

## Developing countries welcome approach to response measure Forum

Bonn, 18 May (Hilary Chiew) – As developing countries welcomed the proposed approach for the Forum and work programme on the impact of the implementation of response measures, developed countries expressed reservations and asked for more time to understand the issues.

In Durban, the Conference of Parties of UNFCCC through Decision 8/CP.17, adopted a work programme on the impact of implementation of response measures under the subsidiary bodies with the objective of improving the understanding of the impact of the implementation of response measures in a range of areas as outlined in paragraph 1 (a-h) of that decision. It also adopted the modalities for the operationalisation of the work programme.

By the same decision, the COP established a forum to be convened by the Chairs of the Subsidiary Bodies (SBs), to implement the work programme and to provide a platform allowing Parties to share, in an interactive manner, information, experiences, case studies, best practices and views.

The contact group established for this issue held two meetings (17 and 18 May).

Under guidance of the co-Chairs of the forum (jointly chaired by the chairs of the Subsidiary Body on Implementation and Subsidiary Body on Scientific and Technological Advice) the UNFCCC secretariat made the proposal for the consideration of Parties.

**Co-chair Richard Muyungi** said in preparing the proposed approach that he and his co-chair Tomasz Chruszczow had taken into account the progress of work at this session. He suggested that Parties start taking stock of their intensive work and requested the Secretariat to provide a synthesis report at the next meeting. He pointed out that the bulk of the work is to be done before June 2013 when an in-session workshop has been proposed.

He said Parties would be requested to make submissions to ensure that this is country-driven which would enable Parties to share, through an interactive manner the best practices, adding that it is important to have a holistic expression of all activities.

The initial proposal by the SB Chairs on how to operationalise the work programme contains the following:

- a) Sharing of information and expertise, including reporting and promoting understanding of positive and negative impacts on climate change;
- b) Cooperation in response strategies;
- c) Assessment and analysis of impacts;
- d) Exchanging experience and discussions of opportunities for economic diversifications and transformation;
- e) Economic modelling;
- f) Relevant aspects relating to the implementation of decisions 1/CP.10, 1/CP.13 and Article 2.3 and Article 3, 14 of the Kyoto Protocol;
- g) Just transition of the workforce, and the creation of decent work; and
- h) Building collective and individual learning towards a transition to a low greenhouse gas emitting society

The proposal also spelt out the schedule of actions and deliverables from now until the 39<sup>th</sup> session of the SBs (end of 2013) with a synthesis report of the work already done under the UNFCCC to be delivered by the 37<sup>th</sup> session and a progress report by the 39<sup>th</sup> session of the SBs. The actions included submissions by Parties and relevant organisations, experts meetings and an in-session workshop (during the 38<sup>th</sup> session of the SBs). The deliverables are “Misc.” documents and discussion at the forum.

He said the issues prioritised here are for stimulating discussions and Parties can support or oppose.

**Representing the Group of 77 and China, Argentina** thanked the co-Chairs and the secretariat for their efforts in suggesting ways to operationalise the forum and work programme. It said the Group welcome the establishment of the forum and the need to operationalise and implement it, and that Parties need to develop a clear set of modalities and assigned specific task for the rest of this year and 2013.

Referring to the proposed approach, Argentina said it was a good task that would move Parties forward in converging areas as it reflected elements of the work programme while the details will have to be coordinated by Parties.

It welcomed the suggestion of submissions from Parties and supported that the focus and approach must be Party-driven especially because developing countries will be affected most by the response measures by developed countries.

It also suggested making a specific report to the COP and for specific decisions to be made to the COP of the Group's future work, adding that the Group is in good spirit to engage in this organisation for the facilitation of the work programme.

**Saudi Arabia** believed that the proposal is a constructive suggestion and it is a good start to organise the work programme, capturing understanding and vision on how to carry the work further.

**South Africa** found the proposal useful to take Parties forward by providing the structure to operationalise what had been agreed and the eight areas of work outlined in Decision 8/CP.17.

**China** saw the approach as a good start and appreciated the co-Chairs' efforts, which gave Parties the whole picture of what will be the next step. However, it pointed out that for some items the topic may not be comparable as they are general while others are specific, which could be improved on. It also noted that the workload for session 38 is huge compared to session 39 and this is something that needs to be addressed. It suggested to make the topics open and inclusive so they could be fully or effectively addressed in the forum.

**Brazil** said the proposal was a first step and asked that the operationalisation of the work programme be stepped up since we expect results, which are important to guide areas of work where response measures are impacting on developing countries.

**The European Union** said it needs to read the proposal with a bit more depth before it can reply in detail. It assured that it is not renegotiating the work programme but to see if there are some cross-cutting elements. It said there will a lot of time pressure on this group at Doha (where the UNFCCC COP 18 will convene at the end of the year) and Parties will need to find balance. It said lots of work were undertaken in the past and it would be useful to draw from those experiences.

The EU asked the G77 and China to clarify to which COP (18<sup>th</sup> or 19<sup>th</sup>) it was referring to about the submissions of future work.

To this, **Argentina** replied that Parties wanted to make progress and specific results, which was decided at COP17 (in Durban last year). It said it (having reports) would be key to give full consideration of what will be necessary to meet the specific needs of developing countries and that it would advance understanding, progress and sharing of views.

In the meantime, it said, there will be summary conclusions for Parties to see so as to be comfortable and that specific elements to meet specific needs are captured.

**Australia** said the proposal was a comprehensive and detailed plan of work but it still needs a bit more clarity. It wanted to know what the Secretariat has in mind on how each of these (eight) areas will be conducted; how it profiles the structure of each of the eight items and why.

**The United States** said it is particularly concerned at how the discussion at the forum will be conducted i.e. roundtable type, presentations etc. It said it is not against submissions but that they are not interactive; that it is helpful to hear the views and useful to use the time to focus on discussion instead.

It later pointed out that there are differences in Parties' understanding (referring to between Annex I and non-Annex I Parties) on how to move forward. It said it is not helpful to have some outputs, but maybe some shared summaries, as Parties are trying to give themselves the space to understand all the issues before moving forward.

**Saudi Arabia** cautioned that for this forum to succeed Parties must not change the forum into negotiation as any conclusion from now on is on the process, and organising the workshop, and not substantive issues should be negotiated.

At the first meeting on May 17, **Argentina speaking on behalf of the G77 and China** said there is a need to operationalise the forum and to start implementing its work programme, taking into

account the specific needs and concerns of developing country Parties in relation to the impact of the implementation of response measures taken by developed country Parties, and that economic and social consequences of actual and potential response measures is an important issue for all developing countries.

It said in light of common but differentiated responsibilities, adverse impacts of response measures constitute an additional burden that developing countries should not have to bear. G77 and China gives a fundamental importance to the establishment of the forum, as it will assist developing countries in addressing the consequences of response measures.

In this sense, this year we should develop and establish a clear set of modalities for the operationalization of the Forum and its work programme, and assign specific tasks and activities for the rest of this year, as well as creating an outline schedule for 2013. This set of modalities are clearly needed so as 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, and to make effective this platform for interactive and constructive discussion and direct exchange among Parties on consequences of response measures that developing countries are and will be facing.

In this respect, in order to operationalise the work programme, the Group believes that there is further need to structure and define the specific elements of the work programme, elaborating on the basis of Decision 8/CP.17 and in order to achieve, through the implementation of the work programme, the following:

- 1) Understanding of the economic and social impacts of response measures on developing countries, including through the elements agreed for the work programme, such as the ones included in paragraph 1 of Decision 8/CP. 17;
- 2) Prevention of the economic and social impacts of response measures on developing countries;
- 3) Addressing the economic and social impacts of response measures on developing countries, including how policies affect development in developing countries; and
- 4) Responding to the economic and social impacts of response measures (reduction of the impacts) on developing countries, for example, through transfer

of technologies, financial resources, capacity building, and economic diversification.

In this respect, the G77 and China expects the Forum to start addressing specific issues relating to the impacts of the implementation of response measures. Being an interactive assessment and advisory platform, the Forum will be expected to assess the current response measures, address the social and economic consequences of response measures on developing countries; examine how some response measures could hinder or enhance development in developing countries; explore response measures that avoid and minimize any potential and actual consequences on developing countries, and those could be considered as good practices; identify initiatives to assist developing countries cope with the effects of response measures and boost capacity building, transfer of technologies and economic diversification.

It further said, for this, the SBs will provide guidance and supervise the activities of the Forum, and a dedicated Secretariat must support the Forum by facilitating discussions, organizing meetings, and inviting expertise. Thus, the Secretariat could organize workshops, roundtables, among others, to allow for an exchange of views.

**Australia and the European Union** while welcoming moving forward on this difficult issue said trade-related matters should be dealt with in other international forum such as the World Trade Organisation.

**Norway**, however, urged Parties to be realistic that no decision is perfect and it is always about sharing the discomfort. It said it would venture to say that this decision (referring to Decision 8/CP.17) is not comfortable to all Parties and it didn't contain all aspects the Norway wanted. It urged Parties not to reopen things and that the work programme was already agreed in Durban.

**Argentina speaking for itself** said response measures of developed countries include unilateral measures through trade and while there are other fora dealing with trade, climate-related trade issues had to be discussed under the UNFCCC.

Co-Chair Muyungi said the co-Chairs tried their best to work with the Secretariat to find ways to move this agenda and that submissions from discussions will help clarify some of the issues.

The next meeting is in the afternoon of Monday, 21 May.