

## **Developing countries stress on Party-driven text for Cancun**

Tianjin, 12 October (Hilary Chiew and Meena Raman) – Developing countries at the closing plenary of the 12th session of the Ad Hoc Working Group on Long Term Cooperative Action (AWG-LCA), under the United Nations Framework Convention on Climate Change (UNFCCC) held on 9 October in Tianjin, China, stressed that the basis of negotiations in Cancun must be the negotiating text which are driven by Parties.

The G77 and China stressed that its understanding was that the basis of negotiations for the 16<sup>th</sup> meeting of the UNFCCC Conference of Parties in Cancun in November must be the negotiating text of 13 August, and this understanding was confirmed by the AWG-LCA Chair, Margaret Mukhahana-Sangarwe of Zimbabwe.

This understanding was stressed in a three-hour closing plenary which was marked by confusion following the distribution of documents capturing the outputs from the drafting groups in Tianjin, after one week of discussions which began on 4 October.

Parties also expressed mixed feelings over what would be achieved in Cancun. (See accompanying article for further details.)

The AWG-LCA Chair said that the progress of the work of the drafting groups and some spin-off groups (from the drafting groups) was captured in draft texts which were distributed to Parties. To take that work forward (to Cancun), an 'INF' (information) document would be produced by the Secretariat containing these draft texts, said the Chair. She also said that the negotiating text of 13 August will also be on the table for Cancun. Focus in Cancun will be on issues where there was not much progress, said the Chair further.

Confusion stemmed from the distribution of the different outputs of the four drafting groups on shared vision for long-term cooperative action; adaptation; mitigation; and finance, technology and

capacity-building. Some drafting groups produced revised draft texts which were based on the 13 August negotiating texts which were, in some instances, accompanied by notes by their respective facilitators.

However, in the mitigation drafting group as regards developed countries' mitigation [paragraph 1 (b)(i) of the Bali Action Plan] and developing countries' mitigation [paragraph 1(b)(ii) of the Plan], the co-facilitators produced notes expressing their own 'reflections on the issues discussed'. Work on the two paragraphs were facilitated by two different facilitators. Since negotiations were at an impasse there was no Party-produced negotiation text from these two groups.

The G77 and China as well as several other members of the Group raised issues regarding the status of the notes by the facilitators, which were subsequently clarified by the Chair as having no status or bearing on the negotiations.

The Chair, Margaret Mukhahana-Sangarwe also distributed her own report on 'consultations with Parties on elements of the outcome' (for Cancun) which she first introduced at the midway 'stock-taking meeting' of the AWG-LCA on 6 October.

**South Africa**, speaking for the **G77-China** said that it had fundamental concerns over the process related to the formulation of the co-facilitators' notes on paragraphs 1(b)(i) and (ii) of the Bali Action Plan on mitigation. It said unlike other drafting groups where Parties had provided inputs to the text by facilitators, in this case, due to a lack of time, there was no opportunity to engage on the co-facilitators' notes and Parties only saw the text for the first time at the plenary. It said the understandings captured by the facilitators were not necessarily comprehensive or an accurate reflection (of the discussions).

South Africa said that the G77 and China at the beginning of the week had also objected to the

structure of the facilitator's text in relation to paragraph 1(b)(i) when it was presented, but for the sake of progress, the Group agreed to begin substantive discussions. The document produced however reflected the facilitator's structure. It also said that the Group could not accept the sub-titles in the structure of the facilitator's note as the document reflected only the facilitator's understanding.

It said further that the document in relation to paragraphs 1(b)(i) and 1(b)(ii) does not have a chapeau to clarify that the note reflects the understandings of the co-facilitators and that the negotiating text (of 13 August) is in fact the basis for the work of Parties in Cancun. It said the G77 and China was not in a position to accept the transmission of the co-facilitators' text on paragraphs 1(b)(i) and 1(b)(ii) to Cancun as they stood.

In response, the Chair of the AWG-LCA asked the secretariat to read out the clarifying chapeau to be introduced under the two notes [of paragraphs 1(b)(i) and (ii)]. The secretariat said that the title under the two notes from the facilitators will be changed to "facilitators' understandings of the issues discussed". This will be followed by a chapeau as follows: *"Co-facilitators understandings are derived from some statements made during the drafting group on mitigation. As such, the co-facilitators' understandings will have no bearing on the negotiations. Negotiations will continue on the basis of the negotiating text (of August 13) without prejudice to the position of Parties."* The secretariat also informed Parties that the sub-titles in the note relating to paragraph 1(b)(i) will be deleted. The G77 and China then accepted this proposal.

[The notes by the facilitator on paragraph 1(b)(i) was controversial, for among other contentious aspects, it contained among other matters reference to the concept of "graduation" and criteria for countries to be included in Annex 1 and the reclassification of Annex 1 (developed country) and non-Annex 1 (developing country) Parties.]

**Bernarditas Muller** of the **Philippines**, who is also coordinator of the G77 and China for the AWG-LCA as well as for finance and technology transfer for the Group, noted that the list of elements for the outcome prepared by the Chair for Cancun did not have any status as informed by the Chair.

Referring to the issue of finance, she said that the G77 and China had presented its submission for a draft decision for new fund and so did another

Party. These proposals were set aside in favour of the facilitator's note. She also said that the process was a problem.

Muller stressed that for Cancun, work must proceed on the basis of texts developed by Parties and that the negotiating text was the only basis of negotiations. She said that her understanding was that the notes of the facilitators were like an aide memoire and would not have any status in Cancun. Her understanding on the matter was confirmed by the Chair.

**China** sought further clarification on the issue as it said that there was confusion. It said that its understanding was that the negotiating text was the basis for continued negotiations. The notes by the facilitators served as a memoire and do not enjoy formal legal status nor are the basis for future negotiations. It said that the whole process was Party-driven and the negotiating text from a Party-driven process should be the basis of the work of the next AWG-LCA session. China was not clear if the 'INF' document can serve the same purpose.

In response, the AWG-LCA Chair said that the 'INF' document was to capture what was discussed in Tianjin. The notes of facilitators have no status in relation to the negotiations and were like an aide memoire and will not have any bearing. The Chair further stated that the chapeau in relation to paragraphs 1(b)(i) and (ii) can be extended to all the notes of the facilitators on the other issues as well.

**Egypt on behalf of the Arab Group** said that whatever was the status of the outputs from the drafting groups, the note by the co-facilitators in relation to paragraphs 1(b)(i) and (ii) were different as it was not discussed and was not the basis of negotiations and despite the clarification by the chapeau, had a lesser status.

**Argentina**, the **G77 and China** coordinator in relation to adaptation, also sought clarification regarding the introduction of a new text by a Party after the concluding of negotiations (in the Tianjin session) and expressed surprise as this was not the methodology adopted during the negotiations. It said that the text had to be corrected in this regard and suggested that the new text be moved to the note by the facilitator.

(Argentina was referring to an additional input by a Party for paragraph 6 under Option 2 on page 3 of the revised text on adaptation. That paragraph provides for "priority to be given to particularly

vulnerable developing countries, especially LDCs, SIDs and other developing countries...taking into account the needs of countries affected by droughts, floods and sea-level and temperature rise in Africa and Asia.” The issue of who is a particularly vulnerable country has been contentious in the negotiations.)

**Guatemala** speaking for several countries wanted the inclusion of countries from Latin America and the Caribbean in the new text in this regard.

The Chair of the AWG-LCA agreed to move the said paragraph to the note of the facilitator.

The Chair also distributed her report on ‘Consultations with Parties on elements of the outcome’ which she first introduced at the midway ‘stock-taking meeting’ of the AWG-LCA on 6 October. In her report, she said that “there was a shared desire for a balanced outcome in Cancun from the AWG-LCA across all elements of the Bali Action Plan that will not prejudge prospects for a legally binding outcome and that respects the two-track approach (between the AWG-LCA and the working group under the Kyoto Protocol).”

The report contained a list of possible elements of such a package, which the Chair said “would need to be advanced to a comparable level of detail.” The elements listed in the paper were as follows:

- On shared vision – shared vision for long-term cooperative action, including a long-term global goal for emission reductions and process to review the long-term global goal and overall progress towards meeting that goal;
- On Adaptation – adaptation framework and institutional arrangements for its implementation and approach to address loss and damage;
- On Mitigation – economy-wide emission reduction commitments or actions by developed country Parties; MRV for developed country Parties’ commitments or actions; MRV of support; NAMAS by developing country Parties; MRV for developing countries NAMAS; MRV of support; readiness phases of activities that

contribute to mitigation actions in the forest sector (REDD-plus); general framework on cooperative sectoral approaches and sector-specific actions, including agriculture and on international bunker fuels; various approaches including opportunities for using markets to enhance the cost-effectiveness of and to promote mitigation actions and the economic and social consequences of response measures;

- On finance, technology and capacity-building – long-term finance; fast-start finance for 2010-2012; establishment of a new fund and process for its design; arrangements to improve coherence and coordination in climate change financing; mobilization of long-term finance; establishment of the Technology Mechanism, the Technology Executive Committee and the Climate Technology Centre and Network and capacity -building.

**China** stressed that the Chair’s report would not be part of the information document for Cancun and was without any status in the work of the Working Group at the next session. It also reiterated that balanced text on all elements of the Bali Action Plan was the only basis for a possible balance. It said that there was no need to re-interpret the Bali Action Plan which was a delicate balance. If some elements were quoted and not others, the balance would be destroyed.

**India** also sought clarification from the Chair on the status of the Chair’s report and other papers prepared by the facilitators on their own understanding.

The Chair reiterated that her report and that of the facilitators had no status.

**Saudi Arabia** referred to the list of elements produced by the Chair and said that that list was supposed to follow the Bali Action Plan. It said that under shared vision in the Plan, there is no review plan. Also under paragraph 1(b)(iv) of the Plan on cooperative sectoral approaches, it does not provide for a general framework for cooperation on agriculture and bunker fuels. These issues were not part of the Plan. The list of elements could be an indicative list but it could not agree that these elements are the package for the Cancun outcome.