

UNFCCC Subsidiary Body for Scientific and Technological Advice gears up work

Bonn, 7 June (Hilary Chiew) – The 40th session of the Subsidiary Body for Scientific and Technological Advice (SBSTA40) of the United Nations Framework Convention on Climate Change (UNFCCC) is meeting on 4-15 June.

At the opening plenary, a number of agenda items were adopted for further work with the newly-appointed Chair Emmanuel Dumisani Dlamini (Swaziland) assigning facilitators for contact groups and informal consultations to be conducted until the evening of Saturday, 14 June 14 and reporting back at the plenary on Sunday morning, 15 June.

The opening plenary was suspended due to schedule and space constraints and only resumed two days later on 6 June. However, work began in the contact groups and informal consultations following the plenary suspension.

Issues that saw significant exchanges and emphasis by Parties are as follows:

Methodology for reporting financial information

At the start of the meeting, Chair Dlamini proposed to add a new sub-item under Agenda item 11 (Methodological issues under the Convention). The proposal relates to paragraph 19 of Decision 2/CP.17 – reporting of financial contribution by developed countries.

Paragraph 19 of Decision 2/CP.17 reads: “*Also requests the Subsidiary Body for Scientific and Technological Advice to develop, taking into account existing international methodologies, and based on the experiences gained in preparing the first biennial reports, methodologies for reporting financial information with a view to recommending a decision on this matter to the Conference of the Parties at its twentieth session; ...*”

Following the adoption of this sub-item and when the deliberation on its treatment came up later in the plenary session, **Bolivia speaking for the Group of 77 and China (G77-China)** said as this item is very important for the Group, the issue needs to be undertaken in a Contact Group.

Australia sought clarification that the desire is to have some conclusion by the end of the year by proceeding with informal consultation recognising various inputs from various bodies. It said it is not productive to spend more time in a formal sense. The **United States** supported the statement in seeking clarification from the Chair.

China said it agreed with G77-China and believed that it is an important issue and Parties have a clear mandate from Decision 2/CP.17. We believe that if we are to do something in Lima to reach some kind of conclusion, substantial discussion must be launched during this session of the SBSTA. As the sub-item is already included in the agenda, it is therefore necessary to formally launch a process to discuss it as there are aspects to be considered, and need not wait for inputs from other channels or to discuss it from different perspectives or views.

India said it recognised the importance of the matter and supported discussion in a Contact Group so that we will be in a position to reach some views by Lima (where SBSTA41 and the 20th meeting of the Conference of Parties will be held at the end of the year).

South Africa concurred with China that since it was added to the agenda, we need to revisit it in a Contact Group. **Saudi Arabia** and **Algeria** supported this too.

The European Union said it preferred to have informal consultations as had been the discussion with the Chair and it does not see any difference

whether it is held in an informal consultation or Contact Group.

Chair Dlamini then appealed to Parties to establish the Contact Group and he would manage the time given the fact that the matter is important and reflected in Decision 2/CP.17 and should have been taken up earlier to recommend a decision to the Conference of Parties (COP) in Lima.

Australia said this is a new proposal that was brought to us this morning. We are working through the implication of it, and it understood clearly that the Chair would take it to an informal consultation which it considered as the best way. It said it is happy for the item to be added on that basis and requested the Chair to stick to his initial plan, and if the informal consultation decided to move on a formal basis (later) then it is fine.

China said it strongly supported the Chair's proposal to establish a Contact Group as it is a key mandate for the SBSTA. It is not a new agenda, as the Chair rightly pointed out that it should have been included earlier and started consideration of this very important issue so as to come to some conclusion by Lima. As time in Lima is very limited with lots of important issues for consideration, China reiterated its strong support to the Chair.

Bolivia for G77-China appreciated the Chair's proposal and stressed that there is clear mandate and informal consultation is not the way to work to complete a mandate.

Mexico supported the Chair's proposal to establish a Contact Group and that it is not a new issue and urged Parties to respect the integrity of the mandate. We are not prejudging the result of the Contact Group but just following the practice.

Mali for the African Group reminded that this item is a paragraph negotiated in Durban (venue of COP17) and is very important for the Group, noting the importance of MRV (measuring, reporting and verification) of support under the Convention. We waited patiently to start the work for the last two years. It has been on the table for some time and those in Durban would remember that it is not a new issue.

Chair Dlamini then proposed that Parties consult among themselves on how to move forward.

China said we need to decide as quickly as possible and if there is no strong objection then we should just proceed with a Contact Group.

Bolivia said it has clear mandate from the G77-China that we cannot negotiate the mandate of the COP and it is clear that we have to work and deliver at COP20, adding that it would insist on having a Contact Group. It was supported by **Sudan**.

Chair Dlamini then asked if there is strong objection and sought Parties' guidance to move forward. He then proceeded to establish the Contact Group.

Emissions from fuel used for international aviation and maritime transport

Cuba speaking for Algeria, Argentina, Brazil, China, Cuba, Ecuador, Egypt, India, Kuwait, Malaysia, Nicaragua, Oman, Paraguay, Saudi Arabia, Uruguay and Venezuela reaffirmed its previous position that the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation (IMO) when addressing climate change must accord full respect to the principles and provisions of the Convention and of its Kyoto Protocol, in particular the principles of common but differentiated responsibilities (CBDR), as well as that measures should not constitute disguised restrictions on international trade.

It urged those specialised agencies to consider comprehensive assessment of the possible (direct and indirect) social, economic, technical 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 the social and economic development in developing countries. Other considerations are respect for the consensus rule, and to the promotion of an inclusive and transparent process and a multilateral approach, and in opposition to unilateral measures; as well as promotion of transfer of financial resources and technologies from developed countries to developing countries, in accordance with the developed countries' obligations under the Convention

In relation to the specific work of IMO, the group reaffirmed the progress made in the IMO's 65th Session of the Marine Environment Protection Committee (MEPC) of May 2013 with the recognition in the MEPC Resolution on

Promotion of Technical Co-operation and Transfer of Technology relating to the Improvement of Energy Efficiency of Ships of the UNFCCC principles, in particular the principle of common but differentiated responsibilities. Such recognition from IMO sends a clear signal that the organization respects the principles and provisions of the UNFCCC in its work related to climate change. This IMO resolution must also provide a platform for transfer of technologies related to energy efficiency of ships from developed to developing countries, in accordance with multilaterally agreed rules.

With respect to the ICAO report and communication, and in relation to the development of the Strawman document and the work of the Environmental Advisory Group (EAG), the group recalled the mandate coming from Resolution A38-18, in the sense that ICAO State Members should work on the technical aspects, environmental and economic impacts and modalities of the different possible options for a global market based scheme (MBM) for international aviation, including its feasibility and practicability.

In this respect, each possible market based measure option should be analyzed and compared with others, before we can prejudge in favour of a specific MBM option. In particular, there should be an assessment of how the different MBMs options take into account the special circumstances of developing States, following Resolution A38-18.

The group also highlighted the importance of the recognition in Resolution A38-18 that market-based measures should be implemented only after bilateral and/or multilateral agreement and on the basis of mutual consent, and therefore we call on countries to respect ICAO decisions and not resort to unilateral action. In addition, it is worth to note the acknowledgement in the ICAO resolution of the principle of common but differentiated responsibilities in any possible design of market based measures. In this regard, the ICAO discussions should not prejudge or duplicate neither possible results of the UNFCCC work or its principles and provisions.

With regards to ICAO's work referred to States' action plans, in the case of 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 aviation transport. In this

context, there is a need to ensure the transfer of financial resources, technology transfer and capacity building support to developing countries for them to be able to voluntarily undertake specific action plans.

The group also reiterated its deep concern at the proposals for the use of international aviation and maritime transport as a potential source for the mobilization of revenue for climate finance, due to their negative potential trade implications. It echoed the views included in Resolution A38-18 and in the submission made by ICAO last May that international aviation should not be disproportionately targeted as a source of revenue for long-term climate finance.

In addition, the group suggested to explore as a possible positive complementary initiative to operational and technical measures undertaken by ICAO and IMO to encourage voluntary cancellation by aviation and maritime companies resulting from CDM (Clean Development Mechanism) project activities.

The statement was supported by the **United Arab Emirates** from the floor.

Singapore, South Korea, Japan, the United States and Panama supported the development of MBM as part of a comprehensive strategy to progress the 'basket of measures'. Japan reiterated that global regulation applies to all aircrafts and it is improper to apply CBDR to them due to the complex registration system and that issues related to international maritime and aviation should be left to these specialised agencies.

Warsaw international mechanism for loss and damage

Developing country Parties expressed dismay that they are excluded from the development of the work plan of the mechanism being undertaken by the interim Executive Committee (ExCom) of the Mechanism.

Bolivia speaking for G77-China called for immediate solution to address this unprecedented lack of transparency which is a matter of survival and development for the Group. It also called for the operationalisation of the mechanism taking into account the principles of the Convention and the national development processes, adding that carrying out such actions required the provision of adequate support and creating the appropriate arrangements for meaningful activities. It looked forward to engage in

discussions on the composition and procedure of the ExCom. It wanted a composition that is equitable with membership of the Convention, with a majority from developing countries, with a similar membership structure as the Adaptation Committee. On procedures, Bolivia said it is important to think of proper procedures of a mechanism, for example, on integration of outside experts on key issues like migration, humanitarian issues, recovery and rehabilitation and insurance to complement the work of the Mechanism.

Nauru representing the Alliance of Small Island States (AOSIS) was extremely disappointed that there is currently no representative from AOSIS on the interim ExCom and it has initiated consultations to correct this. We must insist that there be a permanent seat for the small island developing states and look for a decision on this matter at COP20.

Sudan on behalf of the African Group also expressed concern that they may not have the opportunity at this session to make inputs to the draft work plan but was hopeful that the issue will be resolved. It concurred with the G77-China on the composition and procedures of the ExCom.

Speaking for the Least Developed Countries, Nepal stressed the need for the ExCom to deliver real outcomes for the most vulnerable countries and not become another talk-shop for institutions undertaking risk assessment and risk management work. We need to tap into the insurance and re-insurance industry and bring them on board. They have much of the information we need. They have already done extensive work on risk assessment and risk transfer mechanisms hence we do not need to repeat this work. We sincerely hope that we can avoid a situation of delaying progress on the work of this important body.

At the resumption of the SBSTA opening plenary on 6 June, several Party groupings delivered their statements.

Bolivia representing the G77-China said agriculture is a very sensitive economic sector that touches a wide range of population in many of our countries, where economies of scale are absent and need to be enhanced by increasing the adaptive capacity to deal with the adverse effects of climate change. It welcomed the rich exchange

of views by Parties during the in-session workshop held on the side line of SBSTA 39 on the current state of scientific knowledge on how to enhance the adaptation of agriculture to climate change impacts while promoting rural development, sustainable development and productivity of agricultural systems and food security in all countries, particularly in developing countries, taking into account the diversity of the agricultural systems and the differences in scale as well as possible adaptation co-benefits.

In a context of the need to feed a growing world population in the coming decades, there will be a need to produce food under different climatic conditions. To this end, it will be necessary to increase the adaptive capacity of agriculture. Furthermore, the Group stressed that the focus of discussions must remain on adaptation, which is the key priority in developing countries in light of the linkages of agricultural sector with the livelihood of millions, food security and poverty eradication. Bolivia stressed that these should be done under the principles and provisions of the Convention, including the principle of CBDR.

On response measures, the G77-China reaffirmed the importance to give full consideration to what actions are necessary to meet the specific needs and concerns of developing country Parties arising from the impacts of the implementation of response measures, in accordance with the principles and provisions of the Convention. It regretted the lack of progress made in Warsaw on the matter, but still look forward to the favourable consideration of the issue in these Subsidiary Bodies sessions, towards the adoption of a decision at COP 20 for the continuation of the forum and the establishment of a mechanism to address the negative economic and social consequences of response measures taken by developed country Parties on developing country Parties. It believed that the G77-China submission tabled in Warsaw on the matter has key substantive elements towards the achievement of progress in these sessions.

The Group further welcomed the report of the joint meeting of the Adaptation Committee and Nairobi Work Plan (NWP) on available tools for the use of indigenous and traditional knowledge and practices for adaptation, needs of local and indigenous communities, and the application of gender sensitive approaches and tools for adaptation. It also welcomed the recently released report on the progress of the NWP and

highlighted that the progress report reflects only activities that are related to meetings, workshop and knowledge management, which has very less impacts on the ground. The G77-China sought a more relevant and effective work programme to be launched by moving beyond partnerships and taking concrete adaptation action on to the ground, which is missing so far.

The Group looked forward to progress being made in the 2013-2015 review, underscoring the importance of continuing the work under this agenda item in an inclusive, transparent and balanced manner.

With respect to agenda item 12(a) and 12(b), relating to the rules set for the Kyoto Protocol's second commitment period, it said it was unfortunate that this agenda item could not be concluded in Warsaw, due to last minute issues raised by Parties. It is the view of the G77 that the Doha Amendment and its important Article 3.7 must not be rewritten or undermined through "creative interpretation".

On technology, the Group emphasised the necessity for the Technology Executive Committee to structure its work plan in short and medium term, including the organisation of a thematic dialogue on enabling environment for technology development and transfer including the mechanisms needed to address all barriers, such as intellectual property rights.

The G77-China reiterated the importance of supporting multilateral solutions when addressing the issue of emissions from the international maritime and civil aviation sectors working through the IMO and ICAO, respectively and not on the basis of unilateral measures, while taking into account the principles and provisions of the Convention.

It also reiterated its support for the research dialogue and recognises its contribution in enhancing communication between the science communities and policy makers. It expressed hope that the Dialogue will provide us with an opportunity to interact with the research community on what the latest Inter-governmental Panel on Climate Change reports tells us about the vulnerability of developing countries to the impacts of climate change, the adaptation opportunities and the mitigation pathways available to reduce global emissions and therefore our vulnerabilities.

The G77-China looked forward to continuing to engage constructively at this session in the discussions related to the framework for various approaches, new-market mechanism and non-market-based approaches in a balanced manner. Also, the Group recognised that non-market-based approaches are means of crucial importance to ensure the implementation of the ultimate objective of the Convention, according to its principles and provisions.

Other developing countries groupings aligned their statements to the issues raised by the G77-China while highlighting their specific areas of concerns.

Ecuador on behalf of the Like-minded Developing Countries (LMDC) urged developed country Parties to materialise their financial support as quickly as possible, especially to make the Green Climate Fund operational so that the implementation of REDD-plus will be further expanded. We support the discussion on comprehensive land-use, land-use change and forestry (LULUCF) accounting should be discussed in the context of the Kyoto Protocol and oppose the linkage of this issue with the Ad hoc Working Group on Durban Platform for Enhanced Actions negotiation. We hope to achieve consensus on the non-permanence issues of LULUCF projects and additional feasible LULUCF projects under CDM as quickly as possible.

We need to reinforce the debate towards the core vision of the Convention which is inherently based on a non-market-based vision, and therefore the need to develop mechanisms, instruments and approaches to promote the principles and provisions of the Convention and as well as the commitments of Parties based on cooperation by all countries in accordance with the principle of CBDR. The discussion of other approaches dilutes and is contradictory with the core values of the Convention.

On the 2013-2015 Review, it is very important to assess the adequacy of the long-term global goal and the overall progress towards achieving it, in particular the implementation of the commitments under the Convention. The Review should be conducted to ensure the balanced participation of developing and developed country Parties, the balanced consideration of various information resources and the balanced effort to address the two themes of the Review. It is also of critical importance that more effort

should be spent to assess the adequacy and implementation of Annex I Parties' commitments under the Convention, in particular their commitments on mitigation, finance and technology transfer.

On the full implementation of REDD-plus, **Nepal for the LDCs** would like to see progress in the areas of methodological guidelines for both the non-market approaches and the non-carbon benefits related to REDD-plus activities. It requested that funds be mobilised for the implementation of our Technology Needs Assessments (TNAs) and support for countries that have not undertaken their TNAs.

Sudan speaking for the African Group expressed its disappointment about the way certain Parties derailed in the last minute the conclusion on the agenda item on the implementation of decisions taken in Doha pertaining to the rules in terms of which Parties will meet their second commitment period commitments. We are hoping that this matter will be concluded at this session and made it clear that the Group is not prepared to allow opening of previous decisions that were adopted, adding that failure by Annex I to present their revised quantified emissions limitation and reduction commitments at the High-Level Ministerial discussions will be a completely lost opportunity.

Nauru for the AOSIS said it is essential that the actions we take are informed by the latest science, and therefore the 2013-2015 review is a priority on our agenda. The Joint SBI/ SBSTA contact group on the Review must, with the assistance of the Structured Expert Dialogue, deliver conclusions that lead to immediate implementation of the actions required to meet the 1.5 degrees goal. The Review must be based on the best, latest and most relevant science and must ultimately consider the specific impacts and risks to key sectors and systems at different levels of warming with a focus on particularly vulnerable countries such as SIDS and LDCs.

Representing the Bolivarian Alliance for the Peoples of Our America (ALBA), Bolivia expressed astonishment that some countries are trying to dilute and even delete the principles and provisions of the Convention in terms of cooperation, solidarity and support to the most

vulnerable countries through the development of tools that undermine its fundamental bases. It said there is need to develop tools and mechanisms instead to deepen the principles of cooperation through the provision of finance and technology transfer from developed to developing countries.

It also expressed its disappointment at the lack of will to develop a methodology to consider the issue of historical responsibility which it regards as key to the effective implementation of CBDR and equity with a focus on rights, including the right to development. It reiterated the need to continue the discussion of the proposal originally submitted by Brazil requesting the IPCC to develop a methodological framework under the 2015 agreement.

India speaking for BASIC (Brazil, South Africa, India and China) welcomed the progress of the Technology Executive Committee and the Climate Technology Centre and Network, noting that addressing intellectual property rights and financial support is crucial for technology development and that is paramount to developing countries' engagement in the global effort to fight climate change.

Mexico representing the Environmental Integrity Group supported continued work on agriculture as it considered both mitigation and adaptation in the sector as 'two sides of the same coin'. On the 2013-2015 Review, it is important to take into account the Fifth Assessment Report of the Inter-Governmental Panel on Climate Change (IPCC AR5) to consider if the global goal of staying below 2°C is sufficient to achieve the ultimate objective of the Convention and if we are on track to reach the global goal.

The European Union said the IPCC AR5 provides clear scientific information about the extent of challenges and is fundamental to the SBSTA work.

Australia for the Umbrella Group said although there was no decision on market mechanism at COP19 but progress was made on various elements and at this session Parties should build on that work to encourage transparency of actions on framework for various approaches and progress on non-market based mechanism as agreed.