



EIGHTH CONFERENCE OF THE PARTIES TO THE UN FRAMEWORK CONVENTION ON CLIMATE CHANGE: 23 OCTOBER TO 1 NOVEMBER 2002

The Eighth Conference of the Parties (COP-8) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC) and the Seventeenth Sessions of the COP's Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) open today at the Vigyan Bhawan Conference Centre in New Delhi, India. Around 3,000 participants are expected to attend. This is the first COP since November 2001, when delegates completed three years of negotiations on the operational details of the Kyoto Protocol and agreed the Marrakesh Accords.

Among other things, Parties will take up: national communications from Annex I and non-Annex I Parties, and their guidelines, and the new mandate and terms of reference of the Consultative Group of Experts on non-Annex I National Communications (CGE); the financial mechanism; capacity-building; implementation of UNFCCC Article 4.8 and 4.9 (adverse effects); the Third Assessment Report (TAR) of the Intergovernmental Panel on Climate Change (IPCC); "good practices" in policies and measures (P&Ms); research and systematic observation (RSO); cooperation with relevant international organizations; UNFCCC Article 6 (education, training and public awareness); development and transfer of technology; and issues relating to hydrofluorocarbons and perfluorocarbons.

Parties will also address methodological issues, including: guidelines under Protocol Articles 5 (methodological issues), 7 (communication of information) and 8 (review of information); guidelines on reporting and review of Annex I greenhouse gas inventories; activities implemented jointly (AIJ); land use, land-use change and forestry (LULUCF); and scientific and methodological assessment of contributions to climate change.

Other issues to be discussed include: cleaner or less greenhouse gas-emitting energy; the implementation of Protocol Article 2.3 (adverse effects of P&Ms); special circumstances of Croatia under UNFCCC Article 4.6 (flexibility for countries with economies in transition); the Croatian proposal on forest management activities under Protocol Article 3.4 (additional activities); a Canadian proposal on modalities for the accounting of assigned amounts under Protocol Article 7.4 (registries) in relation to cleaner energy exports; the request from a group of countries of Central Asia and the Caucasus, Albania and the Republic of Moldova (CACAM) for the clarification of the term "developing

countries" in the context of UNFCCC decisions; review of the adequacy of commitments under the UNFCCC; and a series of administrative and organizational matters.

A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

Climate change is considered one of the most serious threats to the world's environment, with negative impacts expected on human health, food security, economic activity, water and other natural resources, and physical infrastructure. Global climate varies naturally, but scientists agree that rising concentrations of anthropogenic greenhouse gas emissions in the Earth's atmosphere are leading to a change in the climate. According to the IPCC, the effects of climate change have already been observed. Despite some lingering uncertainties, a majority of scientists believe that precautionary and prompt action is necessary.

The international political response to climate change began with the UN Framework Convention on Climate Change (UNFCCC). Adopted in 1992, the UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid "dangerous interference" with the climate system. The greenhouse gases to be limited include methane, nitrous oxide, and, in particular, carbon dioxide. The UNFCCC entered into force on 21 March 1994. It now has 186 Parties.

THE KYOTO PROTOCOL: In 1995, the first meeting of the Conference of the Parties (COP-1) established the *Ad Hoc* Group on the Berlin Mandate, whose task was to reach agreement on strengthening efforts to combat climate change. Following intense negotiations culminating at COP-3 in Kyoto, Japan, in December 1997, delegates agreed to a Protocol to the UNFCCC that commits developed countries and countries making the transition to a market economy to achieve quantified emission reduction targets. These countries, known under the UNFCCC as Annex I Parties, committed themselves to reducing their overall emissions of six greenhouse gases by at least 5% below 1990 levels over the period 2008 and 2012 (the first commitment period), with specific targets varying from country to country. The Protocol also established three mechanisms to assist Annex I Parties in meeting their national targets cost-effectively – an emissions trading system, joint implementation (JI) of emissions-reduction projects between Annex I Parties, and a Clean Development Mechanism (CDM) to encourage projects in non-Annex I (developing country) Parties.

It was left for subsequent meetings to decide on most of the rules and operational details that determine how these cuts in emissions will be achieved and how countries' efforts will be

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measured and assessed. To enter into force, the Protocol must be ratified by 55 Parties to the UNFCCC, including Annex I Parties representing at least 55% of the total carbon dioxide emissions for 1990. To date, 96 Parties have ratified the Protocol, including 26 Annex I Parties, representing a total of 37.4% of the emissions.

THE BUENOS AIRES PLAN OF ACTION: At COP-4, which met in Buenos Aires, Argentina, in November 1998, Parties set a schedule for reaching agreement on the operational details of the Protocol and for strengthening implementation of the UNFCCC itself. In a decision known as the Buenos Aires Plan of Action (BAPA), delegates agreed that the deadline for reaching agreement should be COP-6. Critical Protocol-related issues needing resolution included rules relating to the mechanisms, a regime for assessing Parties' compliance, and accounting methods for national emissions and emissions reductions. Rules on crediting countries for carbon sinks were also to be addressed. Issues under the UNFCCC requiring resolution included questions of capacity building, the development and transfer of technology, and assistance to those developing countries particularly vulnerable to the adverse effects of climate change or to actions taken by industrialized countries to combat climate change.

COP-6 PART I: COP-6 and the resumed thirteenth sessions of the UNFCCC's subsidiary bodies were held in The Hague, the Netherlands, from 13-25 November 2000. Political positions on the key issues remained entrenched, with little indication of a willingness to compromise. During the second week of negotiations, COP-6 President Jan Pronk (the Netherlands) attempted to facilitate negotiations on the many disputed political and technical issues by convening high-level informal Plenary sessions. He grouped the issues into the following four "clusters" or "boxes": (a) capacity building, technology transfer, adverse effects and guidance to the financial mechanism; (b) mechanisms; (c) LULUCF; and, (d) compliance, P&Ms, and accounting, reporting and review under Protocol Articles 5, 7 and 8. After almost 36 hours of intense talks in the final two days, negotiators could not achieve an agreement, with financial issues, supplementarity in the use of the mechanisms, compliance and LULUCF proving particularly difficult. On Saturday afternoon, 25 November, President Pronk announced that delegates had failed to reach agreement. Delegates agreed to suspend COP-6, and expressed a willingness to resume in 2001.

COP-6 PART II: In March 2001, the US administration repudiated the Protocol, stating that it considered the Protocol to be "fatally flawed," as it would damage its economy and exempt developing countries from emission targets. Parties reconvened at COP-6 Part II and the fourteenth sessions of the subsidiary bodies, which met in Bonn, Germany, from 16-27 July 2001. After protracted consultations, President Pronk presented his proposal for a draft political decision. Several Parties announced that they could support the political decision, but disagreements surfaced over the nature of the compliance regime. After several days of consultations, ministers finally agreed to adopt the original political decision, with a revised section on compliance. The political decision – or "Bonn Agreements" – was formally adopted by the COP on 25 July 2001.

Although draft decisions were approved on a number of key issues, no agreement was reached on the mechanisms, compliance and LULUCF. Since not all texts in the "package" of decisions were completed, all draft decisions were forwarded to COP-7.

COP-7: Delegates met for COP-7 and the fifteenth sessions of the subsidiary bodies in Marrakesh, Morocco, from 29 October - 10 November 2001. The main goal was to complete tasks left unfinished at COP-6 Parts I and II, thereby bringing to a close three years of negotiations. The Bonn Agreements served as the basis for the work.

After protracted bilateral and multilateral talks, a package deal on LULUCF, mechanisms, Protocol Articles 5, 7 and 8, and input to the WSSD was proposed on Thursday evening, 8 November. Although the deal was accepted by most regional groups, including the G-77/China and the EU, the Umbrella Group (a loose alliance of Annex I Parties that includes Australia, Canada, Japan, New Zealand, and the Russian Federation) did not join the consensus. They disputed, among other things, eligibility requirements and bankability under the mechanisms. However, following extensive negotiations, the Marrakesh Accords were agreed, with key features including consideration of LULUCF Principles and limited banking of units generated by sinks under the CDM.

SB-16: Parties met in the sixteenth sessions of the subsidiary bodies from 5-14 June 2002, in Bonn. The meeting considered a range of issues previously left off the agenda due to the pressing BAPA negotiations. Views on the direction of the climate process varied greatly, with some Parties looking backward to recent debates and others looking ahead toward the next commitment period. Many expressed their hope that the Protocol could enter into force by the August 2002 World Summit on Sustainable Development (WSSD), with the EU and Japan announcing their ratifications just prior to the Summit. Several draft decisions were agreed and forwarded to COP-8 to be considered and adopted.

INTERSESSIONAL HIGHLIGHTS

WSSD: From 26 August to 4 September 2002, the WSSD was held in Johannesburg, South Africa. The WSSD adopted text identifying the UNFCCC as the "key" instrument for addressing climate change, reaffirming the UNFCCC's ultimate objective, and emphasizing the importance of developing cleaner technologies in key sectors such as energy. The Johannesburg Plan of Implementation also makes reference to timely ratification of the Protocol by those states who have not yet done so. Delegates agreed on further text identifying actions to address climate change, such as providing technical and financial assistance to developing countries, and countries with economies in transition.

RECENT DEVELOPMENTS: With terrorism high on the international agenda, the climate change threat may not be at the fore of global political attention. Yet, many eagerly await the Protocol's entry into force. Canada, China, and the Russian Federation declared their intentions to ratify the Protocol during the WSSD and, since June 2002, an additional 22 Parties have ratified the Protocol. With Russia's ratification, the total percentage of Annex I emissions will be 54.8%, 0.2 percent away from the required 55%. Assuming the Protocol enters into force by early 2003, Annex I Parties will have less than ten years to meet their emissions targets set for the first commitment period. The issue of future commitments already looms over the negotiations.

THINGS TO LOOK FOR TODAY

COP OPENING PLENARY: The first meeting of the COP plenary will take place today in the morning.

SB-17 OPENING MEETING: The opening of the subsidiary bodies is expected in the afternoon.

Please check the daily programme and notice boards for locations.