

G77 and China cautions against transfer of issues to subsidiary bodies

Bonn, June 8 (Hilary Chiew and Meena Raman) – The G77 and China, at the opening of the 14th session of the Ad-hoc Working Group on Long Term Cooperative Action (AWGLCA) in Bonn under the United Nations Framework Convention on Climate Change (UNFCCC) on June 7, stressed that new processes needing further political development and which have not been resolved must not be transferred to other bodies.

Ambassador Jorge Arguello from Argentina, the Chair of **G77 and China**, said that discussions on unresolved issues should continue in the AWGLCA and not be transferred to other bodies, since that would not be in line with the Convention or with the mandate given by Parties to the AWGLCA.

He said that the Cancun outcome introduced new issues under the Subsidiary Bodies and some of them were clear enough but there were new processes needing further political development that must be kept under the sphere of the AWGLCA.

Ambassador Arguello was referring to some issues that have been put on the provisional agenda of the Subsidiary Body for Implementation (SBI) which have yet to be resolved by the AWGLCA, leading to delay in the adoption of the agenda. (See TWNN Updates 3 and 8).

He further emphasized that the AWGLCA must maintain an overview of the specific issues that were mandated to the SBI through the Cancun decision and that progress made under the SBI must feed into the comprehensive and balanced outcome of the AWGLCA.

Arguello emphasized that the mandate for AWGLCA is the full, effective and sustained implementation of the Convention as per the Bali Action Plan (BAP). Cancun marked a milestone towards the fulfillment of the mandate of the BAP. On this basis, the AWGLCA must continue its work with a view to

presenting its results to the Conference of Parties (COP) at its 17th session (in Durban later this year) in a way that contributes positively towards reaching a balanced and comprehensive outcome, he added.

He also reiterated the need for Parties to work in an open, party-driven, transparent and inclusive multilateral process that can lead to a consensus. He said the Group stands ready to engage constructively in the required drafting and negotiating of texts based on proposed language from Parties, with the guidance and assistance offered by the Chair and his appointed facilitators.

The G77 and China Chair said that even with the best use of the time available, this session of the AWGLCA cannot be the last one before Durban and there is a clear need for an additional session to be held in the fall. The Group expects to receive further clarity on the preparations under way before Parties adjourned their work in this session.

Representing the **Alliance of Small Island States (AOSIS)**, **Grenada** said that the Cancun agreements represented a step forward, but they do not represent, in terms of scope, substance or ambition, the response envisaged at Bali, or the response demanded by science. It viewed the agreements and understandings reached at Cancun as being a foundation rather than a ceiling, on which future actions must be predicated. In this regard, it said the Group remained convinced that on the road to Durban, efforts must be focused on meeting all the Durban deadlines, while addressing and finalizing the unresolved issues from Bali.

It expressed concern that the negotiation tactics and squabbling from some corners is evidence that not everyone is taking this process seriously. Putting the statehood of small islands on the line is not a game – it is a gross and unprecedented breach of international law. It said that Parties need to be brutally honest with the world that right now we are not only way off

track to meet the global goal of temperature rise agreed to in Cancun but we also have no clarity at all on a specific process to get us there.

Grenada said that the real possibility is a 3 to 4 degree C future and is the largest over-riding threat facing the international community and cannot be ignored. To close our collective eyes to this most obvious of failings would evidence irresponsibility of the highest order, it added. It said that it is fundamental to address the legal architecture and environmental integrity of the climate regime, which strike at the very heart of the response demanded to fight this global challenge.

Speaking on behalf of the **Arab Group**, **Egypt** said that the success of Durban depends on achieving a balanced result.

Gambia, representing the **Least Developed Countries** said although the Cancun conference restored hope and established new institutions advocated since Bali, progress had been slow. It said LDCs recognized the need for peaking by 2015 and for Annex I countries to commit to more ambitious mitigation targets and finance, adding that it was disappointed to see targets of developed countries that will lead to a 4 degree C increase in temperature as they only add up to 12% of Annex I emission reductions.

It emphasized the need for a comprehensive framework of implementation for the short, medium and long-term programmes of adaptation, finance and capacity building. It said that a credible plan by developed countries to meet the US\$30 billion fast-start finance is needed as most fast-start finance is not new funding and is being provided as loans rather than grants. Furthermore, only between 11% and 16% of the funds under the fast-start finance had been designated for adaptation.

Representing the African Group, the Democratic Republic of Congo said Africa expects the AWGLCA to result in a binding, fair outcome that prioritises both mitigation and adaptation and supports efforts of developing countries to create sustainable and equitable societies that assure economic development and competitive growth. It said that the Cancun Agreement must recognize that solving the climate problem will only be possible if it takes into account the African need for development.

Developed countries must take the lead in their commitments in line with science, the Convention and the BAP with a stronger compliance system. Another priority is the operationalisation of the

finance mechanism, adding that if this can be achieved in Durban, it will restore confidence in the UNFCCC.

Representing the **European Union**, **Hungary** called for speeding up work on the implementation of the Cancun decision in all the areas and of particular urgency for the EU are mitigation and MRV (measurement, reporting and verification). It said workshops on mitigation in Bangkok (in April) were a useful start in clarifying the pledges of Parties and hoped that the second round of workshops here in Bonn will help Parties better understand assumptions made in these pledges, particularly on accounting, use of offsets and BAU (business as usual) assumptions. If we are to stay below 2 degrees, it said Parties will need to increase the overall level of ambition, adding that it would like to see the outcomes of these workshops inform the negotiation process in Bonn.

It further said that a robust MRV framework is key to the credibility of any future legally binding agreement, adding that it is essential to call on the SBI to agree on a work programme, including a series of technical workshops, and to commence discussions on substance so as to ensure that the main elements of an enhanced MRV framework are already adopted in Durban. Further progress is also needed on the other building blocks for a balanced package in Durban that is acceptable for all, including on international aviation and maritime, HFC gases and agriculture.

Simply implementing the Cancun decision is not enough and Parties need to turn to the business left unfinished which is the legal form, it said. The EU's ultimate goal is for the achievement of a comprehensive and legally binding global framework for combating climate change that covers all major emitters. It said that science showed that the window of opportunity to keep the 2°C objective within reach is rapidly closing. It referred to the International Energy Agency's recent findings that suggest that energy-related carbon dioxide emissions in 2010 were the highest in history. This means, it said, that over the next ten years, emissions must rise less in total than they did between 2009 and 2010.

Australia, representing the Umbrella Group, said building a new climate regime will take time but the first step has been taken and the next step at Durban is to get the infrastructure up and running, and that it is important to prioritise areas of common agreement as revealed by the Cancun outcome. It said the group supports a new regime for binding emission cuts by major economies but delivering it will not be easy. It said that there must be coordination of all the four

implementation bodies (SBI, SBSTA, AWGLCA and AWGKP) and spin-off groups targeted at decisions to take in Durban.

Venezuela, speaking for the **Bolivarian Alliance for the Peoples of Our America (ALBA)** said that trust and good faith need to be ensured, with transparency and inclusiveness being essential elements for real progress. In relation to the expectations for Durban, the continuity of the Kyoto Protocol is key for ensuring a balanced outcome. Many subjects were also not concluded in Cancun, and for these matters that were not addressed it said that Parties need to refer to the Party-driven negotiating text of August 13, 2010 (FCCC/AWGLCA/2010/14). It wanted to see an ambitious agreement that ensures the preservation of life, not harm nature and the planet and not one that is driven by economic interests.

Papua New Guinea for the **Coalition of Rainforest Nations** said that REDD-plus (reducing emissions from deforestation and forest degradation etc) offers cost effective early action. It was ready to explore financing options with the full range of approaches, including market-based and market-linked approaches for incentives, and that safeguards are key and need to be addressed.

The Chair of the AWGLCA, Mr. Daniel Reifsnyder from the US, clarified to Parties that the incoming COP President from South Africa will be holding consultations with all Parties on expectations for the Durban outcome on Saturday 11 June.

He then proposed the establishment of a contact group to address substantive items on the agenda of the AWGLCA, which was accepted by Parties.

The contact group then convened immediately and agreed to launch informal work on shared vision; mitigation commitments by developed countries; nationally appropriate mitigation actions by developing countries; REDD-plus; cooperative sectoral approaches; various approaches including opportunities for using markets; economic and social consequences of response measures; adaptation; finance; technology development and transfer; capacity-building; review; legal options; and other matters. The Chair said that Parties in their work will capture elements for draft texts and asked Parties to provide texts.

Tuvalu stressed the need to involve all stakeholders in considering the REDD-plus issue as the livelihoods of millions are affected, especially that of indigenous peoples by decisions in this regard. Parties were moving into a new treaty and it was important for stakeholder involvement to be above reproach and suggested that discussions on this be in a contact group and not in informals which are closed to observers. It also said that on the selection of facilitators, it was important to ensure that they were from countries where there is no perception of conflict of interest.

Bolivia and Nicaragua supported the Tuvalu proposal but this was not agreed to by Papua New Guinea, Guyana, Surinam, Cameroon and the United States. The US said that it was up to the Parties to decide in the informal group if they wanted to allow observers.

The Chair said that the rule is for Parties in each informal group to decide if it is open to observer participation.