ambition and Quantified Emission Limitation Reduction Objectives (QELROs) targets (Section III), Parties' eligibility to and use of flexible mechanisms and AAUs (IV), share of proceeds (Section V) and references to the measures needed to facilitate the implementation of decisions and the fulfilment of the KP mandate (Section VI).

The meeting of the CMP is scheduled to take place Friday, 7 December, which is the final day of the Doha talks.

The closing session on Thursday of the AWG-KP (which was the last meeting of the working group since it was launched in 2005) was fraught with emotion – not out of nostalgic reminisce on the part of negotiators for any purported success capping the long journey since it was set up – but out of grief, ominousness and foreboding.

In a plenary full of strong statements and assertions, it was by far **the Philippines** that gave the most powerful indictment of the work of the AWG-KP when it measured the 'progress' made on paper to push negotiations forward against the needs of developing countries struggling with poverty and other social and economic challenges, the challenges posed to developing countries in the other tracks in the UNFCCC, and the reality of the disastrous adverse effects of climate change.

In an impassioned and emotive speech amidst grief, the Philippines delegate, Naradev Sano, said he spoke 'not as a negotiator, not as a leader of my delegation, but as a Filipino' on behalf of 100 million Filipinos who face a crisis and tragedy of historic proportions with the onslaught of the Bopha hurricane and the untold loss and destruction of lives and property.

Sano urged Parties to reflect on whether there had indeed been progress in substance when the text to be forwarded to the CMP reflects disunity and the multitude of interests rather than a coherent response to the actual horrors and dangers of climate change.

Developing countries have put forward concrete proposals, and have painstakingly worked on arriving at a common ground on many issues, said the Philippines, including the ambition mechanism, carry-over of surplus AAUs, eligibility, provisional application, and numbers, in the earnest endeavour to make the 2CP a meaningful one, a 2CP that can provide the crucial basis for further enhancing global ambition.

How do we move progress in the work under the various negotiating fronts? How do we ensure that we pursue a high level of ambition for the 2CP, and ensure means of implementation to enhance global ambition, both for mitigation and adaptation, he asked?

Have we done enough? Have we managed to give justice to what the world demands of us? Have we honoured the package we got out of Durban? Do we see a glass half full? A glass half empty? Or an empty glass altogether? he challenged delegates further.

Warning the group that the day marks a very crucial moment in the history of the UNFCCC in which, while 25 days away from the end of the first commitment period of the KP, there were only a few precious hours left to ensure that the world was on the right trajectory to address the climate crisis, Sano said the KP is the linchpin of real success in Doha and the cornerstone of ambition, if not the whole multilateral regime.

As we sit here, said Sano, every single hour, even as we vacillate and procrastinate here, we are suffering. There is massive and widespread devastation. Hundreds of thousands of people have been rendered without homes. And the ordeal is far from over. We have never had a typhoon like Bopha, which has wreaked havoc in a part of the country that has never seen a storm like this in half a century. And heart-breaking tragedies like this are not unique to the Philippines, because the whole world, especially developing countries struggling to address poverty and achieve social and human development, confront these same realities.

In a final appeal to the leaders of the world and climate officials of the various governments currently gathered at the UNFCCC in Doha, Sano pleaded that they open their eyes to the stark reality that the world faces and see their work not as consisting of what the 'political masters' want, but about what is demanded of them by 7 billion people around the planet.

'I appeal to all, please, no more delays, no more excuses. Please, let Doha be remembered as the place where we found the political will to turn things around and let 2012 be remembered as the year the world found the courage to find the will to take responsibility for the future we want. I ask of all of us here, if not us, then who? If not now, then when? If not here, then where?' he asked.

His speech drew loud applause from all those present in the hall. Negotiators, official observers, climate activists and numerous others later gathered around Sano in droves to embrace him, shake his hand, extend their condolences over the tragedy unfolding in the Philippines and to offer words of encouragement and appreciation for the heartfelt plea he made in the plenary that day.

The AWG-KP Chair's proposal to forward the outcome document to the CMP did not, however, go unchallenged when **St Lucia – speaking on behalf of the Alliance of Small Island States (AOSIS)** – noted that a proposal by the G77 and China on 'ambition mechanism' was missing from the Chair's text despite the proposal having been a coherent set of paragraphs ready for adoption that had not been rejected by the Parties. St Lucia pointed out that it was a big compromise by AOSIS members to even engage in the discussions on the concept of mechanism, but now is of the position that the mechanism bear fruit by 2014 at the latest, which is consistent with a broader step-up of ambition that AOSIS had proposed in a mitigation workplan under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

St Lucia also pointed out that under the heading 'Article 1: Amendment' Section A' (containing tables of the QELROs to replace those in Annex B to the Protocol) of the Chair's text, there were only two options, whereas a third option – 'Option 2' in the previous text – was missing. For this reason, as well as because of concerns that the numbers reflected in the table are not consistent with the level of ambition AOSIS seeks, it said there is a need for further engagement and that it wanted to insert brackets around Section A in its entirety.

Similarly, St Lucia also requested that Section 4 be bracketed, as well as Paragraph 36, which is the paragraph that 'decides that the AWG-KP has fulfilled the mandate set out in 1/CMP.1' and that its work is hereby concluded.

(The amendments proposed by AOSIS to the outcome document were agreed to by Parties.)

In its statement, St Lucia said: 'We have now spent close to seven years negotiating commitment periods of the Annex I Parties under the KP. This session is our last opportunity to satisfy our mandate. Yet, Madam Chair, AOSIS has concerns over the progress we have made thus far. In our view, we have not yet completed the mandate. We have not yet agreed on a way to avoid a legal gap. We have not yet agreed on further commitments for Annex I Parties consistent with the overall objective of the Convention, which is to prevent dangerous climate change. We have not addressed the surplus problem and resolved it.' It had a series of concerns over with the text that has been presented, and looked to an opportunity to engage in that text, so that its concerns can be reflected.

St Lucia reiterated AOSIS' position in calling for a five-year commitment period for a level of ambition that moves Annex I Parties to the top of their pledge emission reduction ranges and beyond; for commitments that are not conditional; and for commitments that are consistent with the shared global goal of limiting temperature increases to below at least 2 degrees. It also reiterated the need for the provisional application of amendments to be adopted pending their entry into force to ensure no legal gap between commitment periods.

With respect to the issue of eligibility, St Lucia said AOSIS holds the view that Annex I Parties must have a CP2 commitment in Annex B to be able to participate in the flexible mechanisms.

Algeria, speaking for the Group of 77 and China, also said that much remained to be done for a successful outcome in Doha, and said it is an issue of priority for the AWG-KP to realise the need for the CP2 of Annex I Parties to be ambitious and to begin with effect from 1 January 2013 before the AWG-KP's mandate can be considered fulfilled. Algeria also said Annex I Parties must commit to ambitious QELROs to make the CP2 meaningful and reflect the urgent need to stabilise the global greenhouse gas concentration in the atmosphere. Access to the flexibility mechanisms should be available only to those Annex I Parties that adopt commitments under CP2, and due consideration should be given to the G77 and China's proposal on ambition. The completion of the AWG-KP's mandate and the continuity of the KP are conditional upon the resolution of the above matters, said Algeria, who expressed hope that the ministers gathered would adopt the appropriate decision regarding these issues.

Making remarks similar to those of AOSIS and the G77 and China was **Gambia for the group of Least Developed Countries (LDCs)** and **Swaziland for the African Group**.

Speaking of the huge sacrifice and delicate balancing that had been expected of all groupings at the outset of the meeting in Doha to 'carefully lay the building blocks while guaranteeing the outcomes', Swaziland said 'the objective was known and the outcome visible,' but even as the AWG-KP was holding its closing plenary, neither the objective nor the outcome had been obtained. In particular, said Swaziland, there remain concerns over the perpetuation of 'hot air' in the second and subsequent commitment period; that Parties with QELROs have immediate access to flexible mechanisms of the KP; and that the CP2 lacks a clear ambitious mechanism that guarantees increase in ambition as early as the next two years.

Bolivia criticised the text as one that was filled with many options but with no clear solutions. The KP is aimed at achieving the ultimate goal of stabilising the concentration of GHGs within clear deadlines while ensuring that countries can adapt and yet be able to develop sustainably, but nothing in the texts shows that this can be done along these lines currently. What the text does indicate are options that appear to aim at giving more room for developed countries to manoeuvre around their commitments, said Bolivia.

Bolivia also criticised those countries that invoked 'national legislation' as being the reason that their obligations related to a CP2 cannot be ratified. Some options do not talk of the commitment of developed countries to a CP2 and make it legally binding. Given that the issue had been discussed for the past seven years, Bolivia said they've had a great deal of hope that Parties would be able to reach a certain level of commitment and had time to make the necessary political decisions. 'But today, all we are seeing are empty promises, with a low level of ambition that does not correspond to the conclusions of science,' said Bolivia.

On the contrary, the text contains a number of options for countries who do not subscribe to a CP2 to access flexible mechanisms, whereas the flexible mechanisms are meant to help Annex I countries in terms of their emission reductions. Bolivia also noted that while there has been much talk about the legal consequences of committing to a CP2, there seemed little space accorded to the legal consequences of A1 countries leaving the commitment period or not keeping to their commitments.

Bolivia was extremely concerned and did not agree with the text as it involves an amendment to the KP that will only lead to 'losing' the only legally binding agreement we have. It urged Parties to be responsible and agree on an effective solution and fulfil our commitment to Mother Earth.

The European Union reiterated its commitment to the mandate of the AWG-KP and to closing the AWG-KP in Doha. It spoke of seven years of hard work and of the balanced outcome it seeks to achieve at this climate conference. It was prepared to inscribe QELROs of 80% for an 8-year period (which is a 20% emissions reduction target by 2020 compared to 1990 levels) and that its QELRO 'is the floor, not the ceiling' of its ambition, but that each country will need to respect each other's national constitutions.

The EU also expressed regret that some Annex B Parties to the KP had chosen not to participate in a CP2, resulting in the remaining Parties covering only 14% of global emissions. Sadly, this also means that the contribution to achieving the overall objectives of the Convention can only be very limited. This underlines the importance of complementing the actions of 2CP Parties with meaningful and comparable actions of other Parties under the Convention. It recognised the ambition gap in the pre-2020 commitments leading us towards a 3-5 degree world of dangerous climate change instead of keeping warming to below 2 degrees. Each of us will have to do our fair bit to narrow this gap no matter whether inside 2CP or outside (the Convention and the KP), it added.

Australia, speaking for Umbrella group countries Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Ukraine and Australia, said the Group is unanimous in supporting an 8-year commitment period as all those Parties taking commitments under the period; and in expanding, rather than limiting, participation in the market mechanisms. As we enter the last critical days of this negotiation, we should maintain a view to the bigger picture and ensure our progress in the KP is complemented by advancement in other areas of the Doha package. From this point forward, the KP must be seen for what it is, which is part of a much-broader shared endeavour to put global mitigation efforts on a sustainable footing that can bring the emission reductions within reach.

Switzerland, speaking for the Environmental Integrity Group, spoke of the multiple benefits and protection to be had from the clean development mechanisms if these were allowed access even by Parties that had not signed onto a 2CP. It also gave the assurance that its QELROs commitments are the floor, not the ceiling, of its ambition, and that when ratification does take place it will all act.

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A 'Low Ambition' Outcome in Doha

Geneva, 10 December (Martin Khor*) – The annual UN climate conference concluded in Doha last Saturday (8 December) with 'low ambition' in both emission cuts by developed countries and funding for developing countries.

Parties to the UN Framework Convention on Climate Change (UNFCCC) adopted many decisions, including on the Kyoto Protocol's second commitment period in which developed countries committed to cut their emissions of greenhouse gases.

Many delegates left the conference quite relieved that they had reached agreement after days of wrangling over many issues and an anxious last 24 hours that were so contentious that most people felt a collapse was imminent.

The relief was that the multilateral climate change regime has survived yet again, although there are such deep differences and distrust among developed and developing countries.

The conflict in paradigms between these two groups of countries was very evident throughout the two weeks of the Doha negotiations, and it was only papered over superficially in the final hours to avoid an open failure. But the differences will surface again when negotiations resume next year.

Avoidance of collapse was a poor measure of success. In terms of progress towards real actions to tackle the climate change crisis, the Doha conference was another lost opportunity and grossly inadequate.

The conference was held at the end of a year of record extreme events. News of a typhoon in the Philippines which killed 500 and made 300,000 homeless reminded the conference participants of the reality of the climate crisis.

However, the dictates of economic competition and commercial interests unfortunately were of higher priority, especially among developed countries, which explains their low ambition in emission reduction.

They also broke their promises in the legally binding UNFCCC to provide funds and transfer technology to developing countries.

The most important result in Doha was the formal adoption of the Kyoto Protocol's second commitment period (2013 to 2020) to follow immediately after the first period expires on 31 December 2012.

However, the elements are weak. With original Kyoto Protocol Parties Russia, Japan and New Zealand having decided not to join in a second commitment period, and Canada having left the Protocol altogether, only Europe, Norway, Switzerland, Australia, and a few others (totalling 35 developed countries and countries with economies in transition) are left to make legally binding commitments in the second period.

Also, the emission cuts these countries agreed to commit to are in aggregate only 18% by 2020 below the 1990 level, compared to the 25-40% required to restrict global temperature rise to 2 degrees Celsius.

A saving factor in the Kyoto Protocol decision is the 'ambition mechanism' put in by developing countries, that the countries will 'revisit' their original target and increase their commitments by 2014, in line with the aggregate 25-40% reduction goal.

Also, the decision severely limited the amount of credits or surplus allowances that can be used during the second period. These credits were accumulated in the Kyoto Protocol's first commitment period by countries that cut their emissions more than the targeted level.

According to the decision, these countries cannot use or trade most of the surplus allowances as a means to avoid current emission cuts.

The most important country affected is Russia, and on Saturday it strongly objected to the way the President of the Conference, Abdullah Hamad al-

Attiyah of Qatar, bulldozed through the Kyoto Protocol decision even though it and two other countries tried to object.

A second major criticism of the Doha decisions is the lack of funds to be provided to developing countries to take climate actions.

In 2010, the Conference of Parties in Cancun decided that developed countries would mobilise climate finance of US$100 billion a year starting in 2020; and that US$30 billion of fast-track finance would be given in 2010-2012.

But there is a gap between 2013 and 2020. Despite the demand by developing countries that there be US$60 billion by 2015, the decision adopted on Saturday does not specify any number as a commitment. It only 'encourages' countries to provide at least as much as they had in the 2010-2012 period.

The lack of a credible finance commitment led to an outcry by developing countries on the plenary floor. This lack of funds curtails their ability to undertake actions to combat climate change, especially since they have agreed in the 2010 Cancun and 2011 Durban Conferences to take on more mitigation efforts.

The Doha conference also adopted a set of decisions under its working group on long-term cooperative action under the UNFCCC. The developing countries were pleased with paragraphs on equity, unilateral trade measures, technology assessment and a vague reference to the effects of intellectual property.

However these decisions were very weak. Even then the United States registered its disagreement or reservations to these decisions, after the adoption of the text, giving a foretaste of how they will continue to object to future discussions on these issues.

A positive decision made in Doha was to prepare for the setting up by next year's Conference of an 'international mechanism' to help developing countries deal with loss and damage caused by climate change. This also resulted from intense negotiations.

Activities meanwhile will include an expert meeting and preparing technical papers on this issue.

Developing countries hope that this programme will lead to new funds being channelled to those countries suffering from flooding, drought, sea-level rise and other forms of damage linked to climate change.

The Doha conference also adopted a work plan for the new working group on the Durban Platform that was set up in December 2011. There were major fights in Doha over this, with many developing countries insisting that mention be made that the Durban Platform will operate on the basis of equity and common and differentiated responsibilities (CBDR), the operating principle of the UNFCCC.

The final text did not mention this principle, and even the reference to the June 2012 Rio Plus 20 Summit which endorsed the equity and CBDR principle was removed at the insistence of the United States.

What remained in the text was a reference that the Durban Platform's work will be guided by the principles of the Convention. Even then, the United States in the final plenary placed a reservation that they reject the use of this phrase in the negotiations in the Durban Platform group.

This reveals how much lacking in the spirit of international cooperation the United States and some other developed countries have become.

They are no longer willing to assist the developing countries, and incredibly are even objecting to the principles of the Convention being applied to negotiations to set up a new agreement that will be under the Convention.

More than anything else, this shows the tragic paradox of the Doha conference. It succeeded in adopting many decisions and kept the functioning of the multilateral climate regime alive, but the actual substance of actions to save the planet from climate change was absent, as was a genuine commitment to support the developing countries.

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* Martin Khor is Executive Director of the South Centre.

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Durban Platform Work to be Guided by Principles of the Convention

Geneva, 11 December (Meena Raman) – The 18th session of the UNFCCC Conference of Parties (COP 18) adopted a decision on 8 December acknowledging that the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) 'shall be guided by the principles of the Convention'.

A number of developing countries led by India, China, Argentina, Egypt and Uganda wanted the principle of equity and common but differentiated responsibilities (CBDR) to underpin the work of the ADP and advanced this position at the final plenary of the ADP held on Friday, 7 December.

Their calls were met with resistance from developed countries, led by the United States. Parties could not arrive at a consensus over the draft decision which was tabled by the Co-Chairs of the ADP, Jayant Mauskar (India) and Harald Dovland (Norway) on 7 December.

In the version of the draft decision text which was presented to Parties by the Co-Chairs in the evening of 7 December, the language in the final preamble was only to note the UN General Assembly resolution 66/288 entitled 'The Future We Want' (which is the outcome document from the June 2012 Rio plus 20 Summit). Several developing countries including India and China wanted specific reference to paragraph 191 of the Rio outcome document which reads: '*We recall that the UNFCCC provides that parties should protect the climate system for the benefit of present and future generations of humankind on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities.'*

This reference to the Rio plus 20 outcome document was resisted by the United States and others including Norway and Mexico during the closing plenary of the ADP held on 7 December.

The US said that the Rio plus 20 Summit was a 'political declaration' while the UNFCCC is a 'treaty body', and hence, very strongly opposed any reference to the Rio outcome document.

On the other hand, Uganda, supported by China, proposed that there be language in the decision that the ADP's work be guided by the principles of the Convention.

Given the lack of consensus mainly over this issue, the draft decision presented by the Co-Chairs to the final plenary of the ADP (on 7 December) could not be adopted and was therefore transmitted to the COP for further consultations with Ministers.

At the ADP closing plenary, Parties could only agree to the draft conclusions proposed by the Co-Chairs on the planning of work and not the draft decision text. (See below for further details.)

When the Qatari COP President, Abdullah bin Hamad Al-Attiyah, convened the informal plenary of COP 18 at 8 am on Saturday, 8 December, to present the draft decisions for Parties to consider, the decision text of the ADP contained the following final preamble: *'Acknowledging that the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall be guided by the principles of the Convention.'*

The informal morning plenary was then adjourned to allow Parties to consult on the draft decisions presented by the COP President (relating to the work of the ADP as well as the outcomes of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention and the Ad Hoc Working Group on the Kyoto Protocol).

When the formal closing plenary of COP 18 was convened in the afternoon of Saturday, December, the United States, commenting on the draft decision for the ADP, firmly opposed reference to the principles of the Convention as the basis of negotiations under the ADP.

Although the US did not block the adoption of the COP 18 decision, Todd Stern, the US head of delegation, referring to the preamble, said that the principles of the Convention had no effect on the mandate of the decision reached in Durban and will not be the basis for negotiations under the ADP and rejected any attempt to invoke the principles.

According to sources, the US had approached the Qatari COP President to delete the controversial preamble before the final formal plenary convened but was not successful.

(Parties had agreed in Durban last year 'to launch a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties, through … the ADP'. The US had in Durban, opposed references to the principles of the Convention, especially Article 3.1 and did not want any reference to 'equity' and 'CBDR' in the decision.)

Some highlights of the final decision adopted at COP 18 as regards the work of the ADP are as follows:

'The Conference of the Parties,… Acknowledging that the work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action shall be guided by the principles of the Convention, …

4. *Determined* to adopt a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties at its twenty-first session, due to be held from Wednesday, 2 December to Sunday, 13 December 2015, and for it to come into effect and be implemented from 2020;
5. *Decides* to identify and to explore in 2013 options for a range of actions that can close the pre-2020 ambition gap with a view to identifying further activities for its plan of work in 2014 ensuring the highest possible mitigation efforts under the Convention;
6. *Welcomes* the planning of work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action, as set out in document FCCC/ADP/2012/L.4, including, inter alia, on mitigation, adaptation, finance, technology development and transfer, capacity-building, and transparency of action and support;
   (The document refers to the planning of work for the ADP, highlights of which are provided below).
9. *Decides* that the Ad Hoc Working Group on the Durban Platform for Enhanced Action will consider elements for a draft negotiating text no later than at its session to be held in conjunction with the twentieth session of the Conference of the Parties, due to be held from Wednesday, 3 December to Sunday, 14 December 2014, with a view to making available a negotiating text before May 2015.'

Planning of work

On the planning of work of the ADP, conclusions proposed by the Co-Chairs were agreed to on 7 December, at the closing plenary of the ADP. Among the highlights of the conclusions are:

'4. The ADP agreed to immediately advance its substantive discussions in 2013 at sessions to be held: (a) In conjunction with the thirty-eighth sessions of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA); (b) In conjunction with the nineteenth session of the Conference of the Parties (COP) and the ninth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP); (c) In Bonn, Germany, from Monday, 29 April to Friday, 3 May 2013, and/or from Monday, 9 September to Friday, 13 September 2013.'

Workstream 1

'12. Under workstream 1, relating to a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties (hereinafter referred to as the 2015 agreement), the ADP decided to hold in-session roundtable discussions and workshops in 2013 and invited the Co-Chairs of the ADP to set out, in early 2013, the focused questions for those roundtables and workshops, taking into account the submissions referred to in paragraph 13 below.

13. The ADP invited Parties and accredited observer organizations to submit to the secretariat, by 1 March 2013, information, views and proposals on matters related to the work of the ADP, including, inter alia, mitigation, adaptation, finance, technology development and transfer, capacity-building, and transparency of action and support, addressing aspects such as: (a) Application of the principles of the Convention; (b) Building on the experiences and lessons learned from other processes under the Convention and from other multilateral processes, as appropriate; (c) The scope, structure and design of the 2015 agreement; (d) Ways of defining and reflecting enhanced action.'

Workstream 2

'14. Under workstream 2, relating to pre-2020 ambition, the ADP decided to hold in-session roundtable discussions and workshops, including those referred to in paragraph 16 below, and invited the Co-Chairs of the ADP to set out, in early 2013, focused questions for those roundtables and workshops, taking into account the submissions referred to in paragraph 15 below.

15. The ADP invited Parties and accredited observer organizations to submit to the secretariat, by 1 March 2013, information, views and proposals on actions, initiatives and options to enhance ambition, including through the workplan on enhancing mitigation ambition, with a particular focus on 2013. In their submissions on actions, initiatives and options to enhance ambition, Parties may wish to give consideration to the following aspects:
    (a) Mitigation and adaptation benefits, including resilience to the impacts of climate change;
    (b) Barriers and ways to overcome them, and incentives for actions;
    (c) Finance, technology, and capacity-building to support implementation.

16. Taking into account the submissions referred to in paragraph 15 above, the ADP intends to hold a series of workshops. The workshops will begin in 2013 and may, inter alia, identify, and catalyse the implementation of, initiatives and actions to rapidly, cost-effectively, urgently, and equitably reduce greenhouse gas emissions.'

Other areas of controversy

According to sources, one key aspect that saw much controversy during the informal consultations between the Co-Chairs and Parties related to paragraph 16 of the draft conclusions as regards the topics for the workshops.

In an earlier draft, (5 December draft), under workstream 2, the workshops on the following thematic areas were proposed – 'The ADP decided to hold a series of workshops, including on the thematic areas of energy, transport, industry, agriculture, forestry and waste management. The workshops will begin in 2013 and will identify, and catalyse the implementation of, initiatives and actions to reduce greenhouse gas emissions as rapidly and as cost-effectively as possible.'

Several developing countries had raised concerns over having workshops based on the above sectors. According to sources, several developing countries from the Like-minded Developing Countries including Argentina, India and China raised concerns that the areas selected for the technical workshops prejudged the mandates and negotiations which were on-going under 'cooperative sectoral approaches and sector-specific actions' under the AWG-LCA, and also that specific discussions were taking place under the UNFCCC subsidiary bodies, such as in the SBSTA, on agriculture. This was one reason why they wanted deletion of references to the specific thematic areas.

The final conclusion that was adopted did not specify the specific thematic areas or sectors for the workshops to be held.

Another bone of contention among Parties over the ADP draft conclusions presented by the Co-Chairs during the informal consultations and the final plenary related to paragraph 13 (d) under workstream 1.

In the draft conclusions presented by the Co-Chairs on 5 December, paragraph 13(d) was as follows: 'ways of defining and reflecting commitments'. In the version of 6 December, it was 'ways of defining and reflecting commitments and actions', following requests by some developing countries led by China and India in making a distinction between the commitments of developed countries and actions of developing countries. In the version of 7 December, the paragraph was changed to 'ways of defining and reflecting undertakings'.

During the plenary on 7 December, India said that the word 'undertakings' is not consistent with the decision in Durban and preferred reference to 'commitments and actions'. This was supported by China and Argentina. South Africa and Brazil preferred reference to 'a range of commitments'.

The US did not support references to 'commitments and actions' as this was the language used in the Bali Action Plan (BAP). It added that the Durban Platform is not the BAP.

In response, China said that the BAP was not 'poison' and that the title of the Durban Platform decision referred to 'enhanced action' and it could not understand why the word 'actions' could therefore not be used. As a compromise, Egypt suggested the use of the following words: 'ways of reflecting enhanced action'. This was then agreed to by all Parties and is what is reflected in the final conclusions of the Co-Chairs of the ADP.

The intense and divergent views among Parties in Doha over the interpretation of the Durban Platform decision are expected to continue next year when Parties meet to advance the work of the ADP.

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AWG-LCA Concludes Its Work in Doha

Doha, 11 December (Hilary Chiew and Meena Raman) – Five years after its launch in 2007 to advance an agreed outcome under the Bali Action Plan, the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) ended its work with the forwarding of the outcome document prepared by its Chair, to the 18th meeting of the UNFCCC's Conference of Parties (COP 18) on Friday, 7 December.

The outcome document of the AWG-LCA was not adopted by Parties at the working group level, but there was agreement to forward the text of the outcome of its work to the COP for further consideration, as suggested by its Chair, Aysar Tayeb (Saudi Arabia).

Tayeb informed Parties at the conclusion of the plenary held on 7 December that ministers of Singapore and Germany will conduct consultations on matters under the AWG-LCA.

In the 22-page proposed text by the AWG-LCA Chair which was a clean text with no brackets and options, the page on finance was blank with a note that read: '*Pending the results from the ministerial consultations'*.

On 4 December, the COP President Abdullah Hamad Al-Attiyah launched ministerial consultations by appointing the ministers of Switzerland and the Maldives to conduct bilateral consultations to find solutions on matters related to finance.

The closing session of COP 18, initially scheduled for the evening of 7 December, was postponed while bilateral informal consultations between ministers and Parties proceeded behind the scenes throughout the night on the AWG-LCA text.

When the revised document was presented by the COP President in the morning of 8 December (called 'revised proposal by the President'), there was text on finance, which urges all developed country Parties to scale up climate finance to the joint-goal of mobilising USD100 billion per year by 2020 and for developed countries to further increase their efforts to provide resources of at least to the average annual level of the fast-start finance period for 2013-2015.

This revised proposal by the President of the AWG-LCA outcome of work was adopted by Parties as part of the Doha package.

In the area of technology transfer, the final text had no explicit reference to the issue of intellectual property rights (IPRs). The earlier text from the AWG-LCA Chair's document provided for the Technology Executive Committee (in paragraph 64), 'in elaborating its future workplan, to initiate the exploration of options for implementing the following activities … with a view to recommending appropriate actions for consideration by the Conference of the Parties at its twentieth session: (a) Examining effective mechanisms that promote access to affordable environmentally sound technologies, reward innovators and increase the dynamic of global innovation; …'

Developed countries including the US and EU had during the closing AWG-LCA plenary objected to the language in paragraph 64 as referring to the IPR regime and wanted its deletion. The final text adopted by Parties has reference to 'the exploration of issues relating to enabling environments and barriers including to those issues referred to in the report of the Technology Executive Committee (TEC)'.

[Paragraph 35 – in sub-para (g) of the TEC report states that IPRs were identified as an area for which more clarity would be needed on their role in the development and transfer of climate technologies based upon evidence on a case-by-case basis. Thus the link to work on IPRs was made in a circuitous way to avoid the use of the term in the AWG-LCA outcome document.]

On unilateral measures, the earlier text of the Chair was watered down. The Chair's text in paragraph 57 requested 'the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to convene, at their thirty-eighth sessions, a joint round-table discussion on unilateral measures in the context of Article 3, paragraph 5, of the Convention'.

The final decision in paragraph 54 welcomed 'the progress made in the work of the forum on the impact of the implementation of response measures being convened under the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation' and invited 'Parties to continue to participate in the forum, including the sharing of views on policy issues of concern, such as unilateral measures'. Developed countries during the negotiations were resistant to having any text on unilateral measures.

On cooperative sectoral approaches and sector-specific actions, the final decision adopted had no text on this matter. In the earlier version of the AWG-LCA Chair's text, there was reference to paragraph 42, which several developing countries in the Like-minded developing countries wanted deleted, as it was not consistent with Article 2.2 of the Kyoto Protocol.

(Para 42 of the document states: '*Also agrees that the limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from international aviation and maritime transport should be pursued in a multilateral manner, working through the International Civil Aviation Organisation and the International Maritime Organisation, respectively.'* Article 2.2 of the KP which only applies to developed countries in Annex I states that '*The Parties included in Annex I shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively.'*)

During the final plenary of the AWG-LCA, both developed and developing countries registered their dissatisfaction with the 7 December text from the outset, and called for improvements with the former actively seeking ministerial intervention.

The smooth closing plenary of the AWG-LCA caught many Parties by surprise in the afternoon of 7 December with no objections to the Chair's proposal to forward the final document of the working group to COP 18 for consideration and adoption. Hesitating for a minute, Tayeb jokingly asked the Secretariat's staff if he should go ahead to gavel the decision before he brought down the gavel.

The European Union was prompted to seek confirmation that the decision was to forward the text for further consideration by the COP and Bangladesh said that it had wanted elaboration of the mechanism to facilitate access to climate technology for Least Developed Countries (LDCs). Tayeb confirmed that the text was not adopted but only the decision to forward it for further consideration by the COP.

Following statements by groupings of Parties and countries, Tayeb noted the many reservations on the text. He said it was extremely striking that reservations are on the same issues but from opposite directions, adding that Parties were at the last stretch of a journey and that he had done his utmost best. He believed that Parties are close to the finishing line and under the guidance of the ministers, they will be able to cross the line.

Several developing country Parties also recorded their appreciation for the leadership of Tayeb throughout the two weeks of tough negotiations.

Algeria representing the Group of 77 and China (G77-China) reiterated that a successful outcome lies in the issue of finance in which there must be clarity and certainty for the coming years to meet the need of developing countries in light of the imposition on them from previous decisions of Cancun (COP 16, 2010) and Durban (COP 17, 2011). In particular, it said clarity is needed for the financial resources gap from 2012 to 2020 besides other issues such as adaptation, mitigation and technology transfer.

Equally important, said the G77 and China, is the ability of developing countries to engage first on adaptation then mitigation, expressing wariness at the emptiness of the various institutions set up with no effects on the ground. It further expressed concern on the lack of progress on adaptation and technology transfer as expressed by several members of the group and is grateful for the advancement of the AWG-LCA work despite the lack of flexibility shown by partners (referring to Annex I Parties).

It remained committed to all outstanding issues to be addressed appropriately in order to achieve a result that will fulfil the mandate of the Bali Action Plan (BAP).

The Philippines speaking for the Like-Minded Group of Developing Countries reminded Parties that they extended the AWG-LCA, not merely to close it, but to do meaningful work on all the unresolved issues to reach an ambitious, meaningful and comprehensive agreed outcome.The agreed outcome must comprehensively address all the elements contained in the BAP as an essential element for the success of Doha, which was one of the components of the Durban Package.

Parties must address all the elements under the AWG-LCA including ambitious and comparable emission reduction targets by the developed country Parties, adaptation, finance, technology transfer and capacity building.

The creation of institutions for many of these issues reflects excellent progress but does not necessarily close the issues themselves, particularly as the key political issues of operationalising these institutions remained unaddressed referring to means of implementation for developing countries.

Developed countries, it said, should rise to their historical responsibilities and honour their commitment to provide developing countries with financing, technology transfer and capacity building support and to finance the effective operationalisation of the institutional mechanisms.

As such, it noted that the text that the Chair had forwarded to the COP for its consideration could be further improved. The text, it said, did not reflect the full and equitable and ambitious outcome that it was looking for. In this regard, it flagged the following issues:

- The finance element in the final agreed outcome must be meaningful and substantive, with clear commitments on mid-term financing and a process in place to increase ambition on financing, clarity and assurance needs to be made in relation to the provision of the means of implementation to meet the cost of new responsibilities that are being put on developing countries. There is a need for clarity on mid-term finance; a need to examine lessons learned from fast-start finance to see it has fulfilled commitments from Copenhagen; a need to establish mechanisms for measurement, reporting and verification (MRV) of developed countries' financial and technology support for developing countries;
- Mitigation ambition needed to be strengthened, particularly for Annex I Parties, including with respect to ensuring the comparability of their mitigation efforts and to increase their emission reduction pledges;
- The technology transfer text needs to be strengthened. In particular, the failure of the text to address intellectual property rights (IPR) issues in the AWG-LCA is a serious concern as IPRs constitute a significant obstacle to successful technology transfer;
- On cooperative sectoral approaches and sector-specific actions, paragraph 42 needed to be made consistent with Article 2.2 of the Kyoto Protocol, and should not result in any reinterpretation or changing of the scope of such provision. This paragraph should be deleted;
- On adaptation, there is very weak linkage to climate financing. This gap needs to be addressed;
- The text on capacity building is very weak. The G77 had called for a work programme, but the text does not reflect any strengthened modalities for capacity building.

The Philippines said Parties talk about balance but in its view, it must be the balance among the building blocks of the BAP – mitigation, adaptation, finance, technology and capacity building. It further emphasised that where there is no text, it doesn't equate to agreement or conclusion. Lastly, it thanked the Chair for his guidance and leadership, which had enabled constructive work to be done during the 15th session of the AWG-LCA.

Nauru speaking for the Alliance of Small Island States (AOSIS) noted that Parties have agreed to the text to be transmitted to the COP for further consideration and that the text is a decent basis to work from. It would like to see a stronger call for urgent actions. It lamented the complete absence of ambition in terms of mitigation by developed countries, where it has not seen any movement forward since Copenhagen (COP 15, 2009). At the very least, it added, Parties expected to enforce the rules-based approach towards accounting rules particularly in the interests of comparability.

On the contrary, on mitigation by developing countries, it sees clearer reference to efforts. It warned that finance is a missing element of the Durban outcome and it cannot be left out of the Doha package. It is willing to work on the text at the level of the COP as it is the last chance.

Representing the African Group, Swaziland said the proposed text lacks ambition on mitigation and adaptation as well as the various means of implementation. While appreciating the hard work of the appointed ministers aimed at reaching landing ground on issues related to finance, it reiterated that the proposed text is weak with no indication of commitment from developed countries especially for the mid-term period of 2013 to 2020. It also lamented that the current level of ambition on mitigation is weak and looked forward to a text that would strengthen it.

Gambia speaking for the LDCs recognised the shortcomings of the proposed text but believed that Parties can still work on it and hoped to have time for Parties to engage positively.

Speaking for the Arab Group, Egypt said it accepted the decision to forward the proposed text to the COP for further consideration with the belief that Parties will look at the proposed text with overall balance in the three tracks (referring to the negotiation under the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol and the Ad Hoc Working Group on the Durban Platform for Enhanced Action).

It said the AWG-LCA has worked for five years to ensure sustained implementation of the Convention but it has yet to see a concrete outcome on financial resources, which is key to a successful outcome in Doha.

It also wanted to see clear comparability of mitigation efforts among Annex I countries in the AWG-KP but has yet to see such a kind of commitments in terms of numbers (quantified emission limitation and reduction objectives). It said the objective of creating institutions needs concrete time-bound operationalisation and market mechanisms are not an end in themselves but require mitigation ambition, which has remained low.

It also wanted paragraph 42 of the proposed text deleted as there was no reference to the Convention's principles and provisions particularly the principle of common but differentiated responsibilities.

China began by conveying its condolences to the people of the Philippines who are affected by typhoon Bopha and expressed its strong solidarity with them to get through this very difficult time and rebuild their homes soon. It then recorded its sincere appreciation to the Chair for his insightful and excellent leadership guiding Parties through these two intense weeks with arduous tasks towards an agreed outcome.

It said it came to Doha with great expectation for a successful and meaningful conclusion of the work of the AWG-LCA, which should address all the elements of the BAP, in particular ambitious and comparable emission reduction targets by the developed country Parties, adaptation, finance, technology transfer and capacity building and for Parties not to leave any key issues off the table, such as equitable access to sustainable development, technology-related IPR and unilateral measures.

It acknowledged the ups and downs in the past two weeks and even thought that the arduous tasks were going to be mission impossible in Doha. However, with Tayeb's strong leadership and collective efforts of all Parties, they are able to walk out of the gloomy and hopeless situation of becoming 'desperate housewives' (referring to Tayeb's effort at producing a text for the outcome of the working group).

(During the Bangkok session in September, China said the outcome of the Doha negotiations was analogous to a Chinese proverb, that a good housewife will find it difficult to prepare a meal without the right ingredients.)

China was however very concerned about many important issues including ambitious and comparable emission reduction targets by the developed country Parties, adaptation, finance, technology transfer, market, sectoral approach, equitable access to sustainable development, technology-related IPR and unilateral measures failing to come to a satisfactory outcome.

It urged all developed country Parties to rise to their historical responsibilities and honour their commitment to provide developing countries with financing, technology transfer and capacity-building support and to finance the effective operationalisation of the institutional mechanisms. Finally, it said the 'meal' prepared by Tayeb is just like the food in the Qatar National Convention Centre that is not so delicious but at least offering Parties 'something to eat', drawing applause from the floor.

Echoing China, **India** also expressed its appreciation of the Chair's hard work and patience as well as his vice Chair (Marc Pallemaerts of Belgium)'s skilful and insightful steering of the meetings. It reiterated its call for a comprehensive package and that no issue should fall off the table. It too wanted paragraph 42, that is inconsistent with Article 2.2 of the Kyoto Protocol, to be deleted.

Venezuela wanted to make clear that it did not approve of the text as there are lots of amendments that needed to be made particularly in sectoral approaches, the use of market mechanisms and paragraph 42 that violates the principle of CBDR. It later came back to add that it had since received instruction from its capital to place on the record that Venezuela has reservation in total and reserved its rights on all substantive issues when it deems appropriate.

Ecuador appreciated the important document reached thus far after long hours of work but noted that there are some areas in which it would like to see improvement in all subject matters of the text, such as REDD-plus, response measures, various approaches and technology.

Bolivia said it understood that finding an agreement among Parties is difficult but the negotiation is not yet over. On finance, it does not want an empty shell fund which simply cannot be operationalised and an institutional framework that cannot carry out technology transfer. It does not see commitment from developed country Parties but the reverse is true with the hope placed on the market mechanism as replacement to public funding that is not forthcoming.

It warned that Parties must not place their trust on carbon market that is not providing any guarantee. On mitigation by developed countries, it said there is a huge imbalance in the obligations placed on developing countries concerning common accounting rules and methodologies. It stressed that there was still a lot of work needed as it does not want to leave with the prospect of more carbon markets and empty promises.

Indonesia reminded Parties that in Bali, Parties charted a roadmap and promised that all the building blocks of the BAP will be accomplished. It said the Cancun and Durban COPs established the infrastructure and the task in Doha is to complete the work of the AWG-LCA. It said the most important element of the AWG-LCA on finance is missing and hoped the ministerial intervention will see Parties showing flexibility.

Argentina was pleased with paragraph 2 (in the shared vision part of the document) which acknowledged the equity and CBDR principle but had concerns with the lack of text for finance, technology transfer and capacity building. It said any activities that developing countries must carry out must go hand-in-hand with support by developed countries.

(Paragraph 2 reads: '*Also decides that Parties' efforts should be undertaken on the basis of equity and common but differentiated responsibilities and respective capabilities, and the provision of finance, technology transfer and capacity-building to developing countries in order to support their mitigation and adaptation actions under the Convention, and take into account the imperatives of equitable access to sustainable development, the survival of countries and protecting the integrity of Mother Earth'.)*

It also wanted paragraph 42 to be deleted to avoid legal problems. It believed that Parties can still improve on the language to ensure fair transition to allow for inclusion of workers' welfare and creation of decent jobs, which is part of poverty eradication and the development agenda of developing countries.

Nicaragua said it is important to have real negotiations before the final adoption of the text by the COP. It said a funding mechanism that has no transparency is pointless and why the Green Climate Fund when Parties are not able to use it, adding that there is also no point in discussing the mitigation by developed countries under the AWG-LCA if there is still no agreement on finance and an ambitious second commitment period under the Kyoto Protocol.

Malawi agreed that the text is a basis for further discussion. It also registered that it is not ready to adopt the text in its current status and especially that it is weak in terms on means of implementation.

Saudi Arabia said that in the last minute of the lifetime of the BAP, the most challenging task is closing the AWG-LCA. It said some good progress was made but it is insufficient as there were serious concerns that some issues were rejected without logic, pointing to the work programme to address economic diversification of developing countries. It accused developed countries of using the approach of mass destruction, in reference to not everyone will be happy with all paragraphs but for the sake of working in a constructive manner, Parties only need to stick to their respective redlines and not resorting to mass destructive tactics.

Brazil said it concurred with many concerns raised by developing countries and also wanted paragraph 42 (on sectoral approaches) to be deleted.

The European Union said the work on the BAP for the last five years has delivered and Parties should be proud to close the AWG-LCA and AWG-KP as well as the various institutional set-ups.

It welcomed the hard work of the Chair in helping Parties to conclude their work and reckoned that the proposed text is an important step to a successful outcome though it believed that it needed changes for the final shape. It said the text should be balanced. Top priorities for the EU are pre-2020 mitigation, accounting and transparency across all tracks. It objected to the language on unilateral measures as there is already the forum on response measures and it cannot accept interference with the IPR regime and wanted deletion of that.

The Environmental Integrity Group, represented by Switzerland, conceded that some areas needed more work and believed the differences can be resolved by the COP.

Australia echoed the EU on the achievements of the AWG-LCA and that the Doha deal though imperfect is still deliverable, adding that it is ready to engage but not without the ministers having an opportunity to engage.

Canada said further work is needed and compromise is within reach. It called on ministers to seek convergence and said that the text cannot be take-it-or-leave-it text. If that is the case, Canada will leave it.

The United States registered its objection to paragraph 2 (reference to equity and CBDR in shared vision), paragraph 8 on mitigation of developed countries (on comparability of efforts among developed country Parties), paragraph 41 on sectoral approaches, paragraph 47 on various approaches (a work programme to elaborate a framework for such approaches), paragraphs 57 and 58 on response measures (to request the Subsidiary Bodies to convene and report the outcome of a round-table discussion on unilateral measures) and paragraph 64 on IPRs (in technology development and transfer).

It supported the text to be considered by the COP but stressed that in its current shape it was not acceptable to the US. Echoing the US, **Japan** said it could not accept the text and looked forward to a packaged agreement by the COP.

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Developing Countries Unhappy over Low Ambition in Doha Outcomes

Doha, 11 December (Fauwaz Abdul Aziz and Meena Raman) – At the closing plenary of the UNFCCC's 18th Conference of the Parties (COP 18) and the 8th Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 8) held in Doha on 8 December 2012, developing countries expressed unhappiness over what they saw as low-ambition outcomes.

They were particularly upset over a lack of ambition on the part of developed countries to commit to ambitious mitigation reduction targets under the second commitment period of the Kyoto Protocol (2CP) and under the Convention and a lack of clear commitments on finance to support efforts of developing countries in mitigation and adaptation.

In an apparent reference to the lack of political will from developed countries, the Philippines, speaking for the Like-minded developing countries, said that Doha was not the place where Parties found the courage and the will to address the climate crisis.

Nauru for the Alliance of Small Island States said that 'much more is needed to save this process from being simply a process for sake of process; a process that simply provides the talk with no action; a process that locks in the death of our nation, people and our children. Much more is need if we are really going to address climate change and reduce emissions.'

The views of developing countries were echoed by civil society organisations who rejected the adopted decisions as being 'a gateway to a warming of 4 degrees Celsius', that is likely to lead to 'climate inaction, deaths and climate injustice'.

Commenting on the process of negotiations in Doha, many developing countries did however stress that it was the place where 'the world found that flicker of hope' and 'the will to restore the balance in the process', in an obvious reference to previous COPs from Copenhagen, Cancun and Durban.

Following two-week-long negotiations that were slated to end on the afternoon of Friday, 7 December, but concluded after two sleepless days of negotiations, tough talk and horse-trading among negotiators from 194 countries, Qatari COP 18 President Abdullah bin Hamad al-Attiyah declared on the night of Saturday, 8 December, that a package of eight decisions had been reached.

These decisions were gavelled in rapid succession, one after another when the formal plenary meetings of COP 18 and CMP 8 were convened. The key decisions of the Doha package were (1) amendments to the Kyoto Protocol (KP) pursuant to its Article 3(9) on the second commitment period (2CP); (2) the agreed outcome pursuant to the Bali Action Plan which was the work done under the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA); (3) work programme on Long-term Finance; (4) report of the Standing Committee (on Finance); (5) the report of the Green Climate Fund (GCF) to the COP and guidance to the GCF; (6) arrangements between the COP and the GCF; (7) a COP decision on loss and damage; and (8) a decision to advance further work of the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

'I thank you all for your goodwill and hardwork that allowed us to reach our goals and moving the process forward providing a gateway for future work,' al-Attiyah told the nearly 2,000 UNFCCC participants that had packed the Plenary 2 hall of the Qatar National Convention Centre to witness the closing plenary session. He declared the Doha package of decisions as the 'Doha Climate Gateway'.

Before the convening of the formal plenary in the afternoon of 8 December, al-Attiyah convened an informal stocktaking session at 8 that morning, to announce the draft decision documents to be adopted. He gave Parties time to read them before the formal plenary of COP 18 and CMP 8 was convened. During the stocktake session, he said that the draft decisions were presented 'not on a take-it-or-leave-it' basis but he did indicate to Parties that the draft texts were the result of consultations and formed a delicate balance.

At around 2.30 pm, al-Attiyah convened an informal plenary session of both the COP and CMP. He referred to the draft decisions presented to Parties in the morning and said that he had heard the views of all groups and that everyone was not happy with the texts. He appealed to Parties not to open the 'Pandora's box'. He added that the texts were not perfect but it was the best he could offer. When he opened the floor for feedback, the plenary hall was completely silent. The COP President took this as a sign of agreement to present the draft decisions for adoption at the formal plenary session of the COP and CMP.

The first matter that al-Attiyah indicated he would consider at the formal plenary was the adoption of amendments to the Kyoto Protocol in relation to the 2CP. At this stage, the UNFCCC legal officer informed Parties that several developed countries who are Annex I Parties to the KP had not given their written consent to be included in Annex B of the Protocol and these included Australia, Austria, Cyprus, Estonia, the European Union, Finland, Liechtenstein, Monaco, the Netherlands, Poland, Portugal, Slovenia, Switzerland, the United Kingdom and Northern Ireland. The legal officer said that the written consent was needed before the amendments to the KP could be adopted.

It took more than 4 hours to get the written consent of these Parties to enable the formal plenary to begin. Meanwhile, the plenary hall was abound with whispers that the Russian Federation was unhappy with the KP text which limited the carry-over of carbon credits or surplus allowances which it had accumulated during the Protocol's first commitment period. Russian chief negotiator, Oleg Shamanov, was seen in deep conversation with the COP President and the UNFCCC Secretariat before the formal plenary resumed close to 7 pm on Saturday.

Following the adoption of the decisions, during the formal joint COP/CMP plenary, **Russia,** speaking also for the **Ukraine and Belarus**, registered its protest over the KP decision particularly over the carry-over of surplus allowances from the first commitment period (1CP), as well as the process by which the decisions were agreed upon.

Apparently, in the din and celebratory applause that met al-Attiyah's gavelling through the decisions, Russia's calls to intervene and discuss the draft decisions were not heard or noticed by the COP President. When the noise had died down, the Russian delegate spoke, visibly and audibly unhappy: 'It is difficult for me to imagine that from the height of your podium, …, Mr President, …it is hard not to notice that Russia had raised its name plate on the way that the work was carried out before you began adopting the documents contained in the package…It is difficult for me to believe that you didn't hear the sound of the name plate when I banged it on the table, which is not in line with the style of Russian diplomacy.'

Russia's objections centred in particular around the contents of the KP decision, and it wanted the CMP to request the Subsidiary Body for Scientific and Technological Advice (SBSTA) to explore options on the matter of carry-over and surplus assigned amount units (AAUs) in the 2CP with a view to identifying approaches which it said would be 'fair, legally consistent and environmentally sound and to develop recommendations on this matter for further consideration by CMP9'. Russia questioned the legitimacy of the decisions adopted, which 'will have the most serious consequences for the national process'. (Russia did not make a commitment under the 2CP.)

The COP President, in reply, expressed thanks to his 'good friend from Russia', and noted its statement on behalf of the Ukraine and Belarus, which would be reflected in the report of the session along with their proposal. However, said al-Attiyah, the decisions adopted today reflected the will of the Parties to mark the result of Doha.

Key among the results of CMP 8 was the amendment of the KP, under which developed countries committed to reducing their emissions of greenhouse gases from 1 January 2013 to 31 December 2020.

It was decided that the length of the 2CP would be 8 years; that Parties may provisionally apply the amendment pending its entry into force and those who do not provisionally apply the amendment, will implement their commitments in a manner consistent with their national legislation or domestic processes as of 1 January 2013 and pending entry into force of the amendment; that those countries taking on commitments in the 2CP will revisit their commitments by 2014 in line with an aggregate reduction of at least 25 to 40% below 1990 levels by 2020; that Annex I Parties will ensure that their aggregate emissions in Annex B of the KP will be reduced by at least 18% below 1990 levels in the 2CP; and that the KP's flexibility mechanisms [Clean Development Mechanism (CDM), Joint Implementation (JI) and International Emissions Trading (IET)] would continue, and access to the mechanisms will be uninterrupted to Annex I Parties that have accepted to undertake 2CP targets; and as part of the accounting rules, there is a limit to the carry-over of AAUs from the 1CP to the 2CP (maximum of 2.5%) of surplus emissions units and a cap of 2% on the ability to purchase such surplus units.

Soon after the adoption of the decisions, **Australia, the European Union** (EU)**, Japan, Liechtenstein, Monaco** and **Switzerland** announced that they would not carry over any surplus emissions trading credits in the form of AAUs into the 2CP of the KP.

Australia added that while it is important that countries receive recognition for achieving their targets (1CP), the volume of surplus carbon credits carried over to the 2CP could be as high as 7 billion tons. The unrestricted use of the surplus credits risks meaningful climate change efforts to 2020. We will help ensure the environmental integrity of the KP and countries' emission reduction objectives by restricting demand for the 1CP AAUs through nationally-appropriate arrangements, it said further.

The EU, in its statement, said it also had passed legislation on its climate energy package for implementation of its emission reduction objectives for 2013-2020, which does not allow the use of surplus AUUs carried over from the 1CP to meet those objectives. Doha has also helped to achieve modest but essential steps forward on the path towards achieving the objectives, it added.

Switzerland also said under Swiss domestic legislation it could not use carried-over AAUs transferred from other Parties for compliance under Article 3 of the KP for the 2CP. According to Switzerland, the existence of comparable emission reduction commitments from developed countries and adequate contribution from developing countries according to their responsibilities and capabilities is a condition for Switzerland to increase its ambition.

Algeria, on behalf of the Group of 77 and China, said Doha will be seen as a milestone for the implementation of the climate regime post-2020 (under the Durban Platform). It also said that the G77 and China had demonstrated during the negotiations a great sense of responsibility and flexibility from the beginning. The Doha package, with its shortcomings, should take into account the delicate balance between interdependent elements that it believed should be considered in their entirety.

The Philippines, speaking on behalf of the group of **Like Minded Developing Countries (LMDCs)** which include **Algeria, Argentina, Bolivia, China, Cuba, the Democratic Republic of the Congo, Dominica, Ecuador, Egypt, El Salvador, India, Iran, Iraq, Kuwait, Malaysia, Mali, Nicaragua, Pakistan, Saudi Arabia, Sri Lanka, Thailand, Venezuela**, and the **Philippines,** said significant steps have been taken in Doha that might allow some to say that Doha was the place where 'the world found that flicker of hope' and 'the will to restore the balance in the process'.

However, the decision texts contain an unbalanced set of outcomes and do not address LMDCs' concerns, said the Philippines, citing the almost complete lack of ambition in the 2CP of the KP, the lack of flexibility of developed countries in inscribing ambitious pledges into the amendments for the KP, and the failure of the developed countries to take the lead in addressing climate change and refusal to acknowledge their responsibility. The LMDC group was deeply disappointed that finance remains an empty shell. There are also major deficiencies in the LCA text, with the treatment of issues on developed country mitigation, comparability of action, response measures, adaptation, finance and the absence of text on sectoral approaches.

Speaking of the process of negotiations, the Philippines said the LMDC members had consistently and constructively engaged with their partners throughout COP 18 in an effort to find compromise, presenting text after text, recognising each other's concerns and finding a middle way, without losing sight of what needs to be done. However, it said further, it has only seen reluctance from developed country partners to do what needs to be done, to open their eyes to the stark realities of climate change, and to make the session anything but difficult. And while Doha may be the place for hope, it was not the place where the climate change process led to any drastic and positive turn of developments; and while 2012 was the year that some may have found the will to restore the balance in the process, it was not the year to find the courage and the will to address the climate crisis, said the Philippines.

Nauru on behalf of **AOSIS** sees the package as being deeply deficient in mitigation ambition and finance. The package does not close the ambition gap and is likely to lock in the trajectory to an increase of over 3 to 4 or 5 degrees Celsius in global temperature. There is some tightening of the KP rules, but there has not been any increase in the commitments needed to achieve the global temperature goal and to meet the ultimate objective of the Convention, keep global average temperature rise below 1.5 degrees and ensure the survival of all islands. In addition to no new finance, in light of the inadequate mitigation ambition, the need for a loss and damage mechanism is even more urgent. Yet, Nauru looked forward to discussions next year to enhance the pre-2020 mitigation work plan and ensure a clear link to means of implementation.

Nauru said that in the future, we need to come to these gatherings knowing that explicit and concrete actions will be delivered. Those who are indifferent need to open their eyes. Those who are obstructive and self-serving need to realise we're not talking about impacts on how comfortable your people may live, but whether or not our people will live. How can we weigh the value of matters such as (carbon) units versus the existence of our island nations. Much more is needed to save this process from being simply a process for the sake of process, a process that simply provides the talk with no action, a process that locks in the death of our nation, people and our children. Much more is needed if we are really going to address climate change and reduce emissions. We need outcomes from the process that protect the most vulnerable among us. The outcome today provides little more than a gateway in a long path.

There's a fork in that path. We need to take a correct turn as we walk this path, or else this process will collapse and our nations will disappear, it added.

Swaziland, speaking for the African Group of Parties, made similar remarks about the weakness of the KP, but noted that it at least provides a legal framework. It said further that developing countries generally came to Doha to agree on better terms for the 2CP, and therefore believed that the decisions made in Doha are in the right direction, and that future generations will judge its participants as having taken wise decisions that protect the rules-based system. Despite deep concerns about finance commitments to implement the decisions from now until 2020, the Africa Group said it welcomed the amendments to Annex B of the KP and the associated implementing decisions as well as the decisions under the AWG-LCA and ADP and look forward to the implementation of the Convention beyond 2020.

Similar expressions were made by G**ambia on behalf of the LDCs** and **Saudi Arabia** on behalf of the **Arab Group.**

Gambia said while it welcomed the package, there remained concerns about the lack of ambition, particularly in relation to mitigation and finance. It expected Parties to come back no later than 2014 with significant ambition to close the pre-2020 ambition gap and a stronger agreement to be adopted in 2015 under the ADP. Substantial financial resources 'is absolutely fundamental' and it urged all developed country Parties to increase their pledges and deliver. In addition to the adoption of the amendments to the KP, it also welcomed and acknowledged the political declarations made by Parties related to the AAUs carried over from this 1CP of the KP.

China on behalf of the **BASIC (Brazil, India, South Africa and China)** said while a number of decisions were disappointing in certain respects, they were ready to accept the package of decisions adopted at this meeting as it proved that the multilateral process to deal with climate change is making progress. China also said it will maintain its pro-active approach to further promote the process to deal with climate change around the world.

India said it was not completely happy with the whole Doha package, as some aspects are 'extremely problematic' and many of its issues have not been addressed. It noted that there is also no framework for sectoral measures in the decision, while unilateral measures have been dealt with 'almost as an after-thought'. In addition, there is a weak reference to technology-related IPR issues, and there is no concrete commitment on financing. However, there is overall progress made in the negotiations here, as well as focus on equity and CBDR in the context of shared vision. The KP text is also not perfect, said India. Despite its weaknesses, we think the KP decision reflects the will of the Parties as at present. The decision on ADP and its plan of work is also of a similar nature. It accepted the entire Doha package outcomes as the basis for our future work, provided the entire package is treated as a composite one and is not violated either in spirit or letter.

Brazil saw the agreement on the 2CP of the KP as its main concern in Doha and this represented its key success. The KP is more than a document. It expressed the conviction that climate change demands a multilateral rules-based approach. The KP is the standard of environmental integrity, even for those who decided not to join it, or to leave it. It also commended those Annex I Parties that ascribed to 2CP, and congratulated all partners for achieving the 'historic result' which was a key success for Doha.

In the LCA, Brazil said it was not able to achieve the desired balance. Developing countries did not find willingness from developed countries, and this resulted in the poor showing on finance. Concerns over intellectual property rights (IPRs) were not clearly addressed, and comparability of mitigation efforts of developed countries remained elusive. It noted that Annex I Parties were gradually moving away from their obligations under the Convention. They are not taking the lead. Three signs of these are quite clear: They are not leading in mitigation. Their lack of ambition is undeniable; they are not supporting developing countries in their efforts to fight climate change; and they are shifting the burden, suggesting that developing countries should take the lead. This is unacceptable.

Nicaragua expressed reservations with regard to the amendment to the 2CP of the KP, which it considers to be low in ambition, and said it cannot be complicit with decisions that do not take into account the fact that the previous objective of 1.5 degrees C has already been missed and that Parties were moving towards an increase of 3.5 to 6 degrees C. With regard to financing under the LCA, it regards the economic and financial crisis which EU countries are undergoing as comparable to the crisis in climate change – a crisis that was not caused by developing countries despite being made to suffer its consequences. The deeper roots of these crises are the productive and consumption patterns of savage capitalism. We also understand that financial resources are based on decisions which have been prioritised. The main unquestionable priority should be that of Mother Earth instead of putting the priority on war and military preparations and saving banks and institutions and investors and speculators, which hold sovereign debt, it added.

Before the final meeting of the LCA, Nicaragua said there was a draft without a text on finance. Now we have a text without finance. There has been no clear demonstration that the $100 billion will be provided. Without any strong recognition of the particular needs of the developing countries, this must be seen as a lack of political will. On its 'interpretive declaration' of the 2CP, Nicaragua said it does not contribute to the central objective of the KP to stabilise the concentration of atmospheric gases and greenhouse gases. With regard to finance, the idea contained in the document does not lead to compliance of the legal obligations of the developed countries and Article 4.4 of the Convention with regard to attaining the objective of providing financial resources which are new.

Bolivia pointed out the achievements of the Doha package as being: (1) the prevention of access by developed countries not committed to the 2CP of the KP to the use of market mechanisms established under the Protocol. This is laudable, said Bolivia, as one cannot reward those who do not accept obligations, who seek to escape the rules and have an irresponsible attitude that jeopardises the environmental integrity of Mother Earth; (2) the establishment of the rule that Parties to the 2CP can use the carry-over or cumulated carbon credits in the 2CP of the KP on the condition that such use is limited to a maximum of 2.5% for the strict use of the Parties to the 2CP.

Countries who will not be in the 2CP have made the wrong decision and it will be the history and peoples of the world who will judge them. On the LCA, Bolivia said it recognises that the decision text has incorporated the elements of equity and common but differentiated responsibilities, and protection of the integrity of Mother Earth into the shared vision so that future work in relation to climate change is assured and is oriented by this vision. It added that some countries try to convince us that the markets are a panacea for tackling climate change. Bolivia rejected the implementation of new carbon market mechanisms under the UNFCCC as these run contrary to the objective of the Convention and the protection of the integrity of Mother Earth. There are dangers of action related to the design, development and implementation of carbon markets in any approach to work, including approaches on issues relating to reducing emissions from deforestation and forest degradation in developing countries.

Venezuela said it's sad that it has had to accept the lack of ambition and an empty 2CP. The decision on the KP was difficult for all the talk on carbon markets, and it says it cannot accept the link between ambition and carbon market demand.

The **United States** with respect to paragraph 2 of the AWG-LCA decision (on shared vision) made clear that it did not accept the paragraph to the extent that it would be read inconsistently with the Convention and the Cancun Agreements. The US also said that it interprets the words 'of concern' in Paragraph 54 of Article 3.5, which addresses the issue of trade measures, to refer to the concern of the particular Party that raises an issue. The US also said in connection to the last preambular paragraph of the decision on the ADP, which references the principles of the Convention, that it views this reference as 'having no effect whatsoever on the mandate for the negotiations that was agreed last year in Durban'.

Canada and **Japan** made similar comments as the US in relation to the AWG-LCA and ADP decisions. The strongest words against the Doha outcomes were expressed by civil society organisations at the closing plenary.

Friends of the Earth International said on three questions, the Doha outcome had failed: 'Will Doha deliver any real emission reductions? The answer is no. Will Doha deliver the public finance desperately needed for those affected by climate change and to help the transformation in developing countries? The answer is no. Will Doha ensure that future global climate agreements are ambitious and equitable? The answer is no.' FOEI said civil society had come here to save the planet and its people, not just to save a process that locks in a decade of inaction. Attacking the Doha Gateway, it said that it's merely a gateway to a 4 degree C warming, to climate inaction, to climate deaths, and to climate injustice. We will not be complicit with this text. We reject this text. Civil society groups and social movements are now sending a strong and clear message to all governments: deliver for the people and the planet, or we will name and shame. It is absolutely clear that our only hope is in mobilising our millions across the world, transforming our energy and food systems, challenging the power of dirty industry, and building a powerful climate justice movement, to hold our politicians accountable, and prevent a planetary crisis, said FOEI.

Climate Action Network, similarly, said it had 'had enough!' We will not achieve what is desperately needed unless Parties find political will, in particular, countries like the US and friends along with Poland and Russia who continually block the process, (and who) need to start leading to end this global crisis. Your behaviour and attitude must change if we are to secure a fair, ambitious and binding deal by 2015. Hard work by governments and the people, not the polluters, is urgently needed.

The Trade Union NGO, on its part, expressed its disappointment that the message going to workers from Doha is that green and decent jobs will have to wait until real ambition comes back to this process. We do not see any ambition in the text, and it seems that some countries want even less. There will be no jobs in a dead planet. There will not be a just transition with this outcome.

The Arab Youth Climate Movement said forcefully that the deal struck 'is an insult to the world's most vulnerable and to future generations. The Doha gateway leaves the door wide open to irreversible climate change and slams the door shut on equity. You have failed to deliver in providing adequate financing, ambitious mitigation targets and an international mechanism that addresses compensation for loss and damages. Your decisions here will affect the lives of millions.' Speaking to the developed world, the Movement asked: 'How many people are going to have to die before you take this seriously?' Business as usual is no longer an option when it comes to both the climate and this decision-making process. No justice, no deal, exclaimed the youth representative.

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Doha Decisions on Finance

Geneva, 13 December (Meena Raman) – The UNFCCC's 18th Conference of Parties (COP 18) which ended on Saturday 8 December in Doha adopted several decisions on finance-related matters. These were mainly process or procedural decisions relating to mid-term finance (2013-2020); long-term finance beyond 2020; arrangements between the COP and the Green Climate Fund (GCF); and the Standing Committee on Finance.

The finance issues were dealt with under the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) on mid-term finance and in the Contact Group on finance formed to deal with the remaining issues on finance on the COP 18 agenda.

Some of the other key decisions that were forwarded from the Subsidiary Body on Implementation (SBI) to the COP/Conference of Parties serving as the meeting of Parties of the Kyoto Protocol (CMP8) and were adopted include the review of the financial mechanism; report of the Global Environment Facility (GEF) and additional guidance to the GEF and initial review of the Adaptation Fund under the Kyoto Protocol.

Developed countries were reluctant to have decisions on mid-term and long-term finance.

On 4 December, the Qatari COP President, Abdullah Hamad Al-Attiyah, launched ministerial consultations by appointing the ministers of Switzerland and Maldives to conduct bilateral consultations to find solutions on matters related to finance in relation to issues under both the AWG-LCA and the COP Contact Group.

Below are relevant highlights from the various decisions that were adopted on 8 December under the Doha package.

Under the outcome of the AWG-LCA

'…*Acknowledging* the pledges and announcements made by several developed country Parties on the continuation of climate finance post-2012;

63. *Urges* additional developed country Parties to announce climate finance pledges when their financial circumstances permit;

64. *Reiterates* that a significant share of new multilateral funding for adaptation should flow through the Green Climate Fund, and the request to the Board of the Green Climate Fund to balance the allocation of the resources of the Green Climate Fund between adaptation and mitigation activities;

65. *Calls on* developed country Parties to channel a substantial share of public funds to adaptation activities;

66. *Urges* all developed country Parties to scale up climate finance from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources, to the joint goal of mobilizing USD100 billion per year by 2020;

67. *Invites* developed country Parties to submit, by the nineteenth session of the Conference of the Parties, information on their strategies and approaches for mobilizing scaled-up climate finance to USD100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation;

68. *Encourages* developed country Parties to further increase their efforts to provide resources of at least to the average annual level of the fast-start finance period for 2013-2015;

69. *Decides* to extend the work programme on long-term finance for one year to the end of 2013, with the aim of informing developed country Parties in their efforts to identify pathways for mobilizing the scaling up of climate finance to USD100 billion per year by 2020 from public, private and alternative sources in the context of meaningful mitigation actions and transparency on implementation, and informing Parties in enhancing their enabling environments and policy frameworks to facilitate the mobilisation and effective deployment of climate finance in developing countries;

70. *Looks forward* to the implementation of the work programme of the Standing Committee, including the creation of a climate finance forum which will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance;

71. *Requests* the Standing Committee, in initiating the first biennial assessment and overview of climate finance flows, to take into account relevant work by other bodies and entities on the measurement, reporting and verification of support and the tracking of climate finance;

72. *Requests* the Board of the Green Climate Fund to expeditiously implement its 2013 workplan, with a view to making the Green Climate Fund operational as soon as possible to enable an early and adequate replenishment process;

73. *Agrees* to consider the progress made in the mobilization of long-term finance at its nineteenth session, through an in-session high-level ministerial dialogue under the Conference of the Parties on efforts being undertaken by developed country Parties to scale up the mobilization of climate finance after 2012, informed by inputs from Parties, technical bodies and processes under the Convention, as well as the outcomes of the extended work programme on long-term finance;'

Work programme on long-term finance

'1. *Takes note* of the report by the co-chairs on the workshops of the work programme on long-term finance;

2. *Decides* to extend the work programme on long-term finance for one year to the end of 2013, with the aim of informing developed country Parties in their efforts to identify pathways for mobilizing the scaling up of climate finance to USD100 billion per year by 2020 from public, private and alternative sources in the context of meaningful mitigation actions and transparency on implementation, and informing Parties in enhancing their enabling environments and policy frameworks to facilitate the mobilization and effective deployment of climate finance in developing countries;

3. *Invites* the President of the Conference of the Parties to appoint two co-chairs, one from a developing country Party and one from a developed country Party, for the work programme mentioned in paragraph 2 above;

4. *Requests* the co-chairs to report back to the Conference of the Parties at its nineteenth session on the outcomes of the work programme;

6. *Requests* the Standing Committee to support the implementation of the work programme by providing expert inputs;

7. *Decides* that the work programme on long-term finance shall be open and transparent;

8. *Agrees* to continue the existing processes within the Convention for assessing and reviewing the needs of developing country Parties for financial resources to address climate change and its adverse effects, including the identification of options for the mobilization of these resources, and the adequacy, predictability, sustainability and accessibility of these resources.'

Arrangements between the COP and the GCF

'1. *Recognizes* that the provisions contained in Article 11, paragraph 3, and decision 3/CP.17 and the governing instrument of the Green Climate Fund contained in the annex to 3/CP.17 form the basis for arrangements between the Conference of the Parties and the Green Climate Fund to ensure that the Green Climate Fund is accountable to and functions under the guidance of the Conference of the Parties to support projects, programmes, policies and other activities in developing country Parties;

2. *Requests* the Standing Committee and the Board of the Green Climate Fund to develop arrangements between the Conference of the Parties and the Green Climate Fund in accordance with the governing instrument of the Green Climate Fund and Article 11, paragraph 3, for agreement by the Board and subsequent agreement by the Conference of the Parties at its nineteenth session.'

Report of the GCF to the COP and guidance to the GCF

'3. *Welcomes and* endorses the consensus decision of the Board of the Green Climate Fund to select Songdo, Incheon, Republic of Korea as the host of the Green Climate Fund, on the basis of an open and transparent process;

4. *Requests* the Board of the Green Climate Fund and the Republic of Korea to conclude, in accordance with decision 3/CP.17, annex, paragraphs 7 and 8, the legal and administrative arrangements for hosting the Green Climate Fund, and to ensure that juridical personality and legal capacity are conferred to the Green Climate Fund, and the necessary privileges and immunities are granted to the Green Climate Fund and its officials in an expedited manner;
6. *Decides* to provide initial guidance to the Green Climate Fund at its nineteenth session;
7. *Requests* the Board of the Green Climate Fund, in its report to the Conference of the Parties at its nineteenth session, to report on the implementation of decision 3/CP.17 in which inter alia requested the Board:
   (a) To develop a transparent no-objection procedure to be conducted through national designated authorities referred to in paragraph 46 of the governing instrument, in order to ensure consistency with national climate strategies and plans and a country-driven approach and to provide for effective direct and indirect public and private-sector financing by the Green Climate Fund, and to determine this procedure prior to approval of funding proposals by the Fund;
   (b) To balance the allocation of the resources of the Green Climate Fund between adaptation and mitigation activities;
   (c) To secure funding for the Green Climate Fund, taking into account paragraphs 29 and 30 of the governing instrument, to facilitate its expeditious operationalization, and to establish the necessary policies and procedures to enable an early and adequate replenishment process;
   (d) To establish the independent secretariat of the Green Climate Fund in the host country in an expedited manner as soon as possible, in accordance with paragraph 19 of the governing instrument;
   (e) To select the trustee of the Green Climate Fund through an open, transparent and competitive bidding process in a timely manner to ensure that there is no discontinuity in trustee services;
   (f) To initiate a process to collaborate with the Adaptation Committee and the Technology Executive Committee, as well as other relevant thematic bodies under the Convention, to define linkages between the Fund and these bodies, as appropriate;
8. *Looks forward* to the appointment of the Executive Director of the Green Climate Fund in accordance with decision 3/CP.17.
14. *Requests* the Board of the Green Climate Fund to expeditiously implement its 2013 workplan, with a view to making the Green Climate Fund operational as soon as possible, which will enable an early and adequate replenishment process;'

Report of the Standing Committee

'3. *Endorses* the work programme of the Standing Committee for 2013–2015, contained in annex II to the report of the Standing Committee;
4. *Welcomes* the work on the forum of the Standing Committee and encourages the Standing Committee to facilitate the participation of the private sector, financial institutions and academia in the forum;
5. *Requests* the Standing Committee to report on the forum in its report to the Conference of the Parties;
9. *Decides* that the name of the Standing Committee shall be changed to the Standing Committee on Finance;
10. *Invites* developed country Parties to submit to the secretariat, by May 2014, information on the appropriate methodologies and systems used to measure and track climate finance;
11. *Requests* the Standing Committee, in preparing the first biennial assessment and overview of financial flows, to consider ways of strengthening methodologies for reporting climate finance;'

Review of the financial mechanism

'1. *Decides* to initiate the fifth review of the financial mechanism, in accordance with the criteria contained in the guidelines annexed to decisions 3/CP.4 and 6/CP.13 and further guidelines that may be developed;
2. *Requests* the Standing Committee, in accordance with its mandate contained in decision 2/CP.17, paragraph 121(e), and taking into account existing guidelines and recent developments within the financial mechanism of the Convention, drawing upon information from, inter alia, fast-start finance, the work of the Green Climate Fund, taking into account its early stage of operationalization, the initial review of the Adaptation Fund and the work

programme on long-term finance, to further amend the guidelines for the review of the financial mechanism, and to provide draft updated guidelines for consideration and adoption by the Conference of the Parties at its nineteenth session, with a view to finalizing the fifth review of the financial mechanism for consideration by the Conference of the Parties at its twentieth session;

3. *Also requests* the Standing Committee to provide periodic updates on the status of its work relating to the fifth review of the financial mechanism to the Subsidiary Body for Implementation for its consideration, beginning at its thirty-eighth session, with the aim of ensuring an inclusive and transparent process;'

Initial review of the Adaptation Fund

'1. *Recognizes* the effectiveness and efficiency of the interim secretariat of the Adaptation Fund Board and the International Bank for Reconstruction and Development (the World Bank), as interim trustee for the Adaptation Fund, in the delivery of their services to the Board, as well as the operational improvements identified in the report on the review of the interim arrangements of the Adaptation Fund;

3. *Decides* that the interim institutional arrangements of the trustee of the Adaptation Fund, as provided by decision 1/CMP.3 and contained in the terms and conditions of services to be provided by the International Bank for Reconstruction and Development (the World Bank) as trustee of the Adaptation Fund, adopted by decision 1/CMP.4 and amended by decision 5/CMP.6, will be extended until June 2015;

4. *Requests* the Chair of the Adaptation Fund Board to discuss with the World Bank the extension of the terms and conditions of services to be provided by the International Bank for Reconstruction and Development (the World Bank) as trustee for the Adaptation Fund, in accordance with paragraph 3 above, and to submit a recommendation for consideration by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session;

5. *Decides* to extend the interim institutional arrangements of the secretariat of the Adaptation Fund Board, as provided by decision 1/CMP.3, until the completion of the second review of the Adaptation Fund in 2014;

6. *Encourages* the Adaptation Fund Board to continue working with the interim trustee for the Adaptation Fund on further enhancing the process of monetization of certified emission reductions;

7. *Also encourages* the Adaptation Fund Board to continue enhancing access to funding from the Adaptation Fund, especially through its direct access modality;

8. *Requests* the Adaptation Fund Board to consider how to further improve accessibility to funding from the Adaptation Fund, especially through its direct access modality, and to report on its conclusions to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session;

9. *Notes with concern* issues related to the sustainability, adequacy and predictability of funding from the Adaptation Fund based on the current uncertainty regarding the prices of certified emission reductions and the continuation of the Adaptation Fund during and beyond the second commitment period of the Kyoto Protocol;

10. *Requests* the Subsidiary Body for Implementation, at its thirty-eighth session, to initiate the second review of the Adaptation Fund in accordance with the terms of reference contained in the annex to decision 6/CMP.6, or as these guidelines may be subsequently amended, and to report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its ninth session, with a view to the review being undertaken by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its tenth session.'

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Negotiators Buy More Time for Agriculture Discussions

Doha, 13 December (Doreen Stabinsky) – The topic of agriculture under the UN Framework Convention on Climate Change will continue to be discussed next year, with no decision adopted at the conference of Parties in Doha, Qatar.

At the final plenary of the Subsidiary Body on Scientific and Technological Advice (SBSTA) on Saturday, 1 December, Parties decided to continue their exchange of views at the next meeting of the subsidiary bodies in Bonn in June 2013. Strong differences over how to strike a balance between mitigation and adaptation and how to reflect the principles of the convention in the draft decision prevented agreement in the short time period allocated for SBSTA issues.

(The other subsidiary body is on implementation of the Convention, the SBI.)

The 2011 Durban decision on the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA), 2/CP.17 (paras. 75-77), under the item on cooperative sectoral approaches and sector-specific actions, had requested the SBSTA at its 36th session to consider issues related to agriculture. According to decision 2/CP.17, the aim was to exchange views and for the COP to adopt a decision at COP 18 in Doha. The exchange of views in Bonn at SBSTA 36 had not resulted in any text, and Parties continued the exchange in Doha starting on 28 November.

George Wamukoya from Swaziland and Alexandra Conliffe from Canada were appointed as co-facilitators by the SBSTA chair, Richard Muyungi of Tanzania.

At the first contact group meeting on 28 November, the co-facilitator Alexandra Conliffe opened the meeting, noting the importance of agriculture as an agenda item in Doha to determine further steps on the issue.

Malawi spoke on behalf of the African Group, expressing their interest in having a decision in Doha. They noted there was an ongoing exchange of ideas in the group, but put forward possible elements of a decision. The elements started by making reference to the objective of the Convention, the role of agriculture and food security, the importance of small farmers and the role of agriculture in the economy. The group proposed a process for submissions, which would be compiled by the Secretariat, then an in-session workshop on adaptation.

Gambia, on behalf of the LDCs, agreed with Malawi, adding the SBSTA should request Annex I Parties to mobilise resources in support of moving the agriculture agenda forward.

The **European Union** noted the very useful exchange of views in Bonn, expressing an interest in building on that dialogue. They pointed to the uniqueness of the agriculture sector, emphasising that food production is very sensitive to climate change and that impacts of climate change on food production are a threat for all. They also noted that adaptation is most important for smallholder farmers.

They echoed the view that Article 2 requires the stabilisation of atmospheric greenhouse gas concentrations to ensure that food production is not threatened, and that there was a need to produce more food while not increasing emissions. The EU also pointed out the view that adaptation and mitigation are closely linked and need to be dealt with together. They emphasised the need to increase resilience, productivity and efficiency. They called attention to the wide range of practices and technologies available for this end and pointed out that the SBSTA's work could address the specific and technological challenges in the agriculture sector.

Ethiopia said that the group should follow the mandate of the SBSTA, with a focus on food security, climate change impacts and different scenarios.

Tanzania said they were ready to engage and wanted a SBSTA decision to enable the work to begin. They noted that agriculture was not only about food security, but also the livelihood of the local community, and negotiations should be undertaken in that context. They further noted that sustainable development must be the priority for the work.

The Philippines emphasised that agriculture was not only about food and livelihood security, but it was also a crucial pillar of national security. The brunt of climate impacts is borne not only by the agricultural rural sector, but all who depend on it. They stated that SBSTA work must focus on and place due emphasis on adaptation, to enhance the ability of the agriculture sector to adapt to climate impacts.

Papua New Guinea agreed that food security is a very significant issue and said they will insist on coordination between agriculture and REDD+.

Bangladesh emphasised the special nature of agriculture. They noted that agriculture could be defined not merely as production, but also as including processing and distribution. This fact had implications for adaptation and mitigation, they added. They also noted that agriculture was a cultural issue.

Uruguay pointed out that as the consideration of agriculture was under the SBSTA process, it should be guided by the mandate of Article 9. They noted that to maintain productivity and food production, it will be difficult for the agriculture sector to reduce emissions, and the emissions in developing countries will be increasing. They added that there are real win-win opportunities to increase food production without increasing emissions. A key challenge then will be identifying actions to build resilience and reduce emission intensity. They said that there is a need to expand the understanding of practices that can deliver multiple benefits.

The United States drew attention to relevant themes that they saw emerging about both process and substance. They said that the issue of adaptation and mitigation is a false dichotomy and that experts believe there are synergies. They added that if this could be fully explored, without imposing anything on anyone, the appearance of the dichotomy would go away. Beyond this, they suggested looking at what the SBSTA could do to influence other activity within the UNFCCC, such as driving appropriate activities of the technology centre through SBSTA recommendations.

Botswana highlighted that agriculture is very key for them and issues of food security very important. They said that yields are declining, impacts are being felt now, and that shifts in rainfall are leading to a lack of hope among people. They made a request for considering loss and damage, related to the urgent and real situation of agriculture, and the need also for national adaptation plans to put this in perspective. They also highlighted that there are equity issues related to mobilising resources to developing country economies.

New Zealand mentioned a need to consider the production aspects of agriculture, including productivity and efficiency. They said they wanted the focus of the work to be scientific and technical, guided by the mandate of the SBSTA under Article 9.

China stressed that agriculture plays an important role in regard to food security, and that food security is of great importance for developing countries. They said that work on agriculture under the SBSTA should be consistent with the principles and provisions of the Convention, in particular with the principle of common but differentiated responsibilities. They said the discussions should emphasise how to fulfil the objective of the Convention, that food production is not threatened. They noted that agriculture is most vulnerable to the impacts of climate change due to low adaptation capacity and has already had a serious impact on food production in developing countries. They added that for developing countries, adaptation is more important than mitigation. They suggested discussion on how to provide means of support through finance, technology and capacity building to help implement adaptation actions. This would include helping farmers use climate-friendly technologies for food security, to address climate change and achieve sustainable development.

Egypt also supported considering principles such as common but differentiated responsibilities and equity, and major points of technology transfer and finance.

India emphasised the importance of the Convention principles, echoing China. They said it was important to give primacy to adaptation. They noted the differences between adaptation and mitigation and added that it was important to segregate the two and keep an emphasis on adaptation.

Costa Rica expressed the position that adaptation and mitigation are synergetic.

The contact group then moved into informal negotiations over several days, led by the co-facilitators. Discussions focused on the two tracks of substance and process, although many countries emphasised that decisions on process could not be taken until the substance of the work had been decided.

SBSTA Chair Muyungi reconvened the contact group at 8 pm on Saturday, 1 December to close the contact group in advance of the SBSTA closing plenary. Many countries made statements in the contact group about the way forward, asking for more time to continue discussions in order to have a decision resulting from Doha.

Gambia noted the achievements of the week.

India noted that since discussions at the last meeting of the SBSTA in May, Parties had moved further apart. They said they did not see that further progress could be made at this meeting, and their understanding is that the agenda item should be taken to the next session of the SBSTA.

Costa Rica indicated that they would like to see something come out of Doha and proceed with negotiations on the text over the next week.

Ethiopia, **New Zealand**, the **European Union, Uruguay, South Africa** and **Tanzania** also reflected positively on the work accomplished during the week and agreed to move forward towards a decision.

Argentina said that momentum was building between the technical negotiators and that the work should continue at the negotiator level before deciding to send a decision to the ministerial level. They noted that the negotiators knew what the issues were and what they had to solve.

Kenya pointed out that there were areas with commonalities and suggested the decision should focus on areas where they see convergence.

Malawi also indicated their desire to continue engaging in order to have a substantive decision taken at COP 18.

China said they knew that agriculture was a crucial issue for all developing countries. They noted a lot of problems with the text, however, and difficulties that needed to be solved. They said more time was needed to discuss the topics and solve these problems and supported India in their suggestion to defer a decision to the next meeting of the SBSTA.

The chair then explained to the Parties the process, indicating that the SBSTA closing plenary would commence in an hour. He suggested that the COP president might give him a mandate to continue negotiations after the closing of the plenary, and that his expectation was to try to do that. He said he would request the COP president to give him a new mandate and more time, suggesting that negotiations might continue all day on Monday. He said from his experience, the negotiations might get more time. However, the discussions needed to close in the contact group in order to move to the SBSTA closing plenary.

Japan noted that they wanted to get an outcome in Doha.

Nicaragua reflected that a lot of progress had been made. They indicated that a lot of concerns still existed about mitigation, adaptation and common but differentiated responsibilities but asked to work for another two hours to decide if the work will require more time.

Argentina reiterated that progress had been made on the issue and asked to be given more time before concluding, keeping the discussions at the technical level and continue negotiating up to the last minute, as there was spirit in the room to continue.

The chair emphasised that he had no mandate to continue the negotiations and that he needed to close the contact group in order to proceed to the SBSTA closing plenary. He said his dream was to have a decision here in Doha.

The contact group had not drafted the chair's conclusions for their work, so there was not an L. document to be considered during the closing plenary on Saturday, 1 December. As each agenda item must actually be closed during the plenary accompanied by a concluding L. document, containing at least procedural conclusions for the agenda item, when the item was opened during the final plenary a procedural decision had to be crafted on the spot. At that point, numerous delegations took the floor to suggest to the chair how to move forward.

India noted that agriculture was a very important agenda item and expressed great disappointment that despite best efforts the group was not able to reach consensus. They emphasised that issues connected with agriculture are of vital concern to India, as agriculture is not only a source of economic growth, but also a source of livelihood. They said the issue should be approached with great seriousness and a decision on the item should be presented to the Parties for further consideration. However as there is yet no decision to report to the COP president, they suggested that recommendations from the SBSTA should state that they could not come to a conclusion for lack of time and that the discussion should be carried forward for further discussion at the next SBSTA.

Uruguay said that agriculture is vital for food security and it affects climate change. They expressed the view that the SBSTA should also focus on the technical and scientific elements related to agriculture to maintain food production and food supply. They stated that the agriculture sector might not be able to cut emissions, as there was a need to feed a growing world population, and that an increase in emissions was more likely to be seen in countries with agricultural-based economies. They noted there was an opportunity to develop strategies to increase food production while reducing emissions. They also noted the need to focus on adaptation issues. They expressed the desire to move the issue forward, asking for more time to reach an agreement at this meeting.

Algeria said that the path laid out by India was wise, as they did not think it wise to put the burden of resolving this issue on ministers. They noted that there are issues not yet worked out technically, requiring further consideration on the technical level.

Bangladesh noted their dependence on agriculture and the importance of food security for the country. They said it was unfortunate that consensus could not be reached and that there was no outcome during this meeting. They expressed hope that this agenda item be given due time and importance, especially given the great length of deliberations. They said it was prudent to take the matter to the next SBSTA session – that if it cannot be delivered in Doha it should be transferred to the next session in Bonn.

Venezuela endorsed the position taken by India, flagging the importance of the agriculture issue for developing countries. They questioned why a technical issue would be passed to the Presidency of the COP, in light of the fact that more time is needed, and requested a clarification of this from the chair.

The chair responded that he was not passing a technical issue to the COP President, but merely reporting the facts on the situation, consistent with his role as SBSTA chair.

Brazil stated that they were disheartened by the lack of progress, noting that technical discussions never got going. They said Parties engaged in a bracketing exercise, with a rearrangement of paragraphs, but little that was technical. They noted very little was tried in the context of discussions. Brazil said they had sought to ensure more time at the end of the contact group to enable more technical engagement, but that this was not possible. They indicated agreement with others that agriculture is an issue that demands technical, not political, consideration, and said that the presentation of the issue at the COP would be dangerous and unproductive to reach a good agreement. They suggested the best treatment would be to continue the work by the SBSTA at its next session, allowing a decision to be reached through adequate technical consideration.

Gambia, on behalf of LDCs, stated that agriculture is very essential to the development of Gambia and all LDCs, emphasising that the sector was vital to the survival of LDCs. They suggested that any discussions deviating from Article 9 would not do justice to the discussions. They proposed to continue the agenda item at the next SBSTA, hopefully making a decision there.

Argentina noted the constructive debates and attitude to come to a decision, but that there was not sufficient time in technical discussions to get to more fundamental issues. They said that in order to negotiate at a technical level more time would be required. They agreed that the most appropriate way forward would be to continue at the next SBSTA, in order to arrive at a decision that reflects a balance between Parties, with valid scientific basis.

The European Union reminded Parties that in their opening statement, they had noted there was much to do in Doha. They said progress was made, but that the European Union still had concerns on some issues. They said it was important to initiate work on both adaptation and the contribution of agriculture to mitigation and food security. They said this should be done as soon as possible and the message addressed to the COP.

Ethiopia said everyone was aware of the decision passed in Durban, requesting the SBSTA to adopt a decision. They noted that not all Parties are against technical things, and that more technical work was needed. They said they would be happy if the COP would decide to give agriculture more time now, rather than move the item to the next session.

Nicaragua noted their concern with what they were hearing and that some wanted to throw a spanner into the work. They said that as a small country that survives and bases its economy on agriculture, that the issue of agriculture was closely linked to sovereignty and food security. They said that the whole lack of consensus needed to be discussed, and expressed concern that it is a problem when procedures are not respected based on the fact that there is no consensus. They suggested that the issue needed to be discussed further at the next SBSTA, rather than passing it on to ministers at the COP.

Cuba fully supported the proposal to postpone the discussion until the next meeting of the SBSTA. They noted the multifaceted nature of agriculture. They said that because the ministers would hold discussions on other issues, the matter should not be passed up to the COP, so that ministers' attention was not asked for prematurely. They added there was a need for more discussion on the technical level at the next meeting of the SBSTA.

The SBSTA chair said discussions could not continue. As there was no consensus, he would report accordingly to the COP. He said that the SBSTA would continue discussions according to rule 16 of the rules of procedure, which states that 'Any item of the agenda of an ordinary session, consideration of which has not been completed at the session, shall be included automatically in the agenda of the next ordinary session, unless otherwise decided by the Conference of the Parties.'

India raised a point of order asking under which agenda item of the COP this matter would be dealt with in the closing plenary, to which the chair responded agenda item 3, the reports of the Subsidiary Bodies.

Bolivia said there was a lot of technical work that still needed to be done. They emphasised that agriculture cannot be seen from an exclusively mitigation point of view, expressing concern about turning natural resources into mitigation measures. They said that 37% of the country produces agriculture goods that allow the rest of the country to eat, stressing that the agriculture sector cannot be allowed as part of the carbon market or viewed with purely a mitigation perspective. They added that agriculture must be viewed from adaptation and food security perspectives.

Costa Rica noted the importance of agriculture in the country not just for food security and production. They said that in 2007, the country promised to deliver carbon neutrality by 2021 and the agriculture sector was part of that effort. They noted that agriculture is the second largest emitting sector in the country and stressed the need to have the problem turned into part of the solution. They said they had wanted to reach an agreement on agriculture at this COP, a stance shared by more than 35 countries in the agriculture contact group.

The chair concluded that he had made his decision and invited Parties to speak on the topic at the high-level segment.

The final SBSTA report reflects the outcome of the final SBSTA plenary discussion on agriculture: 'After several interventions by Parties, the SBSTA Chair ruled that there was no consensus amongst Parties to refer this matter to the COP for further consideration. The SBSTA Chair proposed and the meeting agreed that, in accordance with rule 16 of the Draft rules of procedure being applied, SBSTA would continue its consideration of this agenda item at its thirty-eighth session. The SBSTA Chair undertook to make a factual report on this to the COP President.'

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COP 18 Outcome on Loss and Damage Opens Door for New Mechanism

Penang, 17 December (Doreen Stabinsky) – On the final day of the UNFCCC talks in Doha on 8 December, Parties adopted a decision on loss and damage associated with the impacts of climate change in developing countries as part of the final package of decisions adopted at the 18th meeting of the Conference of Parties (COP 18).

The decision concluded a year of significant work under the Subsidiary Body for Implementation (SBI) work programme on loss and damage. The decision paved the way for further work under the continuing work programme, including the possible establishment of an international mechanism on loss and damage.

The inclusion of the phrase 'international mechanism' in the final decision was highly contested. According to sources, its inclusion was fundamental for developing countries, while the United States was completely opposed to even the mention of a mechanism.

The relevant paragraph in the final decision on loss and damage reads: 'Decides to establish, at its nineteenth session, institutional arrangements, such as an international mechanism, including its functions and modalities, elaborated in accordance with the role of the Convention… to address loss and damage associated with the impacts of climate change in developing countries that are particularly vulnerable to the adverse effects of climate change.'

The final wording on this element of the decision was a compromise text tabled by the Qatari COP President, Abdullah Hamad Al-Attiyah, to be taken as part of the entire final package of decisions that included the agreed outcome under the Bali Action Plan, decision on the Kyoto Protocol second commitment period for emission reductions by Annex I Parties and a decision on further work under the working group of the Durban Platform for a new agreement in 2020.

The phrase 'loss and damage' was first used in the UNFCCC context in paragraph 1(c)(iii) of the Bali Action Plan. Enhanced action on adaptation was to include consideration of 'means to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change'.

A work programme on loss and damage under the SBI was established in 2010, as part of the Cancun Adaptation Framework (decision 1/CP.16). In this decision, Parties recognised 'the need to strengthen international cooperation and expertise in order to understand and reduce loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events'. (The decision defined slow onset events to include 'sea level rise, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinisation, land and forest degradation, loss of biodiversity and desertification'.) The work programme was to lead to recommendations for consideration by COP 18 (in Doha).

However, despite the establishment of the SBI work programme on loss and damage in the Cancun decision, the elements of the work programme were not defined until a year later in Durban (decision 7/CP.17).

In the COP 17 decision on the work programme, Parties agreed to hold a series of expert meetings on two of the three thematic areas identified for the work programme: assessing loss and damage and a range of approaches to address loss and damage. Submissions were requested in September 2012 on the possible role of the Convention, the third thematic area established by the Durban decision. A technical paper on slow-onset events was a final element of the work programme, although its publication in the first days of COP 18 meant it did not make a substantive contribution to negotiations.

Negotiations in Doha began with a pre-sessional meeting on 24 November, just prior to the opening of COP 18. At the 36th session of the SBI in May held in Bonn, negotiators had concluded that agreeing on recommendations in the short time allocated in Doha for the work of the subsidiary bodies would be difficult (the SBI was scheduled to close at the end of the first week of the Doha session), and the government of Norway offered to provide support for the pre-sessional meeting.

The SBI contact group on loss and damage formally opened on Tuesday, 27 November. At this first session, the SBI chair (Tomasz Chruszczow of Poland) provided delegates with a paper containing a list of possible elements to be included in the recommendations that would be made to the COP. A number of countries at the meeting of the contact group then reflected on the elements proposed and broader objectives for possible recommendations to the COP.

Bolivia, on behalf of the **G77 and China**, said that the outcome of the week could not resemble the status quo. Too much work had been undertaken over the past year and with the level of understanding achieved there was no justification for a decision that recommended to just keep doing what is already being done. It suggested the need for an institutional arrangement in the form of an international mechanism.

The Gambia urged measures to strengthen international cooperation and reiterated the call for an international mechanism. It said that consideration should include impacts on agriculture, water, health, economic and non-economic losses.

Timor-Leste, on behalf of **LDCs**, said that some adaptation cannot solve loss and damage and that loss and damage goes beyond the capacity to adapt. It said it was necessary to now move from knowledge to action, and indicated a need to talk about the modalities and functions of an international mechanism.

Tanzania, speaking on behalf of the **African Group**, pointed to the submission on loss and damage made by the group, and emphasised that it was important to address compensation and rehabilitation of loss and damage.

Norway suggested focusing first on the structure of the discussions, to determine what needs to be done, and then answer the question of how, and with what modalities. It proposed to not start with a discussion of institutional arrangements. It was supported by **Canada**, **New Zealand**, the **European Union**, **Switzerland**, and the **United States**.

Switzerland proposed that approaches to address loss and damage could be addressed in existing processes, such as national adaptation plans (NAPs) processes.

The rest of the first contact group meeting was taken up with discussion on specific elements put forward in the Chair's paper.

Informal consultations were held frequently over the next days, led by two co-facilitators appointed by the SBI chair: Lucas Di Pietro of Argentina and Don Lemmen of Canada. On 29 November, a draft negotiating text was tabled, based on text proposed by the G77 and China.

Informal consultations on a draft text continued all the way up to the final evening of 7 December, breaking around 5 am on Saturday, 8 December. At that time, there was still no agreed text, with major divisions still existing between groups on one key provision – whether or not an international mechanism would be established.

As already noted, the COP President resolved these divisions by issuing his own compromise text, adopted without changes at the final plenary.

Although the establishment of an international mechanism was the most divisive of the issues on the table, it was not the only important element of the final decision that had been intensely debated over the two weeks.

Many countries, in particular LDCs and AOSIS countries, wanted the text to mention both compensation and rehabilitation as a function of the international mechanism.

However, the final decision text only mentions rehabilitation – 'how to identify and develop approaches to rehabilitate from loss and damage associated with the adverse effects of climate change' – as an element of further work needed under the ongoing work programme.

For much of the two weeks of negotiations, even the continuation of the SBI work programme on loss and damage was contested, with the United States arguing that the work programme was to complete its work and terminate with the COP 18 decision.

The final decision seems to recognise the work programme as open-ended, and directs SBI 38 to elaborate activities under the work programme 'to further the understanding of and expertise on loss and damage associated with the adverse effects of climate change'.

The final decision defines the way forward on loss and damage under the Convention with three main elements. First, as noted above, COP 19 will establish institutional arrangements on loss and damage, potentially in the form of an international mechanism, and functions and modalities will be defined.

Second, the UNFCCC Secretariat will carry out three intersessional activities under the work programme, prior to SBI 39:

- An expert meeting to consider future needs, including capacity needs associated with possible approaches to address slow-onset events, and a report on this meeting for consideration by SBI 39;
- A technical paper on non-economic losses; and
- A technical paper on gaps in existing institutional arrangements within and outside of the Convention to address loss and damage, including those related to slow-onset events. The technical paper is to be considered in the work noted above in establishing new institutional arrangements on loss and damage and defining functions and modalities thereof.

Finally, the SBI is asked to elaborate activities under the work programme on loss and damage at SBI 38, 'to further the understanding of and expertise on loss and damage associated with the adverse effects of climate change'. In elaborating new activities, the SBI is asked to take into account further work needed as defined in the decision, including, *inter alia*, work to enhance the understanding of the risk of slow-onset events and approaches to address them; non-economic losses and damages; and how impacts of climate change are affecting patterns of migration, displacement and human mobility.

While the decision taken on loss and damage in Doha falls far short of the needs of developing countries for a mechanism to address loss and damage, the breadth of the work outlined for COP 19 and the continued work programme goes some way to ensure that the COP 19 decision on loss and damage will finally establish the international mechanism.

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Divergent Views over 'Vision' of Outcome under Durban Platform

Penang, 19 December (Meena Raman) – With the conclusion of work by the Ad Hoc Working Groups under the Kyoto Protocol and the Bali Action Plan under the UNFCCC at the recently concluded climate talks in Doha, work will intensify next year under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) to develop 'a protocol, another legal instrument or an agreed outcome' to be completed no later than 2015.

Discussions under the ADP in Doha on the 'vision' of the outcome, which is to be implemented in 2020, saw divergent views among developing and developed countries and provides a foretaste of the views which can be expected next year in the working group's meetings.

Parties had, at the 17th meeting of the Conference of Parties (COP 17) in Durban, agreed to 'launch a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties…' under the ADP. They had also agreed to 'launch a workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties'.

In Doha, the ADP co-chairs, Mr. Jayant Mauskar (India) and Mr. Harald Dovland (Norway), organised roundtable discussions around two workstreams – workstream 1 to deal with the post-2020 arrangements and workstream 2 on the pre-2020 'mitigation ambition'.

The roundtable discussions under workstream 1 were held on Wednesday, 28 November and Friday, 30 November. The ADP co-chairs asked Parties to address several questions which were as follows: how the principles of the Convention will be applied in the new agreement; how national circumstances and changes thereof should be taken into account; how the new agreement will be 'applicable to all' in practice, including approaches to defining differentiated commitments and ways to incentivise full and ambitious participation and ensure effective implementation and compliance arrangements.

Many countries spoke at the roundtable discussions. Several developing countries including India, China, Ecuador, Bolivia, Pakistan and Gambia (for the LDCs) said that on the issue the new agreement being applicable to all, universality of application did not mean uniformity of application, and stressed the importance of the principles of equity and common but differentiated responsibilities (CBDR). Many of them also said that there should be no renegotiation and reinterpretation of the Convention and its principles under the new agreement.

Developed countries on the other hand, including the European Union, the United States, Russia, Japan, Australia, New Zealand and Norway, expressed the view that the new agreement being applicable to all means uniformity of legal application but not uniformity of commitments. Many of them stressed that the principles of the Convention (of CBDR) should not be applied in a static way but should be evolved for the post-2020 world, taking into account the responsibility and capacity of countries in relation to mitigation commitments and called for a spectrum of commitments. On the principles of the Convention, New Zealand specifically said they were not up for negotiation, but up for reinterpretation with new circumstances, a view which is by shared by all developed countries.

Dovland, the ADP co-chair, in his concluding remarks said that many issues were raised which included – the idea of 'bottom-up versus the top-down approach' (in deciding mitigation commitments); how to combine a pledge-and-review approach (on setting mitigation targets) while meeting the objective of the Convention (in stabilising greenhouse gas emissions); consideration for a spectrum of commitments, elements of a new agreement and references to principles.

India said that the post-2020 arrangements have to be built under the Convention. Hence, the principles of the Convention namely the principles of equity and common but differentiated responsibility (CBDR) will fully apply. The Rio+20 Conference has reiterated this principle very recently. Hence, this principle cannot be ignored, it added.

India said the CBDR principle is recognition of the scientific and environmental fact that the historical contribution of Parties to climate change is different. However, equity is a more fundamental principle which governs the manner in which the responsibilities and commitments are articulated and implemented. In devising the future arrangements, Parties will have to be conscious of this fact. The actions and commitments of Parties in the post-2020 arrangements have to be differentiated on the basis of equity in terms of historical contributions and the fundamental imperatives of social and economic development and poverty eradication.

On the issue of national circumstances, India's view was that they are an important element as they provide choice to countries in choosing the form or nature of their actions. Their importance lies in providing them the policy space to determine how they can contribute sustainably to combating climate change. But this is a subjective fact. The choice of future arrangements should be also strengthened by the objective fact of equity which is expressed by the Convention's principles enshrined in Article 4. The objective fact of social and economic development and the overriding consideration of poverty eradication need to be captured when we elucidate the idea of national circumstances, said India.

For India, 'applicability to all' is a legal form question. It speaks to the issue of binding-ness which means that all Parties will contribute to global efforts. This is a huge advancement over the global arrangements that have so far existed. The fact that all developing countries have agreed to internationalise their actions following Cancun is reflective of this universal responsibility. But applicability does not automatically translate itself to a binding nature of the commitments unless the principles of the Convention are also satisfied.

India believed that the binding-ness of the legal form will depend on how each of the countries gives legal force to what Parties can all agree or what is the agreed outcome. How Parties give it the legal force will be nationally determined.

India said that to encourage broader participation, assurance is needed on how the principles are applied and how the rules of compliance and consequences are operated. Parties need not only give an assurance that the social and economic and developmental imperative will be respected, but the considerations for equitable access to technology and finance are also smooth and facilitative. The arrangement should be operated in a manner that ensures that multilateral rules are fully respected and that threat of unilateral actions is permanently removed. A big incentive for broader participation will be how comprehensively the new arrangement embraces all aspects of climate change including mitigation, adaptation, finance and technology transfer and how effectively the developed countries take the lead.

China said that the mandate of the ADP is to develop 'a protocol, another legal instrument or an agreed outcome with legal force under the Convention'. This means adherence to the provisions of the Convention, with no amendment, replacement or reinterpretation of the Convention and its annexes. The responsibilities and obligations of all countries in any period must be built on the principles of equity and CBDR. This was also underscored by the Heads of State in Rio plus 20. Historical responsibility is another aspect that must be underscored in the new agreement. Hence, it is important for developed countries to take the lead in combating climate change. This is not to say that developing countries will do nothing but as was agreed under the BAP, developing countries will continue to undertake nationally appropriate mitigation actions (NAMAs).

On the issue of how national circumstances and changes should be taken into account, China said the Convention already provided for this and national circumstances is not a new idea or concept as evident in Articles 4.1 and Articles 4.2 as well as paragraphs 1 (b)(i) and 1(b)(ii) of the Bali Action Plan (BAP). The BAP approach is consistent with the Convention and its principles, especially of CBDR and this can be the approach under the new agreement, while reflecting national circumstances. China stressed that the notion of national circumstances should not be abused by developed countries to avoid undertaking their commitments. Further, it should also not be used to begin categorising developing countries into various categories as this would amount to a renegotiation of the Convention. It would lead to prolonged and difficult negotiations that may not be able to conclude by 2015.

On the issue of applicable to all of any outcome under the ADP, China said it must ensure that universality of application is not uniformity of application, since the latter concept implies that there would be the same mandatory nature of obligations for both developing and developed countries and which would go against the principle of CBDR. China said further that the concept is also not new as the Convention is applicable to all as is the BAP and the Kyoto Protocol. In terms of defining the differentiated commitments, China said that differentiation can only be on the basis of equity and CBDR. This was recognised under the BAP in relation to the mitigation of Annex I and non-Annex I Parties.

On ways to incentivise full and ambitious participation, China said that the provision of finance, technology transfer and capacity building to developing countries as reflected in Article 4.7 of the Convention is vital and there is also a need to address the issue of intellectual property rights (IPRs) which impede technology transfer. Developed countries should not take unilateral measures that will not be an incentive to participate, it added.

Gambia for the **LDCs** said the principles of the Convention applied to the ADP, and the new agreement must be an internationally legally binding protocol, which is applicable to all. It called for universal participation based on the leadership of developed countries and said that the principles of equity and CBDR must apply. There should not be a weakening of the current climate regime. National circumstances cannot be abused for inaction. Universality of application does not mean uniformity of application. The special circumstances of groups like the most vulnerable, small islands and Africa as recognised by the Convention must be taken into account. It also stressed the need to take into account historical responsibility.

On the compliance system that can be in place, it called for lessons to be learnt from the existing rules-based regime, which needs to be stronger and lead to higher ambition. Strong compliance and accounting rules must be in place.

Ecuador said that any new instrument builds on what has been worked under the Kyoto Protocol and the BAP. The mandate of the ADP is under the Convention and all the principles will have to apply. The DP must strengthen the current multilateral rules-based system, including the principle of equity and CBDR. It is not for a new process for a new regime, which is a reinterpretation of the Convention. Historical responsibility is important and the ecological debt must be paid by developed countries.

On the issue of national circumstances, Ecuador expressed caution that this must not lead to the avoidance of undertaking commitments under the Convention. It should also avoid the re-categorisation of developing countries. On the new agreement, which is to be applicable to all, universality of application is not uniformity of application. Developed and developing countries should not have the same mandatory obligations. The principle of CBDR is important for developing countries who also have to address poverty and inequality. The greatest challenge is to maintain the right to development and also respect Mother Earth and the rights of nature.

Bolivia stressed the importance of the CBDR principle and that its basis is derived from history and science as the historical responsibility of developed countries has led to the climate crisis. There is also a need to take into account the special circumstances of developing countries, of which poverty is also a national circumstance. The structural situation of the economy must also be taken into account and the biggest challenge for developing countries is to eradicate poverty. There is a need for financial resources, and technology transfer including the addressing of IPRs for developing countries to have access to technologies and to produce them to meet the climate challenge.

Singapore said that the post-2020 agreement has to acknowledge the national circumstances of Parties. Mitigation actions have to be nationally determined, and should not be imposed internationally. Each Party will decide itself what it would nationally contribute, taking into account its own national circumstances. On what aspects of national circumstances are important, Singapore said that they have to be considered in a holistic manner and changes can occur over time. It said that changes do occur in areas of socio-economic conditions and that is for the better as this was what development is about. The other aspect of national circumstances is aspects that do not change like being a small island or a land-locked country or countries whose economic structure deeply depends on agriculture or fossil fuels which aspects will not change as quickly. Aspects that do not change relate to the vulnerabilities or other physical or geographical attributes.

On the issue of applicable to all, Singapore said that this means that there are common legal obligations for all Parties and this legal obligation has to be the foundation of a new agreement, which is applicable to all. However, having common obligations does not mean the commitments are common. Developed countries need to demonstrate leadership because of their historical responsibility, said Singapore. For any global agreement, it has to be equitable and politically acceptable, with the leadership of developed countries demonstrated in a visible and tangible way. On ways to incentivise the participation of all countries, one element was the provision of means of implementation for developing countries.

Pakistan said the principles of equity and CBDR are important and apply to the DP and developed countries must take the lead in mitigation. The nature of the obligations is in the Convention and historical responsibility is a key issue that cannot be ignored, in taking into account the responsibilities of countries. The notion of applicable to all does not override the principles of equity and CBDR and does not imply uniformity of application. Pakistan added that taking account of national circumstances cannot mean avoidance of action.

Barbados said that its vision of the new agreement is to respond to the urgency of the climate crisis. A strengthened multilateral rules-based response must guide a new protocol from 2015. On principles, all of them must apply including equity, CBDR and respective capabilities (CBDR-RC) and the precautionary principle. The Convention is a framework for action, and not an excuse for inaction. On the idea of being applicable to all, it said there must be legally binding obligations for all under the new agreement. The nature and time frame for implementation could be varied for some countries. It expressed concern that a pledge-and-review approach may not be climate-effective. The new agreement needs to build on the existing system under the Convention and the Kyoto Protocol. Providing the means of implementation is crucial for incentivising action.

South Africa said that the principles of the Convention must apply, reflecting the science, equity, CBDR-RC, prioritisation of development and the right to development and historical responsibility. It is important to ensure that what is done is fair, rules-based and gives content to the right to equitable sharing of atmospheric space informed by the cumulative historical responsibility and use of resources by Annex I Parties. The outcome should be balanced as regards mitigation and adaptation, with the provision of finance and technology transfer and for developing countries to achieve sustainable development. On the issue of national circumstances, it said that this is already part of the Convention as seen in the differentiated commitments between developed and developing countries.

South Korea said that the principles of CBDR and equity continue to be valid and relevant today and in the future and can accommodate a changed context. The new agreement should accommodate differing national circumstances. It echoed the views of Singapore that the 'one size fits all' and a formulaic approach will not work.

The United States said that the principles of the Convention would apply but when it was drafted, it was meant to evolve over time. Things were not static in 1992 or today. There is a need to look at emission trends and the notion of capabilities in meeting the objective of the Convention. The question is not whether the principles apply but how they apply in the new agreement. The agreement needs to be equitable. In practice, mitigation commitments will vary around national circumstances.

The issue is how to craft a regime that is environmentally ambitious, applicable to all with countries acting consistent with their capabilities, said the US. Applicable to all reflects the idea that the legal binding-ness is not different. Any rules for mitigation should apply to all, like reporting and review. Those rules must be flexible to accommodate national circumstances. The agreement must incentivise broad participation of countries and must be attractive for countries to join. It must also be fair where countries do not feel that they are forced to do something as it is not fair to push them. Their level of effort is similar to others in the same situation.

The US favoured a bottom-up approach, which is self-determined. It is not probable for countries to take actions that undermine their economic development. It said that another aspect of equity is fairness which is to make commitments in a collective effort and that is also adequate, where Parties hold each other to account. The post-2020 agreement needs to be environmentally ambitious, and needs to have a process for incentives.

Russia said that the post-2020 outcome has to be universally applicable, legally-binding and comprehensive. The participation of 'major emitters' is needed. It agreed with the US that only an outcome which is satisfactory to all would have Parties accede to it. It favoured a bottom-up approach. While the principles of the Convention are relevant, the issue for Russia was how they will be applied. The CBDR principle needs to take into account twenty-first century changes and socio-economic conditions. It suggested a reviewing of the annexes to the Convention. It also supported the view of other developed countries that the new agreement must be internationally binding but the quality in terms of the content and form could differ between developed and developing countries.

Japan said that the principles of the Convention will apply but their interpretation should not be fixed but needs to evolve according to the changes in the world in 2020. There needs to be a dynamic interpretation of the principles. As regards national circumstances, it was of the view that this depended on geo-political, economic and complex metrics with different parameters for the future framework. The notion of applicable to all means universal participation and the new framework needed to be climate-effective.

Australia, referring to the UNEP Emissions Gap Report, said that there needs to be a broad platform of action. It supported international carbon markets for both developed and developing countries. On the principles to be applied to the new agreement, it said that CBDR-RC, equity and cost-effectiveness can be applied. There needed to be climate-effectiveness and wide coverage of the agreement.

On the issue of applicable to all, it said that this is not a one-size-fits-all approach. Parties have to do things in common and there are also differences. All Parties have a common responsibility to demonstrate to act and take action on mitigation. All Parties need to act on the same platform, with the same rules-based system. For wide participation, the agreement needs to accommodate the differences in responsibilities and capacities. The types of commitments may differ. It expects developed countries to take on ambitious economy-wide commitments while developing countries work within their capacity, but expects both to be legally binding.

New Zealand said that Parties needed to know the rules of the game. They want to know if national circumstances will be taken into account. Comparability (which it said is a form of equity) is another important idea where Parties need to know if others are doing their fair share. Actions must be self-nominated, and cannot be imposed by others. On the principles of the Convention, they are not up for negotiation, but up for reinterpretation with new circumstances. All Parties should have a common commitment to act; the type of legal binding-ness and level of commitment should reflect national circumstances. Rules set are common to all Parties, but with flexibility to reflect national circumstances.

The architecture of the new agreement, it said, could be a hybrid of top-down and bottom-up, with a top-down approach for the global goal, obligations to report and be accountable transparently, with obligations to take national action. The bottom-up could apply to choice of common rules to apply, and the level of commitment. The structure of the agreement should accommodate a range of applications – sectoral goals, actions regarding research and investment. The agreement should establish processes to encourage increased ambition over time. The agreement should encourage the global goal of climate change by incentives instead of punitive consequences.

The European Union said that the Convention principles do apply and it is clear that Parties do not renegotiate the Convention and its principles. However, this does not mean that the principles are static. For the EU, there is a need to see how the principles evolve especially in the post-2020 world. The EU is not looking at uniformity of commitments but of uniformity of legal application. All Parties will need to take on ambitious targets and wanted to see how we do it in a way that takes into account Parties' responsibilities and capabilities. On the issue of applicability of all, the EU is for a new protocol which has legally-binding obligations for all Parties. There has to be stringency and a reflection of a spectrum of commitments. Countries with the greatest responsibility and capacity have to take ambitious targets which are economy-wide and Parties with less capacity and responsibility take on less commitment. The EU said there is a need to have consideration about the architecture of the new agreement in 2013.

Norway said that the principles of the Convention are only tools and means and are not objectives in themselves. Their application should be in the context of meeting the objective of the Convention. The principles should apply in a practical and operational way to enable climate effectiveness. National circumstances must be taken into account. As regards the notion of applicable to all Parties, this means a common legally binding framework under the Convention. All Parties take basic commitments and there is a duty to act in a common endeavour. The differentiation of commitments should be within the common framework and the process should look at cumulative efforts.

Switzerland said that the principles under the Convention are important but the Convention and the regime should be dynamic. National circumstances are the heart of any regime. Some national circumstances (referring to physical circumstances of countries) may not change but others do change. On the issue of being applicable to all, the core idea is that each Party is committing to act and no one is excused.

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Durban Platform: Way Forward on Pre-2020 Ambition

Penang, 2 Jan 2013 (Fauwaz Abdul Aziz and Meena Raman) – Discussions on ways to enhance the ambition of countries to undertake climate action under the United Nations Framework Convention on Climate Change (UNFCCC) in the pre-2020 time frame are expected to intensify in 2013 under the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

It will be interesting to see how these discussions will shape up under the ADP in the light of decisions from Doha on the outcomes and conclusion of work of the two previous ad hoc working groups under the Kyoto Protocol (KP) and the Bali Action Plan.

The work under the ADP encompasses two parts – one involves '…a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all Parties…' and the other to 'launch a workplan on enhancing mitigation ambition to identify and to explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all Parties'. The latter aspect of the work involves the pre-2020 time frame, while the former, the post-2020 agreement.

Discussions under the ADP in Doha on the 'pre-2020 ambition' are certain to provide a preview of the views which can be expected when the working group resumes its meeting sometime in May 2013.

In Doha, the ADP co-chairs, Mr. Jayant Mauskar (India) and Mr. Harald Dovland (Norway), organised roundtable discussions around two workstreams – workstream 1 to deal with the post-2020 arrangements and workstream 2 on the pre-2020 'mitigation ambition'. (See TWN Doha Update 27 on report of the roundtable discussions under workstream 1.)

The roundtable discussions under workstream 2 were held on 29 November and 4 December.

For the workstream 2 roundtable, the ADP co-chairs had posed several questions for discussions which included the following: How to increase the ambition of existing pledges from Parties and encourage those who have not yet submitted their pledges to do so; how international and national actions that are additional …can be strengthened, encouraged, and supported by the Convention; the role of means of implementation in increasing ambition; how to catalyse actions and initiatives with the largest mitigation potential and how principles of the Convention will be applied in the context of enhancing ambition.

Many countries spoke during the roundtable discussions, with several developing countries stressing that having pledges alone for emission reductions was not sufficient but what is important is the meeting of commitments under the Convention and the KP. Some of the developing countries cautioned against a pledge-and-review system, saying that this would not be adequate to meet the targets required by science for emissions reduction. Some countries also stressed that the work plan on enhancing ambition must recognise the differentiation of the nature and level of obligations of Annex I and non-Annex I countries, in accordance with the principles of equity and common but differentiated responsibility (CBDR) and with relevant provisions of the Convention.

Many stressed the importance of ambition not only on mitigation, but also on adaptation and on the means of implementation for financial resources and technology transfer. On the issue of supplementary actions, several countries emphasised the importance of these actions being additional to the pledges of countries under the UNFCCC. Below are some highlights from the discussions.

India said that 'ambition' cannot only mean mitigation targets and goals. This should include pledges not only for mitigation goals but also the pledges for financing support expressed by Annex I countries from public sources in the mid-term till 2020 and the long term from 2020 onwards. Pledges for financing support of US$30 billion by 2012 and US$100 billion per year by 2020 were expressed by Annex I Parties in Cancun, it added. The relevant institutions for this purpose have been created. But, they have largely remained an empty shell. Hence, the first exercise in raising global ambition should include getting a specific commitment on financial flows during the mid-term and the long term.

On the work on raising mitigation ambition, India said that this should take place in light of the work done on legally binding targets under the Kyoto Protocol (KP) and the comparable pledges and targets under the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA). India said that this work is still incomplete, and planning the work on mitigation under the ADP will be ineffective and premature if Parties do not address the ambition question in the other two working groups satisfactorily. In fact, said India, Parties may end up locking in low ambition in the KP and LCA tracks.

(India made these remarks when negotiations were still on-going under the KP and LCA tracks. Since the conclusion of work under these two tracks and the adoption of the relevant decisions in Doha, various Parties and observers have viewed the outcome as one of low-ambition, both in terms of especially emission reductions and finance.)

On the issue of actions at the national and international levels that can close the ambition gap, India said that there are several ways in which this can be attempted. One is to drop the various conditions which Annex I countries have attached to their Cancun pledges. There should be no conditionality attached to the commitments of Annex I countries because these are mandated under the Convention. It will also introduce greater certainty in the pledges.

Secondly, the Annex I countries that have not yet pledged or inscribed their targets should do so urgently on a comparable basis. This should be captured through an update of the existing Subsidiary Body document in which targets of such countries, announced after Cancun, are inscribed. Also, if any of such Parties are willing to raise their ambition further under the Convention or its Protocol in the context of actions in other multilateral fora such as the International Civil Aviation Organisation (ICAO) or International Maritime Organisation (IMO), it must be ensured that such actions are in accordance with the principles of the Convention and should respect the national circumstances of member countries.

On the other hand, India said that the mitigation goals of non-Annex I Parties are in the nature of pledges and are contingent on the availability of relevant support as may be necessary. All developing countries have expressed their commitment to implement them by internationalising these actions. These commitments have to be respected as they have been made in the context of huge social and developmental constraints which are often overriding.

India said that it should be noted that all pledges of developing countries are compiled in an INF (information) document under the LCA. So, if there are any such countries who want to make new pledges, such pledges should be anchored in the LCA through a supplementary INF document. This will clearly preserve the voluntary nature of such countries as distinguished from the mandated targets of developed countries. It will be useful to remind Parties again that developing country pledges are much higher in impact than the pledges of developed countries.

On how the Convention can strengthen, and encourage the international cooperative initiatives in areas that have potential, India said that such initiatives may be laudable but Parties should remember that they are already part of the voluntary actions that countries take to meet their domestic goals. Unless these supplementary or complementary actions are already contemplated in the national strategy, they will bring no additionality to the table and will have no practical utility for the mitigation work under the Convention. Since countries have expressed their domestic goals in terms of economy-wide targets or numbers, the strategy of achieving such targets has to be governed by national choice. A sectoral strategy of achieving such targets through global initiatives is likely to compromise the flexibility of developing countries in devising their own strategy for achieving such targets. In several cases, such as that of black carbon, the science of such initiatives and its relationship with climate change is uncertain. It said that there are also extreme political sensitivities in India about agricultural methane which is related to the question of livelihood and food security. In view of such social and economic constraints, a sectoral strategy at the international level may be premature and may not yield the desired results. India also said that the work in both workstreams of the ADP should be built under the principles of the Convention and should have equal priority in planning the work for the future.

China said that the context for enhancing mitigation ambition is provided by the KP's second commitment period and that those Parties who are not party to the KP or would not abide by that treaty also have a responsibility to ensure comparability of their targets and actions under the AWG-LCA. Ensuring the AWG-DP outcome results in strong mitigation ambition requires jumping off from a high base of commitments by developed countries that should be built up first under the AWG-KP and the AWG-LCA. Unfortunately, the signs are not encouraging, as the level of ambition is not what is expected.

China said that the design of the work plan on enhancing ambition must recognise the differentiation of the nature and level of obligations of developed and developing countries, and of Annex I and non-Annex I countries, in accordance with the principles of equity and CBDR and with relevant provisions of the Convention. It said that the organisation of the work of the AWG-DP must therefore reflect this as well as the principles and provisions of the Convention, and that the voluntary mitigation efforts by developing countries are related to the extent of obtaining of finance, technology transfer and capacity building, what has been long recognised in the history of the Convention and remains valid and relevant.

Supplementary actions outside the Convention are not a substitute for actions under the Convention and the KP. There should be a cautious approach in considering actions outside the Convention. Any supplementary and complementary actions shall be in accordance with the principles and provisions of the Convention.

On the issue of catalysing actions with the largest mitigation potential, China said it needs to be clear whose actions and initiatives are being referred to and how the 'potential' is defined. Under the Convention, developed countries have legal commitments under Article 4.2 and the KP to undertake emission reductions. Developing countries are supposed to be enabled and supported through finance, technology transfer and capacity building for their actions.

It asked if the mitigation potential is based on historical and current emissions or projected emissions. The definition of mitigation potential has to be clearly defined as to whether it is on the basis of capability to mitigate or is on the basis of projected emissions without taking into account the capability to mitigate. If it is the former, then the largest mitigation potential should be in developed countries with historical responsibility and commitments for emission reductions due to their financial and technological capabilities. As such, they have the largest mitigation potential and therefore should take the lead in undertaking mitigation actions and initiatives. If the largest mitigation potential is to be based on projected emissions to 2020 relative to business as usual, then this would unfairly shift the burden on to developing countries and would be contrary to the principles of equity and CBDR. In this regard, there is a need to enable and support mitigation actions through the provision of finance and technology transfer to developing countries so as not to have an inequitable outcome.

The Philippines said that pledges alone cannot be substitutes for real commitments under the Convention. It said that ambition requires a high jump off base (for emission reduction commitments) under the KP and comparable actions under the AWG-LCA. Scientific targets for emission reductions cannot be reached through a pledge-and-review system. It also stressed the importance of means of implementation for developing countries. It asked how much finance and technological transfer developed countries are prepared to give to developing countries for their actions. It stressed the challenges developing countries face to support environmental, social and economic externalities. It also echoed China's comments regarding the issue of mitigation potential.

Bolivia said that while only 87 Parties have made pledges to reduce their emissions and 105 have not, it is important to note that developing countries had contributed significantly to the mitigation efforts, and to a large extent were surpassing developed countries in terms of offers of mitigation. A big part of these efforts has been made with the developing countries' own resources. Developing countries need to have the means of implementing mitigation programmes and policies, and that means having financial and technological support from developed countries.

Bolivia said the costs of mitigation are very high and is not simply an issue of making more efforts on top of what is already being done. Citing estimates from the United Nations Environment Programme (UNEP), Bolivia said mitigation would, by 2020, cost Euros 404 billion. By 2030, this would rise to Euros 864 billion, and this does not even count the costs of adaptation (loss and damage) that developing countries face. The World Bank, meanwhile, has calculated the cost of adaptation to be between US$24 and US$28 billion, and this will rise to almost $100 billion every year after 2030. Latin America, in particular, will be paying Euros 49 billion per year for mitigation action by 2030, whereas Africa is going to need Euros 34 billion per year by 2030 for mitigation action.

In response to various proposals by countries to consider 'other options' being used to increase actions of mitigation, Bolivia raised concerns over the implications of such actions relating to sub-national and sectoral processes. It asked if Parties were referring to 'sub-national commitments'. It was concerned about how such 'sub-national commitments' would impact the sovereignty of countries to define their own policies and said that such proposals might undermine the intergovernmental decision-making process.

Nauru, speaking for the **Alliance of Small Island States (AOSIS),** referred to the need for seeking the most cost-effective way to reduce emissions as quickly as possible by way of involving the energy, industry, transport, building, forestry, agriculture, and waste sectors. It suggested that the ADP consider opportunities for international actions outside the UNFCCC which can contribute to closing the mitigation ambition gap, including through the initiative of Parties and non-Party actors to provide information to the UNFCCC on such activities and projected outcomes, the quantification of action plans taken in terms of emission reductions and clarification of the extent to which such reductions are additional to those resulting from the implementation of existing actions.

Swaziland for the **African Group** reiterated that while all Parties want to do more, Parties are not at the same level of development and, therefore, have different challenges and priorities that immediately confront them. To a certain extent, developing countries want to take up mitigation actions, but they do not see the means of implementation for nationally appropriate mitigation actions (NAMAs). While there may be funding for reporting of the updates, collecting and understanding these reports and so on, these do not contribute in real terms towards addressing the global problem of climate change.

On the principles of the Convention, Swaziland was of the view that all are agreed that they are not up for re-negotiation. The Convention does recognise that Parties are not at the same level of development and that for some to survive, they need assistance because they do not have the means. So it means the principle of CBDR still remains an important element on the way to 2020. Equity has been talked about extensively. There have been a number of workshops and meetings that are trying to further provide understanding of equity. It said that equity cannot be talked about without talking of historic responsibility. Referring to a remark from someone at a workshop that one cannot make the children liable for what their parents did, Swaziland in response asked if the children benefited or inherited development or property from their parents, can't the children be held liable?

It said that the African Group had long called for greater means of support, since developing countries cannot channel the funds that are not there to try and address the climate change when their people are hungry. Swaziland liked the idea of embracing low-carbon development, but did not support the same type of development where the levels of consumption were high.

Ethiopia said that while mitigation is important, adaptation is more important. It needed to survive and eliminate poverty at the same time as tackling the climate challenge in order to contribute to its share of the collective responsibility to humanity. The emissions in 2010 in the country were around 115 million metric tons of CO2 equivalent or on a per capita level, it was 1.8. If we continue with business as usual (BAU), it would rise to 400 by 2030 and per capita emissions would be 3 tons per year. It was committed to having its economy growing but also for emissions to keep reducing so that by 2025, it will become a middle-income country but also have zero-net emission.

Brazil said that Annex I Parties have to move to the higher end of their pledges. It did not expect developed countries to be so reluctant to lead and remarked that some developed countries are even expecting developing countries to lead. It said that some developed countries were joining the KP's second commitment period to do less, not more. It also said that processes used outside of the UN should be clearly aligned with the Convention and supported the idea of efforts to engage in subregions and cities, stressing that Parties cannot fight climate change as governments alone.

Uganda reflected that the ADP is not about mitigation alone, adding that 'we must be alive in order to mitigate,' and that the task of the ADP is to balance this with that of building developing countries' resilience. It stressed the importance of sustainable development and that the real key to emissions reduction is technology for both mitigation and adaptation.

The Marshall Islands said that Parties are setting themselves up for a new agreement that addresses issues relevant to a very different world than the one we are living in now, stressing that unless Parties deal with the pre-2020 mitigation gap, it is difficult to contemplate the scale of obligations and commitments required for a future agreement. To address that, the Marshall Islands stressed the need to use this workstream to look at mitigation options within the real world.

South Africa said that pledges alone are not enough and actions matter. Supplementary actions should be additional to what has been pledged and have to be in line with what the Convention requires. Means of implementation is essential for encouraging Parties to do more. There is no contestation about the principles of the Convention, it added, but this is giving content to the principles in moving forward.

Ghana said that there is a need to define what supplementary actions are. It said that many years had been spent to learn about the Convention, now it is for Parties to do what is expected of them. It stressed the importance of means of implementation for African countries.

Micronesia said that during the financial crisis, developed countries could come out with billions of dollars to tackle it but they now say it is hard to get $100 billion over 10 years for addressing the climate challenge. It added that supplementary actions should be additional to the current pledges. It said there is a need for people making key decisions on important topics to get together more often. It said there is a need to catalyse action on everything. It said there is also a need to think through systems that work.

The Dominican Republic said that Parties cannot see the world only through the eyes of equity. We must also have action. The CBDR principle is not an excuse for inaction. Instead, it is a call for action to all countries. Failure to act collectively will make sustainable development for developing countries impossible.

Costa Rica, referring to calls by developing countries for developed countries to take the lead in emission reductions, asked why developing countries could not take the lead too. It could not wait until 2020 for ambitious actions to be taken. It called for the building of a cycle of confidence and incentives for leadership in taking action.

Indonesia, referring to supplementary actions, said that there needs to be a common accounting system to ensure that such actions will have the same effect (in reducing emissions). The Convention could play a significant role in identifying and ensuring that actions taken outside it are comparable.

The United States said its eventual emission reductions turned out to be lower than what it had originally pledged. This was because of the US government's assumption at the time that it made the pledge that it could engage in a domestic carbon trade programme that would enable it to participate in the global climate regime. It expected a significant part of its emission reduction to have come from domestic action following the introduction of a cap and trade law. Since that law did not pass, it did not have the option of purchasing the offsets, which resulted in twice the amount of emissions by 2009.

Norway said that closing the emissions gap pre-2020 is a major issue, and Parties cannot afford to be negative, adding that mitigation is not a separate sector for investment, but is about making different types of investments in existing sectors. Some options are actually profitable, Norway said, especially in regard to efficiency, with other benefits such as reduced air pollution and energy security. Parties needed to understand sectoral options better and address the barriers to them.

New Zealand said that suggesting nothing is possible without means of implementation leaves 'respective capabilities' out of the question. On the flip side, it said that the key to ambition is confidence in the ability to act, and that everyone is doing their fair share.

Australia referred to the UNEP emissions gap report which it found sobering but the key message is that it is technically and economically feasible to bridge the gap. It said there is much to learn from one another.

Japan wanted a focus on supplemental initiatives, including those at national, sub-national, regional and international levels. It referred to bilateral mechanisms relating to the clean development mechanism (CDM).

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Response Measures: Avoidance of Negative Trade Impacts of Unilateral Measures Reaffirmed

Kuala Lumpur, 5 January (Hilary Chiew) – After much wrangling over the language concerning the negative economic and social impacts of response measures to combat climate change, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) adopted text to address contentious unilateral measures by developed countries at the recently concluded 18th Conference of the Parties in Doha.

Unilateral measures, particularly those that affect international trade, have been consistently raised by many developing countries as a barrier to their overriding objectives to eradicate poverty and attain economic development.

The final document from the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) *reaffirmed that Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, particularly developing country Parties, thus enabling them better to address the problems of climate change; measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.*

Parties also decided that they will continue to participate in the forum on the impact of the implementation of response measures convened under the UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI), including the sharing of views on policy issues of concern, such as unilateral measures.

(COP 16 in Cancun in 2010 requested the Chairs of the(SBSTA and the SBI to convene, at their 34th and 35th sessions in Bonn and Durban respectively, a forum on the impact of the implementation of response measures with the objective of developing a work programme under the SBs to address these impacts, with a view to adopting, at COP 17 in Durban, modalities for the operationalisation of the work programme and a possible forum on response measures.

COP 17 then adopted a work programme on the impact of the implementation of response measures under the SBs, with the objective of improving the understanding of the impact of the implementation of response measures in 8 areas, and modalities for the operationalisation of the work programme. The same decision also established a forum on the impact of the implementation of response measures to be convened by the SBSTA and SBI Chairs under a joint agenda item of the SBs and to operate in accordance with the procedures of contact groups. The forum will initially meet twice a year in conjunction with the SB sessions and the second one took place in Doha on 27-29 November.)

During the arduous negotiations in Doha, developed country Parties refused to engage on the economic and social consequences of unilateral measures of response measures by pointing out that the matter is being discussed in the forum (under the SBs) and do not want to have any text on the overall issue in the AWG-LCA track. However, developing countries argued that political decisions need to be taken at the COP level on this crucial matter and thus cannot be left to the SBs.

The differences were evident as Parties deliberated on the social and economic impacts of response measures in the three sessions of the In-forum workshop of the Forum on Response Measures that took place on 27-29 November in Doha.

Developing countries stressed that they cannot bear the extra burden from such measures implemented by developed countries and that transition to a low-carbon economy must respect national circumstances and be predicated on financial and technical support from developed countries in accordance with the principles and provisions of the UNFCCC.

Developed countries said they had taken steps to address the consequences, and assessment of impacts must include positive effects and combating climate change requires broad participation.

At the first session on 27 November, Parties discussed area (a) of the work programme: Sharing of information and expertise, including reporting and promoting understanding of positive and negative impacts of response measures. This was chaired by Richard Muyungi of Tanzania, the SBSTA Chair.

The Group of 77 and China, four developing countries, the European Union, the Organisation of Petroleum Exporting Countries (OPEC) and inter-governmental organisation South Centre were among the presenters.

The G77 and China said developed countries are not reporting enough on the social and economic consequences from their implementation of response measure to combat climate change on developing countries.

Presenting the views of the group, **Argentina's Julia Hoppstock** said a survey of National Communications showed that 11 out of 25 Annex I (developed country) Parties reported nothing on the matter while of those that reported, some reported purely domestic efforts such as technology co-operation and others only described their measures.

She highlighted the lack of clear reporting guidelines for developed country Parties on this matter in the following aspects: consideration if the special economic and social conditions of developing countries were taken into account in the design and implementation; information about consultation with potentially affected developing country Parties; inclusion of scientific basis of the measure, and an assessment if it is the most effective means to achieve the objective of combating climate change; information about specific support to developing countries in relation to the measure, in terms of transfer of technology, financial resources and capacity building.

Hoppstock said the workshop helps to give full consideration to what actions are necessary to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures, in a context in which all developing countries face economic and social consequences of response measures (actual and potential) in different ways, and research on the matter is a new field.

It also helps to promote understanding of the nature and magnitude of economic and social consequences for developing country Parties of different response measures taken by developed country Parties and assist the former in identifying and addressing the impact of response measures taken by the latter, sharing information, promoting and cooperating on issues relating to response strategies and exploring ways to minimise negative consequences, particularly in developing countries.

She also said there is a need to discuss the consequences of trade-related response measures in pursuant to Article 3.5 of the UNFCCC which reads: '*The Parties should cooperate to promote a supportive and open international economic system that would lead to sustainable economic growth and development in all Parties, thus enabling them better to address the problems of climate change. Measures taken to combat climate change, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or disguised restriction on international trade*.'

As a general framework, Hoppstock said when dealing with social and economic consequences of response measures, there is a need to observe the guiding principles and provisions of the Convention, in particular the principle of common but differentiated responsibilities and to bear in mind that the UNFCCC discusses the economic and social impacts of response measures including the unilateral ones.

China said unilateral measures adopted by developed countries as part of their response measures to address climate change are harmful to developing countries.

Dr. Wang Mou highlighted the negative impacts from the adoption of carbon tariffs on energy-intensive goods would reach US$6 billion at the rate of US$50 per tonne of CO2-equivalent based on the country's 2006 data of 112 million tonnes of CO2-eq to the EU and 120 million tonnes of CO2-eq to the United States and the inclusion of aviation in the European Union – Emission Trading Scheme (EU-ETS) will cost Chinese airlines US$2.9 billion by 2020.

He said the priority of developing countries is development and they cannot bear these extra costs. Although China is the second largest economy, he said its per capita income is only US$4,300, a mere one-third of the world's average. It is faced with high disparity of economic development in different regions with 36 million people living on US$0.5 per day.

Wang said China's industrialisation is characterised by transferred emission in that export commodities account for 30% of its national energy consumption in 2005. It is still heavily reliant on coal with coal accounting for 72% of total energy consumption in 2010 and its energy mix is unlikely to change in the near future.

Outdated technologies still occupy a relatively high proportion in China's key industries. Energy-efficiency is about 10% lower than that of the developed countries and its per unit energy consumption of energy-intensive products is about 40% higher than the advanced international level.

He said negotiation under the UNFCCC and enhancing international cooperation and multilateral approaches instead of implementing unilateral measures is the way forward.

Saudi Arabia said positive impacts from response measures taken by developed countries are welcome but the measures must be driven by the environmental cause while distortion of trade and imbalance in competition should be avoided.

Khalid Abulief said developing countries' concerns are over the negative effects which are already happening now in terms of taxation, levies, duties, subsidies, border tariffs adjustments, trade and market barriers in vital economic sectors.

In agriculture, he said, subsidies, taxation and eco-labelling are impacting developing countries' exports, including food security concerns, in reference to the development of bio-fuel. Poor countries and vulnerable segments of society will be the most affected.

New standards and policies in developed countries will affect energy-intensive industries in developing countries, particularly those that are heavily dependent on a single source of income.

He pointed out that major shifts towards a low-carbon world and mitigation policies have far-reaching and long-lasting consequences in labour markets, enterprises and workers in both developing and developed countries. And there is also the concern of environmental degradation and negative impacts on biodiversity due to fuel production from food sources.

To address the negative impacts, he said Parties need to look into information needed to be reported by Parties to enhance understanding of the impacts of response measures, the available modelling tools to assess the impacts of the implementation of response measures; of uncertainties and risks addressed in the existing methodologies and how those areas can be quantified and reflected.

Venezuela shared its specific economic circumstances, resulting from its condition of high dependence on exports of fuels and hydrocarbon which account for 95% of total export which is recognised by international organisations like the World Trade Organisation. Due to this, Venezuela is disadvantaged in light of policies and measures to address climate change.

Its presenter, Ramiro Rodriguez Contreras, pointed out that shale gas exploitation (as a substitute to fossil fuel) is not sustainable as it pollutes the soil and natural water resources.

He said Venezuela is diversifying its economy but it has to be based on financial support from the oil income. To become non-oil-dependent, some oil-dependence is first required. It also looked towards bilateral and regional agreements to strengthen mechanisms to diversify its economy.

Like China, **South Africa** said it is a carbon-intensive economy with 90% of electricity generated from coal and 40% of its greenhouse gas emissions is linked to carbon-intensive export goods.

It is a middle-income developing country confronting the triple challenges of unemployment, poverty and inequality, within the context of environmental sustainability.

Furthermore, it faces the challenge of being the second most vulnerable country on a trade-weighted distance basis (referring to distance on the international trade route), after Chile.

It is vulnerable to a potential border carbon adjustments (BCA) regime as its exports contained a high level of embodied carbon with 28.1% of its export to the European Union potentially attracting taxes with a study showing the potential costs of BCA rising to US$720 million per annum, impacting its key growth sectors.

It shared concern about the growth of 'voluntary' one-size-fits-all environmental labelling schemes which are not based on internationally agreed science and methodologies but create obstacles to market access and undermining South Africa's just transition of its workforce.

South Africa requires a massive technological shift from a capital-intensive and resource-dominated economy to a relatively more value-adding, labour-intensive and less carbon-intensive economy.

Mariama Williams of South Centre said while response measures are implemented for beneficial effects and with good intentions, they may have unintended and often adverse social and economic consequences for developing countries' economies.

Therefore, the economic and social consequences of such actual and potential response measures are an important issue for all developing countries. She noted that such measures may have positive effects, if on balance they support improved access to energy, health care, poverty reduction and decent employment in developing countries and help to bolster sustainable development.

She said subsidies for climate-friendly products have positive effects but could also affect developing countries that are trying to diversify into new products and technologies while BCA instruments can have a negative impact on the role of international trade as a tool for economic development in poor countries.

Citing the example of the inclusion of aviation in the EU-ETS which effectively imposed a 'global ETS' (now suspended), she said the measure bypasses the multilateral system and does not take into account the development dimensions, potentially setting a precedent for other forms of unilateral measures which are contrary to the principle of common but differentiated responsibilities of the UNFCCC where it is only the Annex I Parties that have legally binding emission reduction obligations. The EU aviation measure effectively treats Annex I and non-Annex I Parties the same.

In general there is no World Trade Organisation (WTO) guidance on BCA, they have not been challenged, though ostensibly they could be under most favoured nation, national treatment and the general exception clauses of the WTO.

However, she noted that trade-related response measures can bring positive impacts if: they are agreed to multilaterally and avoid unilateral measures as far as possible; avoid trade protection as it is an important aspect that enables diversification of developing economies; ex-ante impact assessment of the impact of carbon tariff or border adjustment taxes.

Williams called for a development-friendly approach where national or international measures are designed in a manner that does not disadvantage developing countries; avoid use of standards and labels as trade protection measures; assist developing countries to upgrade standards so that they can diversify into new products and technologies but noted that these approaches are impacted by technology policies, technology transfer and development.

Taking into account the commodity vulnerability and limited capacity of developing countries, she said response measures implemented by developed countries therefore must be based on a precautionary approach and operate on the principle of 'do no harm'.

This meant that there must be ex-ante impact assessments to ascertain the likely impacts of proposed/planned response measures on developing countries before the measures are implemented, she said, adding that it is often too late to wait for 'on the ground impacts'.

Parties that implement response measures must be fully accountable for the consequences of these measures through the provision of insurance/ compensation fund, finance and technology transfer as well as capacity building to support developing countries' economic diversification in order to achieve the intended objective of the response measure proposed or implemented.

Transparency of these response measures is also needed through an information sharing and reporting system including assessment of impacts where the UNFCCC is notified and Parties are able to comment and respond.

Response measures that need to be notified include giving of subsidies, removing or reducing of subsidies, changes in energy policies and laws such as phasing in of renewable energy or phasing out of fossil fuels, measures to tax or discourage imports or exports of certain products, labelling and fostering of or discouraging of certain technologies.

OPEC's environmental coordinator, M Taeb, recalled (UNFCCC COP) Decision 5/CP14 adopted in 1998 which guided the first workshop on the adverse social and economic impacts of response measures. The objectives stated in the Decision are:

1. Identification of the impacts of the implementation of response measures under the Convention.
2. Identification of the specific needs and concerns of developing country Parties arising from such adverse effects and impacts defined through inter alia the national communications from non-Annex I Parties.
3. Identification and consideration of actions, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns referred to in the decision.

He said the need to address the above has consistently been raised through many workshops and experts meetings under the Convention and its Protocol in the past 14 years. They remain valid today.

He called upon the Secretariat to produce a synthesis report elaborating on existing institutions under the Convention and its Protocol that could address the issue of sharing of information and expertise, challenges of reporting, modalities for promoting understanding and how to identify both negative and positive impacts of response measures, among others.

Paul Watkinson of France, representing the EU, presented that the group assess the impacts and analyse how undesired effects can be avoided, minimised or mitigated and these are done for both internal and external impacts. He said the EU actively engaged with its partners bilaterally and regionally and have open exchanges and consultations.

He said the EU is open to finding new ways of effectively improving the manner in which it collects and shares information with third parties and uses this information in the context of policy development.

The United States said Parties had only scratched the surface of this issue and noted that it had made a submission prior to this meeting which suggested looking at the positive impacts and not just the negative ones.

In-forum workshop on work programme area (h): building collective and individual learning towards a transition to a low greenhouse gas emitting society on 28 November

This session was chaired by the SBI Chair Tomasz Chruszczow of Slovenia.

In its presentation, the **G77 and China** pointed out that a low greenhouse gas emitting society and transition to a low greenhouse gas emitting society are not defined in the Convention. Any transition needs to be understood under the UNFCCC principles and provisions, in particular common but differentiated responsibilities and Parties' different socio-economic contexts and specific conditions and in the broader context of the transition towards sustainable development, stressing that the Convention relates to the achievement of sustainable development.

It also emphasised that the transition will entail adjustment and incremental costs. And hence policies and measures taken by developed countries to combat climate change shall not undermine the development nor constitute means of transferring the burden of climate change mitigation to developing country Parties taking into consideration the importance of ensuring a just transition of the workforce, the creation of decent work and quality jobs, in accordance with nationally defined development priorities and strategies.

Venezuela, Saudi Arabia and South Africa again presented besides the OECD and the International Trade Union Confederation (ITUC) (power point presentations available on the UNFCCC's website).

In its intervention, **Ghana representing the African Group** said the continent acknowledged the need to begin a transition to a low greenhouse gas emitting society but it will be costly for Africa and require a mix of finance: public concessionary finance, public-private financing, green bonds, grant aid, foreign direct investment, among others. African countries will need to obtain such support for their sustainable structural transformation. It will be important to discuss the financing needs of African countries and the different financing options.

African countries will require considerable cooperation and support from more advanced developed countries in climate change technologies, including sustained technology transfer and diffusion.

It said measures taken to combat climate change by developed country Parties should not be implemented unilaterally or designed in a protectionist manner, thereby distorting international production and trade. African countries may be adversely affected and trade constrained by these measures makes Africa unable to provide comparable support or subsidies to our industries; unable to meet new standards or introduce our own; and have little real access to technology and finance.

For example, unilateral BCAs contemplated by a number of developed countries will have a devastating impact on African countries and compound their challenges as they transit a low greenhouse gas emitting society.

The WTO rules on climate change are unclear and clearly inadequate to address current challenges in climate change. The WTO will need to negotiate new rules that include the principle of Special and Differential Treatment for developing countries. However, this process can only take place once the current negotiations in the UNFCCC have advanced sufficiently and incorporated the principle of Common but Differentiated Responsibilities into its outcomes.

Given the state of Africa's human, institutional and technological capacities, we will need sufficient policy space to enable infant economic activities to develop. This is necessary to enable economic diversification in general, to make the leap to lower-carbon economies and to achieve competitiveness in producing environmentally friendly goods and services. African countries should thus be allowed the policy space to apply measures that will help them achieve economic diversification.

Commenting on the G77 and China's presentation, **Brazil** said at Rio+20, countries reaffirmed the priority of sustainable development and that eradication of poverty is the greatest challenge facing the world. It asked if the concept of low greenhouse gas is universal and stressed that respect for national circumstances is important, adding that Brazil has achieved 45% of renewable energy usage whereas OECD countries only 7%. So it does not make sense to talk of transition to a low-carbon society for Brazil.

Echoing the African Group, China, Brazil and Saudi Arabia, Argentina said developing countries' mitigation efforts must be carried out in the context of sustainable development and taking into account national circumstances.

In response to the OECD's presentation about removing environmentally harmful subsidies, Argentina asked the OECD if it is considering phasing out agricultural and fisheries subsidies that are harmful to climate change, adding that fossil fuel subsidies in developing countries is for the poorest.

In reply, the **OECD** said agricultural subsidies amounted to US$366 billion in 2010 but noted fossil fuel subsidies in non-Annex I countries to be US$400 billion while it is US$15 billion in Annex I countries.

In-forum workshop on work programme area (f): on relevant aspects relating to the implementation of Decisions 1/CP10, 1/CP13, 1/CP16 and Article 2.3 and 3.14 of the Kyoto Protocol on 29 November

This session was chaired by SBSTA Chair Muyungi.

Speaking on behalf of the G77 and China, Argentina welcomed the discussions on the relevant decisions and articles of the Kyoto Protocol (KP) that are important for addressing the adverse impacts of response measures on developing countries.

It believed that there is a need to focus on what gaps in implementation remain in order to give full consideration to what actions are necessary under the Convention, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the impact of the implementation of response measures.

Even if these decisions and KP articles have many relevant aspects in relation to response measures, the Group would like to make the best use of our time available (in Doha), and focus particularly on the issue of reporting by Annex I Parties on how they '… shall strive to implement policies and measures in such a way as to minimise adverse effects on developing country Parties…'.

It highlighted three aspects of this issue:

1. Provisions and obligations for developed countries for reporting related to response measures
2. Status of the implementation of those obligations and of the progress made
3. What remains to be done in terms of gaps in implementation.

In relation to the provisions and obligations for developed countries of reporting, Decision 1/CP10 *requests* Annex II Parties to provide detailed information, including in their national communications, on progress made on support programmes to meet the specific needs and circumstances of developing country Parties arising from the impact of the implementation of response measures.

In relation to the provisions and obligations in the KP, it said it is worth recalling Article 3.14 that constitutes the foundation for the commitments on reporting with respect to Annex I Parties minimising the adverse effects of their measures on countries identified in Articles 4.8 and 4.9 of the Convention. Those Parties are also further required in the Kyoto Protocol to incorporate information in their annual inventories that allows confirmation of their compliance with this requirement. Also, Article 7 states that the COP/MOP will develop guidelines for the preparation of this supplementary information.

It stressed that there is a gap in implementation by developed countries in terms of their compliance with their reporting obligations for response measures, calling for a structured manner for reporting. Thus, it said the G77-China looks forward to discussing here how the gaps in implementation can be overcome and the progress made by developed countries in fulfilling their reporting obligations.

The United States said the issue (referring to reporting) was already being addressed and noted that there is a special situation for Decision 1/CP10 where it believed that concerns over impacts of response measures are already covered in the forum and the adaptation issue is covered by a number of agenda items created since then. It believed 1/CP10 does not have any more role and can have an official closure.

(Decision 1/CP10 is also known as the Buenos Aires programme of work on adaptation and response measures. Paragraph 18 reads as: *Requests Annex II Parties to provide detailed information, including in their national communications, on progress made on support programmes to meet the specific needs and circumstances of developing country Parties arising from the impact of the implementation of response measures; …*)

It was supported by **Australia** which said that the issue had been taken up by other bodies especially on adaptation and reporting of response measures exists in national communication. It further said that it is important to streamline and make continued improvement but does not see the need for additional requirement for reporting at this stage.

In response, **Saudi Arabia** said Parties need to re-evaluate their work based on the decision as they learnt (from the in-forum workshop) that there is a need for clear guidelines for reporting and if such guidelines exist, it wished to have them in the national communication of developed countries. But what Parties have heard is that there is not enough effort in this aspect and the development of clear guidelines will set forth the needs and Parties can happily close this matter.

The European Union said it has taken its obligations under Article 3.14 seriously with guidelines and the review process. It said it is important to make clear that the reporting is not a static process and over time it does improve, insisting that it has an existing reporting guideline.

Saudi Arabia said it is not disagreeing about learning and improving but the process it wished to see is to review how effectively the obligations had been met as it is concerned over the lack of a comprehensive framework that will guide work under Article 3.14.

It said a proper solution is to establish a process to ensure monitoring and observation of this process which up to now is a loose arrangement. After years of debate and resistance by developed countries, the final Doha decision was thus a signifcant step forward for developing countries.

Climate Briefings for Doha

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Briefing Paper 1

UN Climate Change Conference

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Loss and Damage: Confronting and Addressing the New Burden for Developing Countries

By Doreen Stabinsky and Juan P Hoffmaister

Loss and damage due to climate change is occurring now. It results from actual climate impacts, not from underlying or inherent vulnerabilities. Loss and damage from the adverse effects of climate change creates a new, serious and growing challenge for developing countries in their efforts to achieve sustainable development and eradicate poverty. Negotiations in Doha must fill the gaps in institutional and legal frameworks to address loss and damage, including through an institutional mechanism to address slow-onset impacts and other unavoidable damages.

In this briefing paper we begin by outlining the legal context for international action to address loss and damage under the UN Framework Convention on Climate Change (UNFCCC). We then provide a fuller introduction to the concept of loss and damage, including an explanation of slow-onset processes. Next we review the most important and difficult issues that must be addressed and ultimately resolved under the work programme. Finally, we offer conclusions on the role of the Convention on loss and damage and recommendations for the COP18 outcome.

1. Loss and Damage and the need for international action

Loss and damage is not hypothetical. It is happening today, undermining progress towards sustainable development. Moreover, the amount of committed warming that will result from historical greenhouse gas emissions currently in the atmosphere ensures that global temperatures will continue to rise over the next few decades, regardless of what action countries take now to curtail emissions. This committed warming then ensures that loss and damage, and the threat to sustainable development, will continue to be the new reality for developing countries.

Two important principles of international law – the no-harm rule and state responsibility – establish legal obligations for historically responsible parties to take action now to address loss and damage. Under the no-harm rule of customary international law, states have a duty to '*ensure that activities within their jurisdiction and control respect the environment of other states or of areas beyond national control*'.[1] Once the no-harm rule is breached, the law of state responsibility obliges the state to '*cease the act and make "full reparation" for injury caused, including for "any damage, whether material or moral". Full reparation "shall take the form of restitution, compensation and satisfaction, either singly or in combination"*.'[2]

Loss and damage requires immediate action by the international community, and above all, action by developed countries. It is now up to developed states to assume their collective responsibilities for current

[1] 1996 ICJ Advisory Opinion in the Legality of the Threat or Use of Nuclear Weapons, as cited in Verheyen, R. and P. Roderick. 2008. Beyond Adaptation. WWF-UK.

[2] Verheyen and Roderick, 2008, citing the International Law Commission.

and committed warming to address the loss and damage resulting from that warming. The UNFCCC is the policy-relevant forum to undertake this work.

In decision 1/CP.16, Parties recognised '*the need to strengthen international cooperation and expertise in order to understand and reduce loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow onset events'*.[3] In recognition of this need, Parties established a work programme on loss and damage under the Subsidiary Body for Implementation (SBI) to consider '*approaches to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change'*.[4]

Decision 7/CP.17 further refined the content of this first phase of the work programme. The decision invites Parties and other stakeholders to take into consideration three thematic areas related to enhancing understanding of and addressing loss and damage.[5] These thematic areas became sequential organising themes for the development of the work programme in 2012. The decision reiterates '*the need to explore a range of possible approaches and potential mechanisms, including an international mechanism, to address loss and damage, with a view to making recommendations on loss and damage to the Conference of the Parties for its consideration at its eighteenth session, including elaborating the elements set out in decision 1/CP.16, paragraph 28(a-d)'*.

The elements outlined in the Cancún decision for consideration by the work programme were:
(a) possible development of a climate risk insurance facility to address impacts associated with severe weather events;
(b) options for risk management and reduction, risk sharing and transfer mechanisms such as insurance, including options for micro-insurance, and resilience-building, including through economic diversification;
(c) approaches for addressing rehabilitation measures associated with slow-onset events;
(d) engagement of stakeholders with relevant specialised expertise.[6]

The understanding achieved in Cancún provided an important platform for the work over the last two years. These elements must be assessed as the SBI provides mandated recommendations to COP at this session. The SBI, in carrying out the assessment and review of the effective implementation of the Convention, should consider these elements agreed under the work programme to determine progress in its implementation and to advance the understanding of loss and damage. Further to these elements, we identify below other concepts explored during the last two years of the work programme that can help build an understanding of loss and damage.

2. Understanding and addressing loss and damage

The phrase 'loss and damage' refers broadly to the entire range of damage and permanent loss '*associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change'*[7] that can no longer be avoided through mitigation nor avoided through adaptation.[8]

According to the working glossary for the loss and damage regional meetings, '*"damage" might be thought of as negative impacts that can be repaired or restored (such as windstorm damage to the roof of a building, or damage to a coastal mangrove forest from coastal surges which affect villages). "Loss" might be thought*

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3 Slow-onset events are described in a footnote to the decision as 'including sea level rise, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinization, land and forest degradation, loss of biodiversity and desertification'. We address slow-onset events in greater detail later in this briefing paper.

4 Decision 1/CP16.

5 The three thematic areas are: 1) assessing the risk of loss and damage associated with the adverse effects of climate change and the current knowledge on the same; 2) a range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow-onset events, taking into consideration experience at all levels; and 3) the role of the Convention in enhancing the implementation of approaches to address loss and damage associated with the adverse effects of climate change.

6 Decision 1/CP.16, paragraph 28 a-d.

7 Decision 1/CP.13, para 1(c)(iii).

8 The background paper prepared by the Secretariat on the range of approaches to address loss and damage uses the following definition for loss and damage: '*the actual and/or potential manifestation of impacts associated with climate change in developing countries that negatively affect human and natural systems'*.

of as those negative impacts that cannot be repaired or restored (such as loss of geological freshwater sources related to glacial melt or desertification, or loss of culture or heritage associated with potential population redistribution away from areas that become less habitable over time with climate change).'[9]

In this section we elaborate on these definitions in order to provide a more sophisticated and nuanced understanding of loss and damage to be able to more accurately identify the actions required to address it. We conclude the section with a brief description and analysis of existing approaches to address loss and damage.

Loss and damage results from a diverse range of climate change impacts. Climate impacts that cause loss and damage include extreme events, slow-onset change and state shifts (see Box 1 for examples). Extreme events are the most familiar manifestations of climate change, and most of the research and policy attention to date has focused on these types of events. For example, the Intergovernmental Panel on Climate Change (IPCC) released a special report in 2012 on 'Managing the risks of extreme events and disasters to advance climate change adaptation', or the SREX report.

In the longer term, however, much more loss and damage will result from slow-onset changes, such as sea level rise, ocean acidification and desertification. Permanent shifts in climate, or state shifts, will also lead to significant, irremediable loss.

Slow-onset events, as noted in decision 1/CP.16, include sea level rise, increasing temperatures, ocean acidification, glacial retreat and related impacts, salinisation, land and forest degradation, loss of biodiversity and desertification. 'Slow-onset events' are more appropriately termed slow-onset **impacts**, **hazards**, or **disasters**.

Because the Earth is slow to warm, historical emissions will cause warming, and a continuation of slow-onset impacts, for decades to come – even if all emissions are halted immediately. Slow-onset temperature rise and other related climate impacts can also have other serious knock-on consequences in earth systems, such as state shifts – permanent shifts in climate and ecosystem characteristics – or causing tipping elements in the earth's climate system to be surpassed. Such abrupt and non-linear changes may happen at the global level, but can also happen at regional levels, such as the state shift to a much more arid climate predicted for the south-western US and northern Mexico.

Box 1: Types of climatic events and changes causing loss and damage

Extreme events	Slow-onset changes	State shifts
Cyclones, hurricanes, and other extreme precipitation events leading to floods, landslides, and associated loss of productive land and and loss of property and life. Heat waves leading to crop loss and loss of life. Short-term droughts resulting from reduced seasonal precipitation levels.	Slow-onset temperature rise, leading to increased evaporation of freshwater sources, melting glaciers, loss of soil moisture and associated reduction in growing season length, increase in heat extremes affecting crop production and suitability of lands for human and animal life, increased sea surface temperatures with impacts ranging from changes in precipitation distribution on landmasses, loss of marine biodiversity and coral reef bleaching. Sea level rise, leading to loss of territory, saltwater intrusion and contamination of freshwater aquifers, loss of protective barriers such as embankments and mangroves, and salinisation of coastal productive lands.	Permanent shifts in mean climate (precipitation and temperature regimes), leading to impacts such as changed ecosystem characteristics, species loss, and long-term drought.

9 Background glossary to the regional expert meeting on: A range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow-onset processes.

Loss and damage results from climate impacts, not inherent vulnerabilities. Vulnerability and risk drivers are not the cause of losses: loss and damage results from climate impacts. Damage and loss can be exacerbated due to underlying vulnerabilities, but vulnerability is not the cause of drought or sea level rise. If an old person slowly crossing a street is hit by a car, they are hurt by the car, not by their underlying vulnerability of being old and walking slowly.

Climate change impacts lead to a wide range of permanent loss and damage. The wide spectrum of *'loss (those negative impacts which cannot be repaired or restored like loss of freshwater sources) and damage (negative impacts that can be repaired or restored such as windstorm damage to the roof of a building, or damage to a coastal mangrove forest from coastal surges which affect villages)'*[10] includes both **economic** and **non-economic** losses. Examples of economic losses include structural damage from floods or hurricanes, or crop loss due to drought or extreme heat. Non-economic losses include cultural loss, loss of livelihoods or territory, or species extinction.

Damage and permanent loss from climate change derive both from **direct harm** (i.e., the direct costs of actual unavoidable harms) and **forgone development** (i.e., the costs of lost and diminished opportunities in developing countries, caused by having to forgo development options) from extreme events and slow-onset events.

Loss and damage is an issue of equity. It creates a challenge for developing countries to achieve sustainable development and poverty eradication. The countries vulnerable to loss and damage are not responsible for the climate change that is destroying lives and livelihoods, yet their prospects to achieve poverty eradication and other development goals are constantly undermined by extreme and slow-onset impacts of climate change. These few examples below are illustrative, not exhaustive, and similar stories can be told from developing countries in every region of the world:

- Widespread flooding in **Pakistan** in 2010 affected 20 million people, killing 1781, displacing millions, and damaging 1.6 million homes. The World Bank places the cost of damages at $10 billion ($5b in the agriculture sector) while the estimated recovery and reconstruction needs range from $6.7b to $8.9b. As well as damage to infrastructure, which affected governance, education, energy, business and communications, the flooding led to widespread health risks from malaria, cholera, and severe malnutrition. With the economy heavily dependent on agriculture, the economic impacts are grave: 5.3m jobs were lost according to the ILO; growth dropped from a predicted 4.5% to -2%/-5%; and the $55b IMF debt will grow as Pakistan is forced to borrow in order to recover.
- **Andean glaciers** are rapidly receding, and will continue due to slow-onset temperature rise, with significant near-term impacts, including impacts on mountain ecosystems, on water supplies for major cities, and on farmers' livelihoods and food security in Peru, Ecuador and Bolivia. As with other slow-onset impacts, such as sea level rise and the associated salinisation of aquifers, where access to fresh water is slowly eroded, the right to development is at the same time actively undermined. Rather than increasing options to improve livelihoods, life in mountain areas becomes more and more unviable.
- **In Syria**, increased desertification threatens food, water, and job security. Across the region agriculture will continue to bear the brunt of the impacts of desertification, with IFPRI estimating an additional $241m per year needed to counteract the effects on nutrition. The FAO says that in Syria, 79% of the population is at risk from desertification and that the projected agricultural production capacity is likely to decrease by 16% in coming years. Given that agriculture provides 30% of the workforce with employment and 25% of the country's GDP, this drop in productivity is extremely worrying: there is already 26% youth unemployment.
- The 2010 hurricane season in the **Caribbean** was the third most active hurricane season on record, with most number of named storms, according to historical records. The economic impact on the region became unmanageable, requiring countries to look for support outside existing regional risk management mechanisms, such as the Caribbean Catastrophe Risk Insurance Facility (CCRIF). In the case of **St. Lucia,** for example, total damage after Hurricane Tomas was estimated at about 34% of its total GDP, and the country sought immediate assistance nearing US$8.2 million in the form of loans through the Rapid Credit Facility and the Emergency Natural Disaster Assistance of the International Monetary Fund.

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[10] UNFCCC, 2012. UNFCCC Background paper to the SIDS expert meeting on a range of approaches to address loss and damage associated with the adverse effects of climate change, including impacts related to extreme weather events and slow-onset processes. http://unfccc.int/files/adaptation/cancun_adaptation_framework/loss_and_damage/application/pdf/literature_review_barbados.pdf

Loss and damage is the result of insufficient mitigation by Annex I Parties and inadequate support by Annex I Parties for mitigation and adaptation in non-Annex I Parties. Loss and damage is caused by the failure to reach the objective of the Convention to stabilise greenhouse gas emissions, and the failure to provide adequate means of implementation to enable developing countries to address and implement their needs under the Convention. Insufficient mitigation under the Convention, including low ambition under the Kyoto Protocol, means that atmospheric concentrations of greenhouse gases have not been stabilised in a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. Addressing loss and damage is a response to the unavoidable impacts of climate change due to historical and current emissions.[11]

Addressing loss and damage

There are multiple approaches to address loss and damage. Some approaches may have synergies with adaptation efforts, while others will require taking action through new arrangements and stand-alone approaches. Parties have reviewed a range of existing approaches to address loss and damage during the series of expert meetings over the past six months. One important outcome of the process has been to identify gaps in these existing approaches. Four types of approaches have been considered under the work programme:

- risk reduction
- risk retention
- risk transfer and
- approaches to address slow-onset climatic events

Risk reduction is defined by the United Nations International Strategy for Disaster Reduction (UNISDR) as '*the concept and practice of reducing disaster risks through systematic efforts to analyse and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events'*.[12] The background paper for the regional expert meetings on loss and damage notes that '*risk reduction measures could be applied with good results for things like frequent storms that may cause annual flooding, recurring small scale droughts, and regular wind storms that may cause minor damage'*.[13]

Risk retention, according to the background glossary for the expert meetings, includes a range of '*financial resources for building resilience, rebuilding & getting through crises*' that include social funds, emergency assistance loans, emergency services, humanitarian assistance such as food aid, reconstruction, and rehabilitation. Governments may provide the finance themselves, as a type of self-insurance, or they may rely on international assistance. Risk retention may be planned or it may be inadvertent and unintentional.

Clearly 'self-insured' risk retention, where countries would take on the entire financial burden of damage and loss in their own national budgets, is not an option for many countries. Developing countries are turning to the Convention to address the question of loss and damage precisely because *self-insured* risk retention is not an option for them. An example of a risk retention option *funded by responsible states* would be the proposed international mechanism for compensation and rehabilitation.

Risk transfer is a broad category of mechanisms to transfer the cost of damage and loss to a third party, usually through some form of insurance.[14] There is potential for risk transfer and other risk-sharing mechanisms like insurance to address a subset of losses and damage. For example, a number of organizations are trying to design insurance products that can reach and benefit the poorest agriculturalists, such as

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[11] Addressing the consequences of insufficient mitigation does not in any way exempt Parties from continuing to undertake actions for the implementation of the Convention. In addition, action and support to address loss and damage does not waive the responsibility of states to 'ensure that activities within their jurisdiction and control respect the environment of other states or of areas beyond national control' under international law.

[12] www.unisdr.org/we/inform/terminology

[13] UNFCCC, 2012.

[14] The background glossary for the regional expert meetings lists a range of risk transfer approaches: traditional insurance, micro-insurance, reserve fund, risk pooling, insurance-linked securities, and catastrophe bonds.

weather index-based insurance. However insurance works best for low probability, high impact events. Insuring climate risks becomes less and less tenable when events become more frequent (non-stationarity), as premiums will rise accordingly. More frequent droughts, or high temperatures that kill crops or livestock, will become less and less insurable as these events increase in frequency with the rise in global temperature.

Losses and damage from slow-onset impacts and state shifts are distinct threats requiring new types of approaches. The inability of existing approaches – risk reduction, risk retention, or risk transfer – to adequately address the progressive and unrelenting changes anticipated with slow-onset hazards was one of the most important and pressing gaps identified during the expert meetings. We address this gap in more detail in the next section.

3. Key issues that must be addressed under the work programme

The work programme established in Cancún created a space for Parties to begin considering approaches to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate change. As part of this work, the COP agreed to carry out workshops, expert meetings, and consider Party submissions. For the first time, the work programme will be making recommendations to the COP.

Under the work programme, there are a number of key topics that Parties have begun to consider, or that remain to be addressed by the work programme, that merit attention here and that should provide context and content for the decision to be take at COP18:

Loss and damage represents a challenge to sustainable development and poverty eradication, however current approaches to address loss and damage are not sufficient to address impacts on sustainable development. Loss and damage undermines the ability of developing countries to access necessary resources as these become under stress or as existing resources are diverted to recover from climate change impacts.

Economic and non-economic losses both represent lost development opportunities and a threat to the right to development. Much attention has gone into the traditional approaches to risk management to address economic losses, but the work programme needs to redouble efforts to understand approaches to address non-economic losses, including impacts on sustainable development.

At the heart of the challenge of loss and damage is addressing the needs and aspirations of communities and people, who have contributed least to the causes of climate change, yet are among its first and worst victims. Indigenous peoples and local communities are harmed by changing ecosystems and threats to traditional livelihoods, while farmers and farming communities often dependent on rain-fed agriculture could experience massive drops in production leaving millions without food.

There are significant and serious limits to adaptation, particularly to slow-onset impacts. As temperatures and sea levels rise, territory will become uninhabitable and unproductive. Soil moisture levels will decrease to the point that cultivation of crops is no longer viable in entire regions. Groundwater sources in coastal areas will become too saline to provide drinking water for people living there. Adaptation will become impossible on low-lying islands and in the most arid regions, leading to permanent loss of lands, livelihoods, and cultural resources.

Extreme events and slow-onset impacts together are surpassing the capacities of countries to cope, and the associated losses and damage require new approaches.

Slow-onset events will pose grave challenges to many, many systems and current approaches to address loss and damage are insufficient to address slow-onset disasters. Slow-onset events will have significant and wide-ranging impacts on people's lives and livelihoods and are irreversible in our lifetimes if temperatures continue to rise.

Because slow-onset impacts are persistent and develop over time, they are not amenable to many of the approaches currently under consideration for addressing extreme events, such as index-based insurance. Risk reduction, like adaptation, becomes impossible after a certain point, for example, when territory becomes uninhabitable. Migration and planned relocation are only coping mechanisms in that situation.

Parties will need to undertake further work under the Convention to enhance the understanding of slow-onset processes, the types of loss and damage associated with various types of slow-onset impacts, and how these impacts might be addressed in multiple contexts. Moreover, the need to enhance coordination and cooperation in assessing and addressing slow-onset impacts points to the need for special consideration both under the governance mechanisms of the UNFCCC and within other regional and multilateral institutions.

The mandate of the work programme requires Parties to look at both approaches for dealing with climate change-related extreme weather events and slow-onset hazards. However, up to this point, the work programme has given much more consideration to the issues raised by extreme events. This deficiency in identifying and evaluating approaches to address slow-onset events must be recognised in the work moving forward under the Convention after COP18 and systematically addressed.

The potential for large-scale economic disruption brought on by slow-onset climate change hazards will require significant coordination of international trade and investment flows. Addressing loss and damage resulting from slow-onset processes, in the context of sustainable development, will require different approaches than those used to address financial shocks resulting from extreme events. For example, slow-onset impacts may permanently diminish the tourism industry in many developing countries due to the loss of ecosystems, animal and plant diversity, and other tourist-attracting resources (for example, rainforests, coral reefs and glaciers). Such issues need to be part of the consideration of slow-onset impacts.

There are limitations to humanitarian approaches to respond to disasters. Traditional approaches to respond to emergencies, particularly at the international level (pledge-based responses, ad hoc bilateral support for recovery, concessional loans, etc.), are not sufficient to address recurrent loss and damage.

The work programme must consider relevant experience on financial and other measures to assist developing countries affected by extreme losses, such as debt relief, concessional loans, etc. One example to consider is the international response to the devastating earthquake in Haiti in January 2010, when the IMF established a Post-Catastrophe Debt Relief (PCDR) Trust, allowing the Fund to join international debt relief efforts. Debt relief and similar concessions can free up additional resources to meet exceptional balance-of-payments needs created by the disaster and the recovery, complementing direct financing at preferential terms and in some instances concessional liquidity support.

Migration must be addressed in the context of loss and damage. The needs of climate migrants require appropriate consideration. Existing international frameworks dealing with issues of displacement and migration will need to be expanded to handle movement resulting from the pressures imposed by slow-onset processes. Many people will be forced to move from areas affected by permanent changes to the ecosystems and other resources on which they depend for their lives and livelihoods. Adequate provisions will need to be designed in collaboration with relevant international institutions to consider how to address the issue of migration, displacement, and population distribution.

4. Addressing the role of the Convention and recommendations for a COP18 outcome on loss and damage

The Convention is the global, policy-relevant, forum for addressing climate change. It is mandated to provide governance at the global level and to strengthen coherence and coordination among key players. It provides a forum for parties to share experience and provides guidance on addressing and responding to specific climate change-related issues.

Cognizant of these general roles of the Convention, it is then possible to elaborate the role of the Convention with respect to loss and damage. The Convention should serve to:

- Provide leadership and build trust amongst stakeholders;
- Ensure approaches to loss and damage are sufficient to address the risks being faced by vulnerable communities; and
- Provide incentives and coordination for appropriate policy responses including, but not restricted to:
  - o drawing together the types of expertise required;

- o facilitating access to means of implementation including long-term finance and technical and capacity needs; and
- o facilitating assessments to inform decisions.

To actively accomplish this role, there is a need to set up an institutional framework that operates at three levels (global, regional, national), linked with external institutions such as IOM and UN OCHA.

With regard to loss and damage, the Convention should also facilitate specific, action-oriented guidance to address:

- national planning
- slow-onset events
- synergy with adaptation
- insurance
- migration
- non-economic losses.

Recommendations for COP18 on loss and damage

Loss and damage is the unfortunate result of insufficient ambition in addressing the historical accumulation of greenhouse gases in the atmosphere and in achieving the objective of the Convention. More unfortunately, climate change impacts are likely to be most damaging and costly in those countries with least or no responsibility for the greenhouse gas emissions already leading to a changing climate.

Negotiations in Doha must focus on filling the existing gaps in institutional and legal frameworks to address loss and damage, including through an institutional mechanism to address slow-onset impacts and other unavoidable damages. Addressing loss and damage will require international-level action, as well as action coordinated at regional level.

The COP18 outcome on loss and damage should establish a permanent process to address loss and damage, including by:

- establishing an international mechanism on loss and damage;
- continuing the work programme with focus on some of the key matters identified in this document;
- giving support to assess and address loss and damage under the Financial Mechanism; and
- assigning actions to the Adaptation Committee, including a coordination role with regional centres and organisations addressing migration-related issues.

Establishing an international mechanism to address loss and damage

There is a need for multiple approaches and systematic support, and the work programme has identified challenges to justify establishing an international mechanism to address loss and damage. An international mechanism will be a facility to support developing countries' needs with to respect loss and damage and can drive enhanced understanding, coordination and cooperation on addressing loss and damage around the world.

A mechanism to prevent and redress loss and damage is essential. Principle 3.1 of the Convention clearly states that '*The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities. Accordingly, the developed country Parties should take the lead in combating climate change and the adverse effects thereof'*. This principle needs to be clearly reflected in the work of the loss and damage work programme, with developed countries taking steps to proactively address and support approaches to address loss and damage, including through a needs-based approach.

The decision establishing the mechanism should give guidance on the governance and functions of the mechanism. As identified by developing countries in Bonn, these functions could be:

a) Assessment of loss and damage from the adverse effects of climate change: The special needs of particularly vulnerable developing countries must be accounted for in assessing the avoidable or unavoidable nature of loss and damage from the adverse effects of climate change. This role could include coordinating and providing guidance on standards for assessing loss and damage, such as guiding the data collection and analysis activities of relevant institutions.

b) Addressing loss and damage from the adverse effects of climate change, including through a compensation and rehabilitation fund: Unavoidable loss and damage from the adverse effects of climate change may be addressed through risk-sharing mechanisms, but total loss and damage from the adverse effects of climate change will need to be redressed through compensation and rehabilitation mechanisms. This role could include coordinating and supporting technical assistance and action, and establishing and supporting regional networks of collaborative partners within and external to Governments. It could also require dedicated support through the GCF to facilitate approaches to address loss and damage at the regional and national levels.

c) Leadership and promotion of cooperation and coordination outside the Convention: The mechanism should be situated under the umbrella of the Convention and housed within the UNFCCC Secretariat, where administrative support can be provided, with support and guidance of a Board constituted by Party members and with involvement of stakeholders. The Convention could under this mechanism take systematic efforts to support responses to slow-onset damage, link with UN institutions managing human mobility, coordinate cross-boundary issues and resources, link with other UN convention processes such as the CBD and the CCD, and other UN and international organisations as appropriate.

Enhancing the work programme

The Convention must identify appropriate actions to address emerging needs and gaps, including outside the Convention and beyond conventional approaches to risk management. The work under the work programme to date appears to identify multiple challenges for developing countries in developing and operating catastrophe insurance and other instruments. This work has identified opportunities and challenges for developing countries to employ insurance-related measures for extreme weather and other instruments, particularly those such as safety networks to address non-economic losses. More work could be done to see how such tools could be employed to manage weather-related variability while longer-term solutions are being explored. Tools that manage unexpected extremes could create a buffer for developing countries, and help the international community better plan issues like financial needs (for adaptation, managing loss and damage).

The complexity of slow-onset events and the need to enhance our understanding, coordination and cooperation in assessing and addressing their impacts point to the need for special consideration both under the governance mechanisms of the UNFCCC and within other regional and multilateral institutions. Parties will need to undertake further work under the Convention to enhance the understanding of slow-onset processes, the types of loss and damage associated with various types of slow-onset impacts, and how these impacts might be addressed in multiple contexts. This work could also seek to enhance our understanding of tipping elements and tipping points, and possible early warning mechanisms for the potential triggering of key tipping elements, both ecological as well as societal. Building on this enhanced understanding, the work programme could recommend appropriate actions by the COP.

Addressing matters related to finance

Loss and damage requires consideration of approaches to address economic shocks. The Convention must drive discussions on how financial measures could be fostered to assist countries in coping with loss and damage, for example deferral of payments to international institutions, debt relief, and other similar measures. Parties must recognise that the range of approaches considered up to this point are inadequate to address slow-onset impacts.

To fully adhere to the precautionary principle in the context of loss and damage requires the support and implementation of proactive approaches to manage slow-onset climate hazards. Allocation of finance to specific actions related to loss and damage, particularly where synergies with adaptation are not sufficient, must become part of the conversation on long-term finance. The level of funding required to prevent, manage, and compensate for loss and damage related to slow-onset impacts varies greatly from country to country and between regions, although it is clear that overall significant amounts will be needed above and beyond financial needs for adaptation. Therefore, there is an immediate need for consideration of financial resources required related to loss and damage, in order to develop a collective understanding of where overlaps might occur with current adaptation finance and where there may be unique needs. Clearly resources specific for loss and damage will need to be new and additional to existing resources.

The Convention is the policy-relevant forum to convene discussions on how financial measures could be fostered to assist countries in coping with loss and damage, for example deferral of payments to international institutions, debt relief, and other similar measures. As with the experience of the IMF PCDR Trust, there are other relevant experiences and approaches that should be part of a range of approaches to address loss and damage and where the Convention must take the lead.

Nevertheless, finance alone cannot adequately compensate people for the loss of family, homes, territory, culture or livelihoods that will result from radical changes in climate, whether at local, regional or global levels. Approaches to address non-economic losses need to be central to a holistic framework to support developing countries in coping with loss and damage. This systematic approach needs to give consideration and support to national and subnational social safety nets and on how to strengthen these approaches through the Convention, which can tackle some of these non-economic losses.

Assigning actions to the Adaptation Committee: an international coordination role

Addressing climate change-induced displacement, migration and planned relocation: The Adaptation Framework already calls for work on measures to enhance understanding, coordination and cooperation with regard to climate change-induced displacement, migration and planned relocation, where appropriate, at the national, regional and international levels.[15] This work has been identified in several regional meetings as important; adequate support will need to be designed in collaboration with relevant international institutions to consider how to address the issue of migration.

Many people will be forced to move from affected areas, including from low-lying islands and coastlines and from areas affected by permanent changes to the ecosystems and other resources on which they depend for their lives and livelihoods. Industrialised countries should do their fair share in helping these people build new lives, and in some instances accept their fair share of the people exiled from their homes and countries by climate change. The complicated issue of displacement, migration and planned relocation requires adequate and considered attention, including further research and collaboration among a range of relevant international institutions.

The Doha outcome could specifically target this issue and call for joint-discussions with the UN High Commissioner for Refugees and the International Organisation for Migration as part of the SBI Loss and Damage Work Programme Second Phase, in collaboration with the Adaptation Committee. Existing international frameworks dealing with issues of displacement and migration will need to be expanded to handle movement resulting from the pressures imposed by slow-onset processes.

Coordinating technical support from regional centres: Regional centres and networks could have an important role to play both in the assessment and addressing of loss and damage, enhancing synergies related to research and regionally appropriate mechanisms. The role that some institutions are already playing, such as the CCRIF on regional risk transfer mechanisms, and SPREP and CCCCC supporting research, modelling, and decision-making, as well as project implementation, exemplifies the role that these actors could have both in the context of an international mechanism, as well as under a second phase of the SBI work programme.

[15] Decision 1/CP.16, Paragraph 14(f).

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