



## UNFCCC COP-8 HIGHLIGHTS THURSDAY, 31 OCTOBER 2002

Parties to the UNFCCC's COP-8 met in two final high-level Round Tables, hearing statements from Ministers and heads of delegation on "Climate Change and Sustainable Development" and "Wrap-Up." In the morning, delegates convened in a contact group on non-Annex I issues, and in the afternoon in a high-level contact group, to discuss the improved guidelines for the preparation of non-Annex I national communications. In the evening, Parties met briefly in the SBI to consider organizational matters, and began considering non-Annex I national communications, adjourning without completing their work. Informal consultations on the Delhi Declaration also took place, continuing late into the night.

### ROUND TABLES

#### ROUND TABLE II "CLIMATE CHANGE AND SUSTAINABLE DEVELOPMENT:"

COP-8 President Baalu opened the session and Co-Chair Valli Moosa (South Africa) said the Delhi Declaration should draw links between COP-7, the WSSD, and COP-8. He highlighted consumption, and energy supply and access as issues where climate change and sustainable development meet. He supported adaptation, operationalization of the CDM and the new Funds.

UGANDA recalled the Millennium Development Goals and said climate change "cripples" developing country economies, hindering sustainable development. SLOVAKIA stressed the need to move beyond politicized negotiations to real action. COLUMBIA said that climate change is both a development and environment issue.

NAMIBIA announced its ratification of the Protocol, and a number of countries urged entry into force.

GREECE, BELGIUM, SPAIN and SLOVENIA supported renewable energy and energy efficiency. GERMANY said the EU would build a coalition of like-minded countries willing to commit themselves to timetables and targets for increasing renewable energy use. Stressing that combating poverty is the agreed priority, KUWAIT said issues related to renewable energy should not be introduced at this point.

PORTUGAL said progress at COP-8 had been constructive, particularly regarding the completion of guidelines for reporting and review under Protocol Articles 5 (methodological issues), 7 (communication of information) and 8 (review of information). FRANCE recognized the work of the IPCC Third Assessment Report (TAR) as pivotal to the UNFCCC process.

NIGERIA emphasized social development and poverty alleviation. PERU, RWANDA and GAMBIA called for concrete measures to support and enhance capacity in vulnerable countries,

and MAURITIUS called for Parties to give practical meaning to technology transfer. MOZAMBIQUE urged financial support for implementing NAPAs and strengthening existing national focal points. NAMIBIA said developing countries must be allowed to expand their per-capita energy consumption. GUYANA said the new Funds should be made operational. KIRIBATI underscored the need for development projects to incorporate climate change considerations. ISRAEL said that it was developing a greenhouse gas emissions reduction policy.

On the CDM, UGANDA said the poorest and most vulnerable countries, many of which are in Africa, may not attract profit-driven CDM projects. The INTERNATIONAL CHAMBER OF COMMERCE cautioned that CDM modalities are becoming too complex, and stressed the need for regulatory certainty for businesses to make investments. BANGLADESH supported a multi-lateral CDM programme for LDCs.

The US said that its climate approach is grounded in sound economic policy and noted its commitment to reduce the greenhouse gas intensity of its economy by 18% over ten years. The US claimed that economic growth is the key to environmental progress. GERMANY responded by calling for "absolute" emissions reductions, noting that a failure to address climate change will result in economic harm.

Regarding future actions, GERMANY said it would commit itself to a 40% reduction in greenhouse gas emissions from 1990 levels by 2020 if all developed countries committed themselves to further reductions, and the EU committed itself to emission reductions of about 30%. SWEDEN, supported by the RUSSIAN FEDERATION and BELGIUM, and opposed by OMAN and NIGERIA, called for a dialogue on developing country commitments. ARGENTINA said that Annex I countries have yet to take the lead on climate change. Co-Chair Moosa summarized the discussions and closed the session.

**ROUND TABLE III "WRAP-UP:"** In the afternoon, COP President Baalu opened the third and final Round Table. Addressing the Delhi Declaration, ITALY said it should consider action beyond 2012. NORWAY called for a broader climate change regime. CANADA said it should consider, *inter alia*: ratification of the Protocol; recommendations of the IPCC TAR; efforts to reduce greenhouse gas emissions; and the UNFCCC's ultimate objectives. The COOK ISLANDS called for a World Climate Day. Stressing that the UNFCCC is not an energy convention, SAUDI ARABIA said that the Declaration should be a consensus document prioritizing adaptation to climate impacts and impacts of Annex I response measures.

On non-Annex I commitments, the G-77/CHINA opposed any text that would infer new commitments. VENEZUELA observed that action on technology transfer and finance by Annex I coun-

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tries had been unsatisfactory and called on the COP to address compliance under the UNFCCC and the Marrakesh Accords. Claiming a right to development, CUBA opposed new commitments for developing countries. The EU underscored that mitigation has proven to be a powerful force for technological change and economic development. ICELAND addressed carbon intensities and the need to stimulate the development of technologies to avoid wasteful emissions. INDIA called for the provision of sufficient environmental "space" for developing countries to develop. THAILAND asked Parties to differentiate between luxury and survival emissions.

LIBYA called on all Parties to honor their commitments under the UNFCCC. Noting that biodiversity, coral reefs and the existence of some cultures are threatened by global warming, PALAU called for immediate greenhouse gas emission reductions by all Parties.

QATAR, EGYPT and ALGERIA opposed new commitments and urged Parties to operationalize UNFCCC Articles 4.8 and 4.9 (adverse effects).

On the need to address sustainable development, MALAYSIA called upon the COP to develop a work programme addressing climate impacts on food security, water resources, coastal zones and oceans and renewable energy. BRAZIL said policies and measures must be linked with actions to promote renewable energy, technology transfer and capacity-building. The EU stressed that renewable energy exemplified the synergies between sustainable development and climate change.

AUSTRIA drew links between climate change and energy consumption patterns, renewable energy and natural resources. CHILE emphasized that national strategies for sustainable development must address adaptation and mitigation policies. CHAD stressed that the only legally valid instrument for reducing greenhouse gases is the Protocol and, with TANZANIA, SENEGAL, AUSTRIA, MALAWI, and NORWAY, called for ratification by all countries.

On the CDM, PAPUA NEW GUINEA called for greater forest and biodiversity incentives. BRAZIL supported projects in large cities. EGYPT said its national strategy for CDM would include provisions for environmental integrity, sustainable economic development, and conservation of natural resources. TANZANIA stressed equity in the distribution of projects.

On capacity-building, NEPAL, for LDCs, stressed that institutional capacity-building is a priority need and called for the immediate implementation of the work programme under UNFCCC Article 6 (education, training and public awareness).

COP President Baalu invited spokespersons from regional groups to attend an open-ended informal discussion on the Declaration and closed the high-level segment.

#### CONTACT GROUP

**NON-ANNEX I ISSUES:** This contact group, chaired by José Romero (Switzerland), met throughout the day. In the morning, delegates discussed the structure of the improved guidelines. In the afternoon, SBI Chair Estrada convened a high-level contact group and introduced a new draft of the guidelines. BRAZIL, for the G-77/CHINA, accepted the text as a basis for discussion. The EU, with AUSTRALIA, asked for additional time to consider the text. Chair Estrada suspended the meeting for informal consultations. Upon reconvening, Parties aired several concerns, which Chair Estrada said could not be integrated into the guidelines, but could be mentioned in his oral report to the COP. The US proposed moving a paragraph into the decision text that states that non-Annex I Parties can use elements from the guidelines for Annex I national communications on a voluntary basis.

On decision text adopting the improved guidelines, the EU, supported by the US and opposed by the G-77/CHINA, asked for text noting the need for review of the guidelines. JAPAN, opposed by the G-77/CHINA, preferred stating language that the guidelines "shall be used" instead of "should be used" to ensure the comparability of national communications. AUSTRALIA, opposed by the G-77/CHINA, proposed adding a procedural paragraph that would list work to be done. Chair Estrada said that there was no consensus on any of these proposals. The G-77/CHINA opposed a three-year time frame for completion of national communications after receipt of funding. Parties disagreed on, *inter alia*, whether developing countries should use the guidelines "to the extent that financial resources and their capacities allow."

On decision text regarding new terms of reference for the Consultative Group of Experts on non-Annex I national communications (CGE), the EU called for the initiation of a process for the voluntary review of national communications. Chair Estrada noted that the review of national communications was a key difference between the processes of Annex I and non-Annex I national communications. Following a query from JAPAN on the funding for CGE meetings, the US said she was surprised to hear that funding came from the core budget, and that she could not agree to the text without further consultations. Chair Estrada said that he would take the text as it stood to the plenary for Parties to accept or reject.

#### SBI

Chair Estrada convened the SBI late in the evening.

**ORGANIZATIONAL MATTERS:** On election of officers other than the Chair, Chair Estrada noted that conclusions will be completed by Friday morning and announced by COP-8 President Baalu.

**NON-ANNEX I NATIONAL COMMUNICATIONS: Consideration of the fourth compilation and synthesis of initial national communications:** Parties agreed the draft decision for consideration by the COP (FCCC/SBI/2002/L.23).

**Improvement of the guidelines for the preparation of non-Annex I national communications:** Chair Estrada said the draft decision was not yet available. Noting that delegations had a number of suggestions, additions and proposals for the document, he said Parties had agreed to adopt the guidelines "in a spirit of compromise." The EU requested to see the decision. Chair Estrada suspended the meeting for 30 minutes. Upon reconvening, the EU repeated her request to see the text. CANADA stressed "normal" UN procedures by which documents are seen before they are adopted. Chair Estrada adjourned the meeting, saying the text would be ready for consideration Friday.

#### IN THE CORRIDORS

The abrupt adjournment of the SBI Thursday night left many observers "astonished" at Chair Estrada's proposal to adopt a decision on non-Annex I issues without the final text being available. Some observers expressed further concern at the "weak" leadership of the COP-8 Presidency, and wondered whether the Delhi Declaration would be withdrawn in the end.

On another note, there was news that a new interest group consisting of research NGOs, RINGOs, would be officially announced on Friday.

#### THINGS TO LOOK FOR TODAY

**COP PLENARY:** The COP plenary is scheduled to meet in the Main Plenary Hall at 10:00 am, and again at 3:00 pm to adopt decisions.

**SBI:** The SBI will meet at a time to be announced, to agree conclusions on work on non-Annex I national communications and the financial mechanism. Please consult the monitors for further information.