

## SUMMARY OF THE BARCELONA CLIMATE CHANGE TALKS: 2-6 NOVEMBER 2009

The second part of the seventh session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the United Nations Framework Convention on Climate Change (AWG-LCA 7) and the second part of the ninth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP 9) took place from 2-6 November 2009 in Barcelona, Spain. Approximately 3,100 participants attended the meeting, representing governments, intergovernmental and non-governmental organizations, academia, the private sector and the media. This was the final round of negotiations under both AWGs before the fifteenth Conference of the Parties (COP 15) in Copenhagen, Denmark, from 7-18 December 2009.

The main objective of the Barcelona session was to continue streamlining text, and to identify key issues and provide clear options for ministers to choose from in Copenhagen. AWG-LCA 7 focused on the key elements of the Bali Action Plan (BAP), namely: adaptation, finance, technology, mitigation, capacity building and a shared vision for long-term cooperative action. It began addressing these issues based on several non-papers developed by the first part of AWG-LCA 7 three weeks earlier in Bangkok. The AWG-LCA produced a series of new non-papers that will be compiled and forwarded to Copenhagen as an annex to the meeting report (FCCC/AWGLCA/2009/L.4).

Many felt the AWG-LCA made progress, albeit uneven, in Barcelona on the key elements of the BAP. However, many also stressed that hard work, trust and considerable political will be required in Copenhagen to achieve a successful outcome. The legal form of the AWG-LCA's outcome in Copenhagen also remains undecided. Some at the meeting were therefore speculating whether the negotiations will lead to a legally-binding instrument, or whether the agreed outcome will consist of a series of COP decisions, containing agreement on certain fundamental issues, such as mitigation and finance. Some also identified the need for a new mandate to continue negotiations in order to complete the details, and possibly to turn the outcome into a legally-binding instrument in 2010. Others, however,

highlighted the unprecedented political momentum generated for Copenhagen and objected to what they saw as "a lowering of expectations."

During the second part of AWG-KP 9, discussions continued on Annex I parties' emission reductions beyond the first commitment period under the Kyoto Protocol. At the beginning of the meeting, the African Group, supported by other developing countries, called for halting the AWG-KP's work on issues other than the "numbers." This led to suspension of all AWG-KP contact groups until Wednesday, after agreement had been reached to devote 60% of meeting time to numbers and evaluate progress at the end of each day. The AWG-KP did not finish consideration of numbers or of any of the other issues included in its work programme, such as the flexibility mechanisms, land use, land-use change and forestry (LULUCF), and the potential consequences of response measures. This means that the AWG-KP will have to finalize its work on all these issues in Copenhagen before reporting to the fifth Conference of the Parties serving as the Meeting of Parties (COP/MOP 5).

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## A BRIEF HISTORY OF THE UNFCCC AND THE KYOTO PROTOCOL

The international political response to climate change began with the adoption of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, which sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid “dangerous anthropogenic interference” with the climate system. The UNFCCC entered into force on 21 March 1994 and now has 194 parties.

In December 1997, parties at COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits industrialized countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known under the UNFCCC as Annex I parties, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment period), with specific targets varying from country to country. The Kyoto Protocol entered into force on 16 February 2005 and now has 190 parties.

In 2005, the COP/MOP 1 held in Montreal, Canada, established the AWG-KP on the basis of Protocol Article 3.9, which mandates consideration of Annex I parties’ further commitments at least seven years before the end of the first commitment period. In addition, COP 11 agreed in Montreal to consider long-term cooperation under the Convention through a series of four workshops known as “the Convention Dialogue,” which continued until COP 13.

**BALI ROADMAP:** COP 13 and COP/MOP 3 took place in December 2007 in Bali, Indonesia. The focus of the Bali conference was on long-term issues. These negotiations resulted in the adoption of the BAP, which established the AWG-LCA with a mandate to focus on four key elements of long-term cooperation identified during the Convention Dialogue: mitigation, adaptation, finance and technology. The BAP contains a non-exhaustive list of issues to be considered under each of these areas and calls for articulating a “shared vision for long-term cooperative action.”

The Bali conference also resulted in an agreement on a two-year process, the Bali Roadmap, which covers negotiation “tracks” under the Convention and the Protocol and sets a deadline for concluding the negotiations at COP 15 and COP/MOP 5 in Copenhagen in December 2009. The two key bodies under the Bali Roadmap are the AWG-LCA and the AWG-KP, which held four negotiation sessions in 2008 in: April in Bangkok, Thailand; June in Bonn, Germany; August in Accra, Ghana; and December in Poznań, Poland. The Groups have also held several negotiation sessions in 2009.

**AWG-LCA 5 & AWG-KP 7:** From 29 March to 8 April 2009, AWG-LCA 5 and AWG-KP 7 convened in Bonn, Germany. The main objective of the session was to work towards negotiating text under both AWGs.

The AWG-LCA considered a note prepared by the Chair to focus negotiations on the fulfillment of the BAP and on the components of the agreed outcome in Copenhagen (FCCC/AWGLCA/2009/4, Parts I and II). Discussions at AWG-LCA 5

focused on further elaborating elements for a draft negotiating text to be prepared by the Chair for the next AWG-LCA session in June 2009.

AWG-KP 7 focused on emission reductions by Annex I parties under the Kyoto Protocol beyond 2012 and on legal issues, including possible amendments to the Protocol. The AWG-KP also considered other issues in its work programme (FCCC/KP/AWG/2008/8), including: the flexibility mechanisms; LULUCF; and potential consequences of response measures. The AWG-KP agreed to request its Chair to prepare two documents for the June session: a proposal for amendments to the Protocol under Article 3.9 (Annex I parties’ further commitments); and a text on other issues, such as LULUCF and the flexibility mechanisms.

**AWG-LCA 6 & AWG-KP 8:** From 1 to 14 June 2009, AWG-LCA 6 and AWG-KP 8 convened in Bonn, Germany, in conjunction with the 30th sessions of the UNFCCC’s Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA).

AWG-LCA 6 concentrated on developing negotiating text, using a Chair’s draft (FCCC/AWGLCA/2009/8) as a starting point. During the session, parties clarified and developed their proposals and the main outcome was a revised negotiating text (FCCC/AWGLCA/2009/INF.1), which was nearly 200 pages long and covered all the main elements of the BAP.

AWG-KP 8 continued considering Annex I parties’ further commitments under the Protocol. Discussions focused on proposals by various parties for Annex I countries’ aggregate and individual emission reduction targets beyond 2012. The AWG-KP agreed to continue discussions on these as well as on other issues, such as LULUCF and the flexibility mechanisms, based on documentation prepared by the AWG-KP Chair.

By the end of the June session, the Secretariat had also received five submissions from parties for a new protocol under the Convention, and twelve submissions concerning amendments to the Kyoto Protocol. These will be considered by COP 15 and COP/MOP 5, respectively, in Copenhagen.

**INFORMAL AWGs:** From 10-14 August 2009, the AWG-LCA and AWG-KP held informal intersessional consultations in Bonn, Germany.

For the AWG-LCA, the focus was on how to proceed with the revised negotiating text (FCCC/AWGLCA/2009/INF.1). After a week of consultations, the AWG-LCA began to produce non-papers, as well as reading guides, tables and matrices (FCCC/AWGLCA/2009/INF.2) aimed at making the negotiating text more manageable.

Under the AWG-KP, discussions continued on Annex I parties’ emission reductions beyond the first commitment period ending in 2012. In addition, parties resumed consideration of texts on potential consequences and other issues in the AWG-KP’s work programme. The results of this work are reflected in revised documentation prepared by the AWG-KP Chair for the subsequent session in Bangkok.

At the close of informal session, delegates in both AWGs seemed increasingly aware of the fact that limited negotiating time remained before Copenhagen, and that important progress would be needed during the Bangkok meeting.

**AWG-LCA 7.1 AND AWG-KP 9.1:** From 28 September to 9 October 2009, the first part of AWG-LCA 7 and the first part of AWG-KP 9 convened in Bangkok, Thailand.

The first part of AWG-LCA 7 continued streamlining and consolidating the negotiating text (FCCC/AWGLCA/2009/INF.1). The AWG-LCA was assisted by the reordered and consolidated negotiating text, as well as background materials prepared during and after its informal session in August (FCCC/AWGLCA/2009/INF.2 and Add.1 & 2). While progress on issues such as adaptation, technology and capacity building was commonly described as satisfactory, many felt that “deep divides” persisted in areas such as finance and mitigation. During two weeks of negotiations, the AWG-LCA produced a number of non-papers to forward to the resumed AWG-LCA 7 in Barcelona.

During the first part of AWG-KP 9, discussions continued on Annex I parties’ emission reductions beyond the first commitment period under the Kyoto Protocol and other issues. Many saw progress on LULUCF rules as the most important achievement in Bangkok. Most felt, however, that no significant progress was made on Annex I parties’ aggregate and individual emission reductions in the post-2012 period, and differences also surfaced between developed and developing countries concerning whether the outcome from Copenhagen should be an amendment to the Kyoto Protocol or a single new agreement. As a result of the AWG-KP’s negotiations in Bangkok, the Chair prepared revised documentation for the resumed AWG-KP 9 in Barcelona.

### REPORT OF AWG-LCA 7 AND AWG-KP 9

The resumed seventh session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA 7) and the resumed ninth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Protocol (AWG-KP 9) opened on Monday, 2 November 2009. Yvo de Boer, Executive Secretary of the United Nations Framework Convention on Climate Change (UNFCCC), called for clarity on ambitious emission reduction targets for Annex I countries, on nationally appropriate mitigation actions (NAMAs) by developing countries and on long- and short-term financing. He also underscored the need to establish trust and strengthen cooperation to achieve progress towards success in Copenhagen. Núria Marín Martínez, Mayor of L’Hospitalet, highlighted the role that local authorities can play in addressing climate change, drawing attention to commitments under the Covenant of Mayors against Climate Change.

Jordi Hereu, Mayor of Barcelona, stressed the need to connect local and regional policies and actions to effectively address climate change and called for inclusion of reference to local authorities in a climate change agreement.

Connie Hedegaard, Minister of Climate and Energy, Denmark, emphasized that the Barcelona session is paramount for success in Copenhagen, where a coherent and ambitious solution is required to address the challenge of climate change. She acknowledged the difficulty of getting binding agreement

on all of the building blocks under the Bali Action Plan (BAP), pointing to further work required, and encouraged delegates to “walk the last mile to Copenhagen.”

María Teresa Fernández de la Vega, Vice-President of Spain, drew attention to the window of opportunity to push forward a new green economy as a consequence of the global economic crisis. She also said €100 million of financing would be provided by Spain by 2012 for strengthening early efforts for the transition to a non-carbon intensive economy and to strengthen cooperation in mitigation and adaptation.

José Montilla Aguilera, President of the Generalitat de Catalunya, stressed that the Government of Catalunya has turned the fight against climate change into a main pillar of action, including through its renewable energy and sustainable transportation policies.

This report summarizes the discussions by the two AWGs based on their respective agendas.

### AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES

The second part of AWG-KP 9 opened on 2 November, with John Ashe (Antigua and Barbuda) continuing as the Chair, Harald Dovland (Norway) as the Vice-Chair and Miroslav Spasojevic (Serbia) as the rapporteur.

Chair Ashe encouraged parties to conclude as many issues as possible in Barcelona, such as the means available to Annex I parties to meet their emission reduction commitments, and highlighted recent Protocol ratification by Iraq. He then noted the agenda and organization of work (FCCC/KP/AWG/2009/11 and Add.1), explaining that the four contact groups established in Bangkok would continue and urging the contact groups to focus on what can be concluded in Barcelona, in order to reduce the load that will be carried on to Copenhagen.

Sudan, for the Group of 77 and China (G-77/China), expressed concern about calls by Annex I parties to end the Kyoto Protocol in favor of a single agreement in Copenhagen. He highlighted the need to make progress in defining Annex I parties’ individual and aggregate quantified emission limitation and reduction objectives (QELROs).

Sweden, for the European Union (EU), stressed that a new agreement should build on the Kyoto Protocol. He reiterated the EU’s willingness to reduce emissions by 30% from 1990 levels by 2020 as part of a global agreement, provided other countries take on comparable commitments. He noted support expressed by the EU leaders for 80-95% emission reductions from 1990 levels by 2050, and called on other developed countries to adopt the same goal.

The Gambia, for the African Group, called for focusing on the core elements of the AWG-KP’s mandate on Annex I parties’ aggregate and individual QELROs. He said the Group would not accept scheduling of other contact group meetings under the AWG-KP until the work on “numbers” is completed.

Australia, for the Umbrella Group, noted the imperative for accelerating progress under the AWG-KP and the need for focusing on efficient institutions and robust carbon markets.

Grenada, for the Alliance of Small Island States (AOSIS), called for a clear signal that the Protocol is “not dead.” She underscored the need for the Barcelona session to restore

credibility and confidence in the will of the international community to tackle climate change and for the work of the AWG-KP to be brought in line with its work programme in order to make progress.

**FURTHER COMMITMENTS BY ANNEX I PARTIES UNDER THE PROTOCOL:** Discussions under this agenda item covered the following issues: Annex I emission reductions, potential consequences of response measures, and other issues listed in the AWG-KP's work programme (FCCC/KP/AWG/2008/8), namely: the flexibility mechanisms; land use, land-use change and forestry (LULUCF); and the basket of methodological issues.

The agenda item was first taken up by the AWG-KP plenary on 2 November where parties agreed that the contact groups established in Bangkok would continue on:

- Annex I emission reductions, co-chaired by Gertraud Wollansky (Austria) and Leon Charles (Grenada);
- other issues, chaired by Vice-Chair Dovland;
- response measures, co-chaired by Mama Konaté (Mali) and Andrew Ure (Australia); and
- legal matters, co-chaired by María Andrea Albán Durán (Colombia) and Gerhard Loibl (Austria).

Parties agreed that the group on legal matters would convene if requested by parties to consider specific issues. No meetings were held by the legal matters group. Opening meetings of the three other contact groups were scheduled to take place on Monday afternoon. The contact group on Annex I emission reductions held its meeting first. At the opening meeting of the contact group on potential consequences, the African Group, supported by Bolivia, Venezuela, Algeria and Egypt, reiterated their statement made during the opening plenary that they would not accept scheduling of other contact group meetings under the AWG-KP until the group on Annex I emission reductions completes its work. The EU expressed regret at this position, highlighting that to achieve an outcome in Copenhagen, all AWG-KP contact groups must work in Barcelona. He stressed that it will not be possible for one AWG-KP contact group to work faster than the others. The contact group on potential consequences was then suspended and the opening meeting of the other issues contact group was cancelled. On Tuesday, all contact groups and informal consultations on substantive issues under the AWG-KP were suspended.

The issue was resolved through informal consultations by Chair Ashe and by the AWG-KP plenary on Tuesday evening. During the plenary meeting on Tuesday evening, Chair Ashe explained that consultations had continued late into the night on Monday and resumed on Tuesday morning, and that a solution had been found to allocate 60% of the remaining time to the contact group on Annex I emission reductions and 40% to the other contact groups. He proposed, and parties agreed, to adopt this as a method of work in Barcelona. The African Group emphasized the Group's desire for legally-binding targets from the AWG-KP in Copenhagen. Stressing that the current level of ambition from developed countries is "unacceptable," he emphasized the need for ambitious numbers in line with the science. He warned that failure to achieve progress on this issue could lead to another suspension of the other contact groups.

The African Group also stated that all pledges should include a breakdown of the respective contributions of domestic emission reductions, offsets and LULUCF.

China, Sudan, for the G-77/China, India, Bolivia, Saudi Arabia and Grenada, for AOSIS, supported the African Group's statement and highlighted that the solution refers not only to time devoted to numbers, but also to the need for progress on concrete, specific and ambitious numbers. Saudi Arabia stressed that parties reserved the right to reevaluate progress on numbers at the end of each day. Brazil urged using the allocated time effectively, and with Indonesia, stressed that the issue of "numbers" is the benchmark for success in Barcelona. AOSIS called for a focused, urgent and meaningful response to the "numbers" issue.

The second part of AWG-KP 9 did not adopt conclusions but the work done at the Barcelona session is reflected in non-papers and revised documentation to be issued by the Chair before Copenhagen. The non-papers are available online at the Secretariat's website: [http://unfccc.int/meetings/ad\\_hoc\\_working\\_groups/kp/items/4920.php](http://unfccc.int/meetings/ad_hoc_working_groups/kp/items/4920.php). Discussions by the AWG-KP contact groups on Annex I emission reductions, other issues and response measures are summarized below.

**Annex I Emission Reductions:** This issue (FCCC/KP/AWG/2009/10/Add.1/Rev.1 and FCCC/KP/AWG/2009/10/Add.4/Rev.2) covers Annex I parties' aggregate and individual emission reductions in the post-2012 period, following the end of the first commitment period under the Protocol. According to the AWG-KP's work programme (FCCC/KP/AWG/2008/8), conclusions on the aggregate scale of Annex I parties' emission reductions were to be adopted at AWG-KP 7 in March/April 2009, and on parties' individual contributions to this aggregate scale at AWG-KP 8 in June 2009. Since parties were unable to reach agreement during these sessions, consideration of the issues continued at AWG-KP 9 in Bangkok and Barcelona.

The issue was considered through contact groups and informal consultations. The main topics discussed included: the level of ambition of Annex I emission reductions in the post-2012 period; the role of the flexibility mechanisms and LULUCF; base year; and the length and number of commitment periods.

On the *level of ambition*, the Secretariat introduced a new version of the paper on Monday compiling information on possible QELROs as submitted by parties. Parties then discussed how to determine the level of ambition of Annex I parties' emission reductions, with Co-Chair Charles noting support for both top-down and bottom-up approaches. Parties also addressed ways to increase Annex I parties' level of ambition in order to close the gap between parties' pledges and what science requires.

Several Annex I parties presented on the basis of their emission reduction pledges, indicating whether and under what circumstances they could increase these pledges. Belarus highlighted that the economies of countries in transition to a market economy had "crashed" in the 1990s, causing their emissions to halve and therefore they cannot increase their pledges. Japan highlighted the recent increase of its target to a 25% reduction from 1990 levels by 2020 and said it would not be in a position to increase this level of ambition. The EU said they could increase their emission reduction target from 20%

to 30% below 1990 levels by 2020, if other countries take on comparable targets. Iceland said access to LULUCF and offsets would be required before he could say with certainty whether their reduction target of 15% below 1990 levels by 2020 could be increased. Australia underscored that their contribution would depend on several factors, such as comparable efforts by developed countries and efforts by all UNFCCC parties.

The Gambia, for the African Group, underscored the need for data from Annex I countries to better understand the gap between their pledges and science. South Africa proposed that once Annex I parties' national mitigation potential has been fully used, the level of ambition could then be increased through the flexibility mechanisms. AOSIS stressed the need to look at the overall ambition "as the atmosphere sees it," and proposed looking at "two packages," namely, increasing domestic efforts where possible and "looking elsewhere" where enhancing domestic efforts is not possible.

The EU alluded to its experience with a top-down approach, which looks at science for defining the scale of necessary emission reductions, and then works bottom up to identify how emissions could be reduced and under which sectors. The EU also highlighted the impact of LULUCF accounting rules and the use of surplus Assigned Amount Units (AAUs) on the level of ambition. The Russian Federation stressed that there is no relation between the potential AAU surplus from the first commitment period and the level of ambition in the post-2012 period.

During informal consultations, Annex I parties were also invited to identify what proportion of their proposed QELROs would be achieved through *domestic actions, LULUCF and offsets*, including use of the flexibility mechanisms. Some Annex I parties presented on their targets and responded to questions and comments on the contributions of offsets, implications of LULUCF rules, base years and aviation emissions. In response to a request by some developing countries, several Annex I parties provided this information in writing to the Secretariat, and the Secretariat compiled it into an informal information note. The informal note, dated 6 November 2009, was presented to parties at the final contact group meeting. Japan noted that information on its QELROs submitted to the Secretariat was not reflected in the note and requested the Secretariat to prepare an updated version, incorporating this information. Norway requested that the note should reflect that they plan to use mechanisms to meet their 40% reduction target. The Russian Federation said they do not plan to use the mechanisms towards meeting their target, and that the decision on the use of LULUCF would be made when the relevant rules have been established.

Parties then discussed the *base year*. Australia proposed a package comprising 1990 as the base year together with other years as reference points. Japan expressed preference for expressing QELROs as absolute emission reductions with reference to different years, including 1990. Canada proposed using a table with parties' targets expressed in terms of multiple base years. South Africa, for the G-77/China, the Federated States of Micronesia, for AOSIS, Brazil, Norway and Egypt

supported a single base year of 1990. Parties agreed to establish a small informal group in Copenhagen to consider the various proposals.

On the *number and length of commitment periods*, the G-77/China proposed a single commitment period of five years, noting that this was a compromise proposal made by the Group and that it would be withdrawn if agreement was not reached during the Barcelona session. Australia supported one commitment period of five or eight years and the EU proposed one commitment period of eight years. Japan and Norway expressed preference for a period of eight years, while noting that this view was not fixed. The Russian Federation supported a commitment period of eight years. At the final contact group meeting, the G-77/China stated that the proposal for a five-year commitment period was withdrawn, and that there was no longer a single G-77/China position on this issue. The Co-Chairs will consult informally with interested parties in Copenhagen on this issue.

In the final contact group meeting, Co-Chair Wollansky underlined that the AWG-KP should conclude its work and report the results to the fifth Conference of the Parties serving as the Meeting of the Parties (COP/MOP 5) in Copenhagen. She presented a series of questions for parties to consider in preparation for Copenhagen, including: the practical implications of five- or eight-year commitment periods; how a single legally-binding base year could meet the interest of parties who want to use reference years and how these reference years can be expressed; what approach should be used as the starting point to transform pledges into QELROs; and how the level of ambition can be raised and what the options are for scaling up Annex I parties' pledges.

In his report to the AWG-KP closing plenary on Friday, 6 November, Co-Chair Charles explained that the group had held "intense discussions" on technical and broader issues. He identified positive developments on technical issues, such as: widespread preference for 1990 as the base year, possibly as part of a package; several options for the length of the commitment period, but movement towards consensus; and discussions and an informal note on assumptions behind pledges. He noted a suggestion for additional financial support for mitigation action in developing countries. Co-Chair Charles highlighted that a gap remains between the science and pledges and that the question of scaling up the level of ambition is therefore relevant.

**Status of the negotiations:** Document FCCC/KP/AWG/2009/10/Add.1/Rev.1, containing proposed amendments to the Kyoto Protocol pursuant to its Article 3.9, will be revised before Copenhagen, to reflect the discussions and proposals made during the Barcelona session.

**Other Issues in the AWG-KP's Work Programme:** These discussions covered issues listed in paragraph 49(c) of the AWG-KP's work programme (FCCC/KP/AWG/2008/8), referred to as "other issues." They were taken up in contact groups and informal meetings from 4-6 November. Discussions on the Protocol's flexibility mechanisms and basket of methodological issues were chaired by Vice-Chair Dovland. On LULUCF, parties agreed to continue with the "spin-off" group, facilitated by Bryan Smith (New Zealand) and Marcelo Rocha (Brazil).

During the first contact group meeting on other issues, Vice-Chair Dovland reminded parties that the aim is to clean up the text in Barcelona to have clear options for ministers to choose from in Copenhagen. He urged parties to work together to remove brackets from the text.

**Flexibility Mechanisms:** At the first contact group meeting, Vice-Chair Dovland introduced Annex I of document FCCC/KP/AWG/2009/10/Add.3/Rev.2, which contains proposed elements of draft COP/MOP decisions on the flexibility mechanisms, and updated parties on the status of work on the issues.

On LULUCF under the Clean Development Mechanism (CDM), he noted that the spin-off group is working on the text.

On including *carbon capture and storage under the CDM*, Vice-Chair Dovland noted that although the final decisions would need to be taken by ministers in Copenhagen, it was still possible to clean up the text. He highlighted plans to establish a small drafting group in Copenhagen at the first opportunity. Regarding inclusion of *nuclear activities under the CDM*, he said the contact group was unlikely to be able to resolve this issue and it would have to be taken up in Copenhagen. In relation to *crediting on the basis of nationally appropriate mitigation actions (NAMAs)*, Vice-Chair Dovland proposed the consideration of this issue after further development under the AWG-LCA.

Parties then focused on the development of standardized, multi-project baselines under the CDM and improving regional distribution and access to CDM project activities. They attempted to remove brackets from the text, with parties going through the text paragraph-by-paragraph and proposing alternative, compromise language. Vice-Chair Dovland reported to the AWG-KP closing plenary on 6 November that parties had only addressed paragraphs 16-22 of FCCC/KP/AWG/2009/10/Add.3/Rev.2 and “not much progress was made.” He stressed that many more meeting slots will be required in Copenhagen for addressing the other issues in the AWG-KP’s work programme.

**Status of the negotiations:** A new non-paper containing revised text was prepared and will be taken into consideration by AWG-KP Chair Ashe when preparing revised documentation to facilitate discussions at AWG-KP 10 in Copenhagen.

**LULUCF:** The spin-off group on LULUCF met informally from Wednesday to Friday. During the first meeting, the co-facilitators introduced a non-paper, No. X, which includes a draft COP/MOP decision, an annex on options for addressing definitions, modalities, rules and guidelines for LULUCF, and an appendix. Parties highlighted that while the non-paper is useful for discussion, it has not been negotiated. The co-facilitators also introduced a table for parties to complete on a voluntary basis to facilitate discussions on better understanding of the impacts of reference levels.

Developed country parties made presentations on the impacts of accounting approaches to their LULUCF numbers. Parties discussed option B on land-based accounting, with many parties saying that while land-based accounting could be considered in the future, negotiating it now would delay the process of defining the “numbers.” Parties also considered options on natural disturbances and inter-annual variability; reference to engagement of the Intergovernmental Panel on Climate Change

(IPCC); grazing land management; and language on sectors and activities, harvested wood products and data tables. Parties discussed whether there was a need to coordinate with the work on the basket of methodological issues. Parties also considered the issue of “non-permanence.” In the end, some parties highlighted progress, but also expressed concern with the large number of decisions yet to be made on options in the text.

**Status of the negotiations:** Non-paper No. X will continue to be used as a basis for discussion, and will be taken into consideration by AWG-KP Chair Ashe when preparing revised documentation to facilitate discussions at AWG-KP 10 in Copenhagen.

**Basket of Methodological Issues:** This issue (Annex III of FCCC/KP/AWG/2009/10/Add.3/Rev.2), covers three main topics: common metrics to calculate the CO<sub>2</sub> equivalence of emissions by sources and removals by sinks; 2006 IPCC Guidelines for National Greenhouse Gas Inventories; and inclusion of new greenhouse gases in Protocol Annex A.

The topic was discussed during two brief contact group meetings on all “other issues.” During the first meeting, Vice-Chair Dovland outlined the status of work. On *new greenhouse gases (GHGs)*, he noted that there are three options on the table, as well as additional proposals for amendments to the Protocol, although these were not considered in Barcelona.

On the *IPCC 2006 Guidelines*, he highlighted “good discussions” in Bangkok, but suggested deferring consideration of this topic until Copenhagen.

On *common metrics*, parties agreed to establish a drafting group, facilitated by New Zealand, to work on the options contained in the text.

In the final contact group meeting on Friday, parties discussed a new non-paper on common metrics.

Vice-Chair Dovland reported to the AWG-KP closing plenary on 6 November that progress was made on common metrics as four options were consolidated into one text with some square brackets. He explained that agreement on the basket of greenhouse gases will be needed to finalize the text.

**Status of the negotiations:** The non-paper on common metrics will be taken into consideration by AWG-KP Chair Ashe when preparing revised documentation to facilitate discussions at AWG-KP 10 in Copenhagen. Parties will continue to consider the IPCC 2006 Guidelines and new greenhouse gases.

**Potential Consequences:** This issue (FCCC/KP/AWG/2009/12/Rev.1) relates to the consideration of information on potential environmental, economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I parties, and was considered in contact groups and informal consultations from 4-6 November. The key issues discussed included the establishment of a forum for information exchange, tools to deal with potential consequences, and negative consequences on developing countries.

During the contact group meeting on Wednesday, parties commenced a paragraph-by-paragraph discussion of document FCCC/KP/AWG/2009/12/Rev.1, with the aim of further

streamlining text and consolidating options. Parties considered the outstanding paragraphs, going through each paragraph and deleting or merging options.

On paragraph 7 on challenges of assessing potential consequences, the EU, opposed by South Africa, for the G-77/China, proposed replacing reference to “the assessment of consequences of tools, policies, measures and methodologies available to Annex I Parties” with “the assessment of consequences of mitigation actions taken by Parties.” Both options remain in the text.

Regarding the need for a channel for communicating impacts and consequences of policies and measures in paragraph 14, New Zealand, supported by the EU and opposed by the G-77/China, identified national communications as the appropriate channel for such reporting. She proposed replacing “the need for a channel” with “the existence of a channel.” The G-77/China proposed dividing paragraph 14 into two parts and proposed text on establishing a permanent forum for reporting impacts and consequences from policies and measures. The EU opposed breaking up the paragraph, highlighting their desire to address information and what parties will do with information under a single paragraph. Parties developed two options for future discussion.

On paragraph 15 on tools to assist developing countries in assessing and dealing with potential consequences, containing two options, New Zealand, supported by the G-77/China, noted that the tools mentioned in the paragraph appeared to be a random selection of available tools. The EU noted the need to expand the range of tools available, and proposed language in this regard, which was incorporated into the first option. The G-77/China said that they would propose new text for this paragraph. The second option on cooperation was deleted.

Saudi Arabia called for a paragraph in the section on considerations on any further work to reflect negative consequences on developing countries. The EU supported this and highlighted that this solution offers the potential to clean up language in other paragraphs. The Chair said these proposed changes will be reflected in a revised text.

**Status of the negotiations:** The revised text will be taken into consideration by AWG-KP Chair Ashe when preparing revised documentation to facilitate discussions at AWG-KP 10 in Copenhagen.

**CLOSING PLENARY:** The AWG-KP closing plenary convened Friday afternoon, 6 November 2009. Chair Ashe explained that he would take into account the non-papers developed during the Barcelona meeting when revising documentation for Copenhagen.

He also reported on his informal consultations on organization of work. He identified AWG-KP 10 in Copenhagen as “critical,” saying the agenda must be such that it enables the conclusion of the substantive discussions. He explained that all the AWG-KP contact groups should continue in Copenhagen with the same time allocation as in Barcelona. Chair Ashe identified the need to move to a single contact group during the first week to work on “a package” and report the results to the COP/MOP plenary

on Wednesday 16 December. He highlighted the important role of the documentation in Copenhagen and identified the need to consider how to forward the documentation to the COP/MOP.

Parties then made closing statements. Sudan, for the G-77/China, urged establishing a second commitment period under the Protocol and opposed attempts by developed countries to “kill the Protocol” or supersede it with a new treaty. He stressed that this would undermine the principles of equity and common but differentiated responsibilities, and put at risk an ambitious outcome to address climate change and its devastating impacts. The G-77/China expressed dismay at lack of progress in Barcelona on Annex I parties’ aggregate and individual targets, emphasizing that the continuation of this trend would make agreement in Copenhagen impossible, undermine the agreement reached in Bali and amount to “negotiating in bad faith.” He called for “a momentous and historic climate change outcome in Copenhagen” with a strong Protocol as the basis for a just and equitable outcome.

The EU emphasized that it “stands firmly behind the Protocol and is implementing it,” and already has legislation in place to implement their target of a 20% emission reduction from 1990 levels by 2020. Expressing willingness to increase the level of ambition to a 30% reduction, he called for a global, ambitious and comprehensive agreement keeping temperature increase below 2°C and encompassing all nations. He said reaching an internationally legally-binding treaty in Copenhagen may be difficult and noted, if this does not occur, “our work would not be completed in Copenhagen.” He also highlighted readiness to increase the pace in Copenhagen. The EU urged Annex I parties who could do more to increase their pledges to achieve a 30% overall level of ambition, saying global emissions must peak by 2020 at the latest and that developing countries must take substantial action to reduce the growth of their emissions by 15-30% from business-as-usual scenarios.

Algeria, for the African Group, lamented that despite appeals, the AWG-KP did not complete its work on Annex I emission reductions and that the gap between Annex I parties’ pledges and the science remains significant. He called for a minimum emission reduction of 40% by 2020 with strict limits to LULUCF and offsets, and stressed the AWG-KP as the only framework for discussing Protocol parties’ targets.

Australia, for the Umbrella Group, highlighted its commitment to a strong post-2012 outcome, noting a desire for a ratifiable agreement encompassing all parties to the Convention. He highlighted the need to continue to work on clear rules and modalities.

Grenada, for AOSIS, underscored the need to fulfill the mandate of a legally-binding outcome. She stressed that, for AOSIS, the global minimum level of ambition is stabilizing GHG concentrations at below 350 parts per million of CO<sub>2</sub> equivalence and keeping temperature increase below 1.5°C. Lesotho, for the least developed countries (LDCs), said the session had “failed to deliver on the mandate of the Bali Roadmap” and he appealed to developed country parties to engage faithfully in the negotiating process. He called for a continuation of building on the UNFCCC and Kyoto Protocol architecture.

Zambia called for productive leadership and ambitious reductions by developed countries. China expressed concern with the lack of adequate emission reduction pledges, as well as with proposals to supersede or replace the Protocol.

Switzerland highlighted the need for agreement on the flexibility mechanisms, base year and length of commitment period. Benin expressed concern with the large number of issues that are being used as obstacles. Saudi Arabia expressed fear that a suspension of meetings under the AWG-KP could be repeated in Copenhagen. Solomon Islands underscored that time is running out and called attention to the impacts of climate change on small island developing states (SIDS) and LDCs. The Gambia stressed the need for developed countries to increase their level of ambition, noting the impact of LULUCF accounting options. Turkey explained that it would retain its status as an Annex I country that is not included in Protocol Annex B in the next commitment period.

Bangladesh urged all parties to make every effort to make the Protocol more effective. Japan reiterated his commitment to the Protocol until it achieves its set target. Noting that the Protocol currently only covers parties responsible for 30% of global emissions, he emphasized the need for a fair and international post-2012 framework, and invited large emitting countries, both developed and developing ones, to participate in this framework either through a “full-fledged” amendment of the Protocol or through adoption of a new protocol. He said the new legal framework must be a single document and involve participation of all major economies, based on the principle of common but differentiated responsibilities.

Qatar expressed disappointment at the outcome of the Barcelona session, noting that the desired results had not been achieved. Liberia highlighted the seriousness of climate change and called on all parties to cooperate for the good of mankind and the planet. Cape Verde encouraged parties to act quickly and correctly in order to avoid disaster.

Chair Ashe noted there was not enough time for civil society representatives to make their statements and announced that these statements would be posted on the UNFCCC Secretariat website. Parties then adopted the meeting’s report (FCCC/KP/AWG/2009/L.13).

In closing, Chair Ashe emphasized that “very little” time remains before Copenhagen and that progress in Barcelona was “less than desirable.” He urged parties to use all possible time before Copenhagen to consider the outstanding issues, most importantly, the level of ambition of Annex I parties’ emission reductions. Chair Ashe said the need for this has been “dramatically demonstrated” over the course of the meeting but that this was “certainly not the only issue” to be addressed. He expressed confidence that a successful outcome can be achieved, called for focused discussions in Copenhagen, and closed the meeting at 5:20 pm.

#### **AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION**

The resumed seventh session of the AWG-LCA was chaired by Michael Zammit Cutajar (Malta), with Luiz Figueiredo Machado (Brazil) as the Vice-Chair and Lilian Portillo (Paraguay) as the rapporteur.

On Monday, 2 November, the AWG-LCA held a brief opening plenary. Chair Zammit Cutajar introduced his scenario note (FCCC/AWGLCA/2009/13). He expressed hope that the outcome of the AWG-LCA in Barcelona would be a single text, to be translated before Copenhagen. He outlined plans to continue informal consultations on the documentary and legal form of the outcome, emphasizing that these questions become more pressing as the deadline for completing the AWG-LCA’s work in December approaches.

Country groups then made opening statements. Sudan, for the G-77/China, called for an equitable outcome in Copenhagen. He opposed weakening the Convention and the Protocol, highlighting the impact of climate change on the livelihoods of populations who have contributed the least to the problem, but suffer the most from the adverse effects of climate change. He also stressed the need for new, additional, adequate and predictable financial resources, and for the development and transfer of technology, as well as capacity building. The G-77/China said Copenhagen should result in agreement on the operationalization of the financial mechanism under the authority of the COP for meeting full costs of concrete adaptation actions of developing countries.

Australia, for the Umbrella Group, stressed the need to focus on the key operational elements and emphasized commitment to a strong global agreement to avoid dangerous climate change. She announced a new target by Kazakhstan to restrain emissions by 15% by 2020 and by 25% by 2050, and highlighted the importance of measuring, reporting and verification (MRV). She called for sufficient time to discuss how domestic contributions could be captured internationally, highlighted the need to help vulnerable countries to adapt and called for a substantial boost in funding, saying public sector funding catalyzes the “much larger sums” available from the private sector.

Sweden, for the EU, called for a binding agreement that incorporates the essential elements of the Kyoto Protocol. He highlighted the EU’s objective of reducing emissions by 80-95% by 2050 compared to 1990. He also emphasized a need to include the aviation and maritime sectors, calling for a 10% reduction in aviation emissions and a 20% reduction in maritime emissions below 2005 levels by 2020. He said total net mitigation and adaptation costs could amount to €100 billion annually by 2020, requiring an international public sector support of €22-50 billion.

Calling for a strong outcome in Copenhagen, Switzerland, for the Environmental Integrity Group, stressed that it is not acceptable to begin a new roadmap in Copenhagen and said that the non-papers from the Bangkok session provide a good basis for substantive progress in Barcelona.

Grenada, for AOSIS, expressed concern over systematic attempts to lower expectations for Copenhagen and recalled that, according to the mandate agreed in Bali, the AWG-LCA should complete its work in 2009. She said parties should leave Barcelona with a sound basis for a legally-binding agreement to be adopted at COP 15 that responds to the science.

Chair Zammit Cutajar highlighted Copenhagen as the political momentum to be grasped and urged the AWG-LCA to do its part in providing an outcome at COP 15 in Copenhagen.

**LONG-TERM COOPERATIVE ACTION:** This agenda item covers the key elements of the BAP, namely: a shared vision for long-term cooperative action, mitigation, adaptation, finance, technology and capacity building. It was first considered by the AWG-LCA plenary on 2 November where Chair Zammit Cutajar explained that the six contact groups established in Bangkok would continue, namely on:

- adaptation, co-chaired by William Kojo Agyemang-Bonsu (Ghana) and Thomas Kolly (Switzerland);
- technology, co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Kunihiko Shimada (Japan);
- capacity building, co-chaired Lilian Portillo (Paraguay) and Georg Børsting (Norway);
- financing, chaired by Farrukh Khan (Pakistan) and Jukka Uosukainen (Finland);
- mitigation, chaired by Chair Zammit Cutajar; and
- a shared vision, also chaired by Chair Zammit Cutajar and assisted by facilitator Sandea de Wet (South Africa).

All groups held opening and closing contact group meetings. The rest of the work took place in closed informal consultations.

The focus of the AWG-LCA's work was on further consolidating the revised negotiating text (FCCC/AWGLCA/2009/INF.1), as well as on identifying key issues and clear options for Copenhagen. In this task, the AWG-LCA was assisted by the non-papers developed during the first part of AWG-LCA 7 in Bangkok (FCCC/AWGLCA/2009/INF.2), as well as by supporting material to the non-papers, consisting of an updated list of proposed new institutional arrangements and a "numbers" paper compiling quantifications by parties in their proposals for a long-term global goal for emission reductions and related mid-term goals.

During the closing plenary on 6 November, Chair Zammit Cutajar explained that the results of the work in Barcelona are captured in non-papers. He highlighted that they do not represent agreed text and that all of them do not "have the same degree of maturity and acceptance." The non-papers developed in Barcelona are available online at: [http://unfccc.int/meetings/ad\\_hoc\\_working\\_groups/lca/items/5012.php](http://unfccc.int/meetings/ad_hoc_working_groups/lca/items/5012.php). During the closing plenary, the AWG-LCA adopted brief conclusions on this agenda item, including that the non-papers will be carried forward as an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**AWG-LCA Conclusions:** In its conclusions (FCCC/AWGLCA/2009/L.5), the AWG-LCA requests the Secretariat to compile texts in the latest available non-papers produced during AWG-LCA 7 into an annex to the meeting's report for facilitating discussions at AWG-LCA 8. The AWG-LCA reiterates its understanding that all texts and submissions from parties, including those in documents FCCC/AWGLCA/2009/INF.1 and FCCC/AWGLCA/2009/INF.2 remain before the AWG-LCA.

The AWG-LCA also agrees to carry out its work under the agenda item on long-term cooperative action at AWG-LCA 8 through one contact group to conclude its work on all the elements of the BAP in a comprehensive and balanced manner.

Discussions by the AWG-LCA contact groups on the key elements of the BAP, including mitigation sub-groups, in Barcelona are summarized below.

**Shared Vision:** A shared vision for long-term cooperative action was considered in contact group meetings and informal consultations from 2-6 November.

The group began discussions based on non-paper No. 33, which was prepared during the first part of AWG-LCA 7 in Bangkok. Parties discussed the non-paper section by section, focusing on the nature of a shared vision, a long-term global goal for emission reductions and review of a shared vision. Two non-papers, No. 37 and No. 38, revising sections on the nature of a shared vision and on long-term global goal respectively, were issued during the week.

During the week, no major options were removed from the text and parties mainly reiterated their positions. The US said text on a shared vision should be concise and decisional, derived from the BAP building blocks, and include a long-term global goal for emission reductions. The EU identified the long-term global goal as the core of a shared vision and highlighted: the 2°C target; peaking emissions; and reviewing the long-term goal as science evolves. The EU also noted the need to include their proposal that developed countries must reduce emissions in aggregate by 30% from 1990 levels by 2020, and by 80-95% by 2050.

The Russian Federation stressed the importance of "common solidarity" of all countries. Japan outlined three core elements: necessity of action by all countries; necessity of realizing a low-carbon society; and importance of innovative technologies. Iceland stressed the need to reflect gender considerations and Bolivia highlighted indigenous peoples. Australia proposed highlighting economic, social and environmental opportunities that come from ambitious action on climate change.

China, India, Saudi Arabia, South Africa, Bangladesh and others emphasized that a shared vision should be comprehensive and aim at the implementation of the Convention, covering all building blocks of the BAP and the Convention's principles. China called for a solid foundation, building on the principles of common but differentiated responsibilities, developed countries' historical responsibility and the right to development. AOSIS highlighted urgency and impacts on LDCs and SIDS as the benchmark. Colombia called for reflecting other vulnerable countries.

Sudan stressed that a temperature goal can only be considered when the other goals on finance, technology and adaptation, and concrete figures are agreed. Saudi Arabia, supported by Bolivia, called for agreement on a subset of goals before agreement on temperature increase and stabilization, highlighting goals for technology and finance, and the need for clarity on how much financing developed countries will provide in the short- and medium-term.

During the final contact group meeting on Friday, Facilitator de Wet presented non-paper No. 43 and highlighted that discussions on a shared vision were not as advanced as in some other AWG-LCA groups.

The G-77/China and others stressed that all non-papers on a shared vision must be considered as "one file," translated and forwarded to Copenhagen. Supported by AOSIS, he highlighted the need to allocate adequate time for discussing a shared vision in Copenhagen.

Australia stressed the need to have a clear text in Copenhagen and said that five non-papers on a shared vision going forward to Copenhagen would confuse and hold up progress. The EU urged parties to accept the new text as the basis for negotiations in Copenhagen and the US underscored the need for concise and streamlined text on a shared vision.

Parties agreed to combine all non-papers developed in Barcelona into a single new non-paper to be forwarded to Copenhagen.

**Status of the negotiations:** Non-paper No. 52 was issued on 6 November, which includes the content of non-papers No. 33, 43, 37 and 38, and will be forwarded to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Adaptation:** Adaptation was discussed in two contact group meetings and several informal consultations throughout the week. Parties based discussions on non-paper No. 31, which was prepared following the first part of AWG-LCA 7 in Bangkok. A further non-paper No. 41 was issued on 5 November.

Discussions took place section by section and focused on definition and scope, implementation of adaptation action, means of implementation, risk management and risk reduction, institutional arrangements and MRV. As a result of the discussions, delegates clarified and streamlined some of the text in non-paper No. 41 with regard to type of adaptation activities and support, institutional arrangements, a mechanism to address loss and damage, and other issues. However, many, including the G-77/China, LDCs and the African Group, stressed that this non-paper cannot serve as basis for further discussions as it does not fully reflect their views. The G-77/China highlighted that, in particular, non-paper No. 41 does not reflect the commitment of developed countries to provide support for adaptation in developing countries and does not provide a sufficiently clear distinction between adaptation in developed and developing countries. After further consultations, parties decided to forward both non-papers to the next session.

**Status of the negotiations:** Non-paper No. 53, which includes the content of non-papers No. 31 and 41, will be forwarded to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Mitigation:** On mitigation, the BAP contains the following sub-paragraphs:

- 1(b)(i) on mitigation by developed countries;
- 1(b)(ii) on mitigation by developing countries;
- 1(b)(iii) on reducing emissions from deforestation and forest degradation in developing countries; conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD-plus);
- 1(b)(iv) on sectoral approaches;
- 1(b)(v) on various approaches to enhance the cost-effectiveness of mitigation action, including markets; and
- 1(b)(vi) on consequences of response measures.

The contact group on mitigation was chaired by Chair Zammit Cutajar. At the group's first meeting on 2 November, parties agreed to that the six sub-groups focusing on the mitigation sub-paragraphs of the BAP established in Bangkok would continue their work through informal meetings. The *overarching* contact group on *mitigation* convened throughout the week in contact

groups and informal meetings. In the opening contact group on 2 November, Chair Zammit Cutajar explained that he would direct parties' attention to proposals for common frameworks for mitigation action, as contained in non-paper No. 28 resulting from the first part of AWG-LCA 7 in Bangkok.

Discussions over the week did not make much progress. Australia, the US and Japan gave further clarification of their proposals for common mitigation frameworks for all parties, while developing countries opposed their discussion.

Brazil, for the G-77/China, supported by South Africa, China and Saudi Arabia, expressed concern with the compatibility of proposals on common mitigation frameworks with the Convention and the BAP. They also expressed concern with selectively considering only certain Convention articles. India suggested deleting the proposals on common mitigation frameworks, with the G-77/China noting that the proposals create difficulties for progress in other areas.

The US underlined that their interpretation of the Convention and the BAP is different from that of the G-77/China, but legitimate. He explained that the idea behind the US proposal for common mitigation frameworks is to enhance communication of information by parties on what actions they are taking. Noting that more detail leads to more planning and robustness, he said enhanced communication could be done in two respects: in relation to frequency of communication and in relation to what type of information to report.

Australia noted preference for a "simple schedules approach," whereby developed countries take on economy-wide emission reduction targets, while developing countries have flexibility and their mitigation actions are enabled and supported. On MRV, he explained that review could be based on national communications and greenhouse gas inventories, fully involve parties, be open, result in recommendations and have no consequences for non-compliance. Japan underlined that an MRV scheme should apply to all parties, while being robust and transparent, and build on national communications and inventories.

Brazil said there is space for discussing reporting issues under the Subsidiary Body on Implementation (SBI) but not under the BAP.

In the attempt to move discussions forward, AWG-LCA Chair Zammit Cutajar presented an informal paper on 5 November. The paper addresses major interdependencies on mitigation, cross-cutting issues under sub-paragraphs 1(b)(i) and 1(b)(ii) of the BAP and general mitigation issues, as well as provisions of the Convention related to provision of information on emissions or actions. Parties briefly addressed major interdependencies between mitigation sub-paragraphs, with developing countries also noting links to other paragraphs of the BAP and overlaps with the Protocol. The rest of the informal paper was not discussed in detail.

In the final contact group meeting on 6 November, Chair Zammit Cutajar noted the lack of progress and difficulty in moving forward, since "parties are pulling in different directions."

**Status of the negotiations:** Non-paper No. 28 remains unchanged and will be forwarded to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(i) of the BAP:** The sub-group on mitigation by developed countries was facilitated by Adrian Macey (New Zealand), and convened in contact groups and informal consultations throughout the week. Parties based discussions on non-paper No. 25, which was prepared during the first part of AWG-LCA 7 in Bangkok.

Discussions of non-paper No. 25 took place section by section, focusing on how to define the collective reduction goal for developed countries, nature of individual reduction objectives, comparability of efforts, relationship with the Kyoto Protocol and MRV. Developing countries underlined that the focus of discussions should be on developed countries that are not parties to the Kyoto Protocol and that comparability of efforts at the international level should be ensured. They also stressed the need for clear mitigation commitments and a strong compliance system similar to the one under the Protocol. The US suggested compliance can be ensured at a domestic level.

Several developed countries suggested MRV should be discussed in the overarching mitigation contact group, while the G-77/China highlighted the distinct nature of MRV for mitigation by developed countries under sub-paragraph 1(b)(i) of the BAP and MRV for mitigation by developing countries under 1(b)(ii) of the BAP. The EU and Australia also underlined the importance of addressing LULUCF.

As a result of these discussions, non-paper No. 50 was issued on 6 November. All major options remain in the new non-paper but they have been streamlined and the text has been shortened.

**Status of the negotiations:** Parties agreed to forward non-paper No. 50 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(ii) of the BAP:** The sub-group on mitigation by developing countries was facilitated by Margaret Mukahanana-Sangarwe (Zimbabwe), and convened in informal consultations throughout the week.

Parties based discussions on non-paper No. 26, prepared after the first part of AWG-LCA 7 in Bangkok. Non-paper No. 45 was issued during the week, and the meeting resulted in non-paper No. 51.

Discussions of non-paper No. 26 took place section by section, and parties addressed issues, including definition and scope of NAMAs, support and enabling activities, NAMA registry and MRV. The main options remain in the final text, but have been narrowed down and streamlined.

On the introductory part on principles, objectives and nature of NAMAs, developed countries suggested considering this in the overarching mitigation contact group. This was opposed by the G-77/China, and the section remains in non-paper No. 51.

On the scope of NAMAs, discussions revolved around whether these should include only supported NAMAs or also unilateral mitigation actions by developing countries and those financed through a carbon market. The G-77/China highlighted that NAMAs should be country-driven, voluntary and supported through technology, financing and capacity building. The G-77/

China also underlined the distinct nature of NAMAs from mitigation commitments by developed countries under sub-paragraph 1(b)(i) of the BAP.

Discussion also took place on the role of low-carbon development strategies and plans, with the EU and others highlighting their importance, and the G-77/China stating that they should not be a pre-condition for support or recognition of NAMAs. Several countries also supported that NAMAs should be quantifiable.

Parties also addressed the role and functions of a NAMA registry, with four options remaining in the text for: a mechanism to register and facilitate the implementation of NAMAs, life cycle of unilateral NAMAs, coordinating mechanism and national schedules.

**Status of the negotiations:** Parties agreed to forward non-paper No. 51 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(iii) of the BAP:** The sub-group on REDD-plus was facilitated by Tony La Viña (the Philippines).

The group met throughout the week in informal consultations. Parties began by considering non-paper No. 18, prepared during the first part of AWG-LCA 7 in Bangkok. They met for initial exchanges of views on the phased approach, means of implementation, and MRV and produced non-paper No. 39, which includes revised text on means of implementation, safeguards and MRV.

Parties continued to discuss issues including: financing; indigenous peoples' safeguards; safeguards on conversion of natural forest; and whether REDD-plus is a NAMA. Many parties said the text could be used as the basis for negotiations in Copenhagen.

**Status of the negotiations:** Parties agreed to forward non-paper No. 39 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(iv) of the BAP:** The sub-group on cooperative sectoral approaches and sector-specific actions was facilitated by Magdalena Preve (Uruguay) and convened in informal consultations throughout the week. Parties based their initial discussions on non-paper No. 17 resulting from the first part of AWG-LCA 7 in Bangkok.

Some parties suggested that bunker fuels should be considered under the AWG-KP. They also discussed the role of the International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO), with some parties highlighting that IMO or ICAO should deal with emissions from the sector and many others calling for action under the UNFCCC.

On agriculture, some developing country parties cautioned against setting global standards, and also highlighted the need to consider food security in the text. In both agriculture and bunker fuels, some parties expressed concern about potential implications for trade.

On 5 November, parties considered a new text on sectoral approaches, encompassing an introductory section, followed by sections on agriculture and bunker fuels. The introductory text addresses: what cooperative sectoral approaches should do in general; what they should do for all parties; what they should not

do; what they should do for developing country parties; and what they should do for developed country parties. The text on bunker fuels includes six options below an overview paragraph. An additional option has been presented to delete the entire section on bunker fuels.

In discussions on bunker fuels, some parties preferred a general overview paragraph. Others suggested moving the current overview paragraph to the end of the text, and an additional group questioned whether an overview paragraph or chapeau was needed.

The text on agriculture proposes the establishment of a work programme on the agriculture sector under Subsidiary Body on Scientific and Technological Advice (SBSTA). The text became non-paper No. 49.

**Status of the negotiations:** Parties agreed to forward non-paper No. 49 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(v) of the BAP:** The sub-group on various approaches to enhance the cost-effectiveness of, and to promote, mitigation actions, was facilitated by Socorro Flores (Mexico). It held three informal meetings.

Parties based their discussions on non-paper No. 30, resulting from the first part of AWG-LCA 7 in Bangkok, and focused specifically on non-market-based and market-based approaches.

On non-market-based approaches, some parties questioned the proposed treatment of black carbon and biosequestration contained in the non-paper, stating that the science on these issues is still uncertain. Some parties expressed reservations with the proposal for the Montreal Protocol on Substances that Deplete the Ozone Layer to adopt measures to control hydrofluorocarbons. Parties also directed their discussions towards answering two questions, namely: how the proposals for new non-market-based approaches relate to other AWG-LCA discussions and texts; and what are the essential characteristics that should be reflected in new non-market-based approaches for agreement in Copenhagen.

On market-based approaches, issues discussed included: how private sector support under market-based approaches should relate to public sector support; whether an expectation or limit should be set for how much support for NAMAs should flow through market-based mechanisms and generate credits that developed countries can use to meet their commitments; and what are the essential characteristics that should be reflected in new market-based mechanisms. Parties addressed, *inter alia*: the importance of public and private funding; the role of markets in mitigation actions; environmental integrity and new mechanisms; striking a balance between market and non-market-based approaches; and the relationship between the Protocol's flexibility mechanisms and the proposed new mechanisms.

A new non-paper, No. 42, was issued on 6 November to reflect the discussions in Barcelona.

**Status of the negotiations:** Parties agreed to forward non-paper No. 42 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Sub-paragraph 1(b)(vi) of the BAP:** In the mitigation sub-group on response measures, Facilitator Richard Muyungi (Tanzania) noted that non-paper No. 32 prepared during the first

part of AWG-LCA in Bangkok identifies the most important issues but also contains many brackets. He suggested focusing discussions on institutional arrangements.

Some parties expressed interest in the creation of a forum to serve as a platform for discussion by parties on potential consequences. Others suggested that existing institutions may be adapted to meet this need, highlighting a work programme under the SBI. Some parties noted progress in discussion of how to operationalize the text.

A new non-paper, No. 44, was then prepared. It includes an annex on potential institutional arrangements, although some countries expressed unease with the annex. It also contains a placeholder for discussions on compensation by developed countries for damage to African and LDC economies, and the relationship of the sub-group with the issue of adaptation.

**Status of the negotiations:** Parties agreed to forward non-paper No. 44 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Finance:** The contact group on enhanced action on the provision of financial resources and investment convened in contact groups and informal sessions from 2-6 November.

Discussions focused on generation and provision of finance and institutional arrangements. During the informal group sessions, parties worked on consolidating proposals relating to governance of funds and funding mechanisms; strengthening or operationalizing the financial mechanism; the establishment of funds; the operating entity of the financial mechanism; and the governance structure of the operating entity. Textual proposals concerning the coordination and coherence of support, as well as the generation of funds, were also considered.

On *institutional arrangements*, Japan highlighted their proposal for three funds: a climate change fund to finance implementation of mitigation and adaptation activities, programmes and measures; an adaptation fund to finance adaptation projects and programmes in the most vulnerable developing countries; and a green enabling environmental fund for financing enabling environment and capacity-building activities, including the preparation of greenhouse gas inventories, national communications and national action plans on mitigation, national adaptation programmes of action and enabling activities for REDD-plus. He also highlighted a matching mechanism under the proposal.

The EU noted the need for a high-level forum or body to provide an overview of international distribution of financial flows. The US clarified aspects of their proposal for a "matching function," which would advise developing countries seeking support for mitigation and adaptation actions in order to help them "navigate the terrain of multiple funding providers." He emphasized that the function would be voluntary.

On *the generation of funds*, the EU highlighted developments since Bangkok. On the ambition level, he observed that the annual total net incremental cost of adaptation and mitigation would amount to €100 billion by 2020 with €22-50 billion coming from public sources. He emphasized the need to mobilize larger private investment flows, domestic finance and the carbon markets. He said all countries except the LDCs should contribute to international public financing, based on emission

levels and gross domestic product (GDP), and that assessed contributions would be the core of this element. India stressed that the Convention and the BAP do not provide for assessed contributions from all parties.

Parties were able to make some progress and the consolidated sections of the finance text are reflected in revised non-paper No. 54, issued on 6 November.

Non-paper No. 54 contains sections on the generation and provision of financial resources and institutional arrangements. Under public finance and assessed contribution, bracketed references are made to, *inter alia*:

- the main source of funding will be new and additional provided by developed countries listed in Annex II over and above financing provided through institutions outside the framework of the financial mechanism of the Convention;
- all parties providing, and developing countries availing themselves of, financial resources through bilateral, regional and other multilateral channels;
- both public and private finance playing a major role in the implementation of the Convention; and
- establishing a robust carbon price signal as a key means to deliver cost-effective emission reduction.

Six alternatives relate to contributions including from developed countries or all parties except LDCs. Under innovative sources of funding, various options are proposed, including: auctioning of AAUs; levies from international aviation transport; share of proceeds of CDM, Joint Implementation and emissions trading; uniform global levy on CO<sub>2</sub> emissions; and agreed penalties or fines for non-compliance with emission reduction commitments.

Under institutional arrangements, language refers to: strengthening and operationalizing the financial mechanism; the establishment of specialized funds or funding windows; the operating entity of the fund; the governance of the operating entity and developing a governance mechanism; and the use of current institutions and channels. The non-paper also contains text on defining a high-level body/forum to work under the guidance of the COP to provide an overview of international sources of finance.

**Status of the negotiations:** Parties agreed to forward non-paper No. 54 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4). Non-paper No. 34 is included in the annex of this paper and the sections and paragraphs that were not discussed at the resumed AWG-LCA 7 have the same status as the draft negotiating text in non-paper No. 54.

**Technology:** Enhanced action on the development and transfer of technology was considered in two contact groups and informal meetings from 2-6 November.

Parties focused on developing negotiable text by first conducting a final reading of non-paper No. 29, which reflects inputs from Bangkok. Discussion then moved to a paragraph-by-paragraph reading of revised non-paper No. 36, which was introduced on 3 November. During this reading, parties identified issues for further clarification and proposed language for inclusion in a subsequent non-paper, which was issued on 6 November as non-paper No. 47.

The Philippines, for the G-77/China, supported by Australia, called for discussion of objectives and scope. While Canada called for a concise outcome that includes objectives, delineation of national and international cooperative action, and institutional and financing arrangements, as key elements. The G-77/China and several other developing countries called for focus on actions that will lead to the development and transfer of adaptation technologies. Colombia and Brazil emphasized the need for a country-driven approach. Norway highlighted, *inter alia*, the need for agreement on an international action plan on technology as a strategic basis for work, as well as the role of financing for technology in relation to the overall financing architecture for mitigation and adaptation. The EU highlighted key elements for consideration, including: technology to enable mitigation and adaptation; a technology action framework; institutional arrangements for the framework comprising a technology panel or committee; and technology action plans, which the panel or committee could develop. The US clarified that their proposed climate technology hub is designed to enhance technology transfer and the Convention's implementation.

Parties discussed preambular paragraphs and options for principles. Key issues, discussed and reflected in non-paper No. 47, include: options for objectives of enhanced action on technology; the establishment of a technology mechanism; national policies and actions to support technology; and international cooperative actions to support technology development and deployment. Various options for bodies or frameworks were also considered, including: a technology action committee; a technology mechanism; a technology action framework; a technology body; a climate technology center or network; a technology development and transfer facility or hub; and an executive body on finance and technology for adaptation, as well as one on mitigation. Language on removing barriers related to Intellectual Property Rights was also addressed.

During the closing contact group meeting, parties discussed whether appendices referring to possible functions and structure of proposed institutional arrangements should be left out of non-paper No. 47.

**Status of the negotiations:** Parties agreed to forward non-paper No. 47, which supersedes non-paper No. 36, to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWGLCA/2009/L.4).

**Capacity Building:** Capacity building was considered in opening and closing contact group sessions and informal consultations throughout the week.

The contact group commenced discussions based on non-paper No. 24, prepared during the first part of AWG-LCA 7 in Bangkok. Discussions focused on the implementation of capacity building and related institutional arrangements. At the first contact group meeting, Co-Chair Børsting asked parties to consider: whether the existing arrangements for delivery of capacity-building support would be sufficient; whether new arrangements, institutions or a mechanism would be necessary; and what the mandate, functions and accountability of new institutional arrangements would be. He also said that it would be important to address how new institutional arrangements would be linked to the financial mechanism under the COP.

Calling for a focus on LDCs, SIDS and the most vulnerable countries, Bangladesh said existing arrangements for delivery were insufficient. Iran highlighted the need for financial resources for national communications, which would help build capacity. The EU said a new institution or mechanism could only be defined when new functions or emerging needs are identified as not being met by existing institutions.

Non-paper No. 40 was then prepared, incorporating discussions by parties. The Co-Chairs invited parties to participate in a small drafting group to further refine and streamline the text. Non-paper No. 46 was prepared based on the work of the drafting group. The non-paper contains sections on: the objective, guiding principles and scope of enhanced action on capacity building; implementation of capacity-building actions and related institutional arrangements, including various options for a list of action on capacity building; provision of financial resources for capacity building; and reviewing the implementation of capacity building.

**Status of the negotiations:** Parties agreed to forward non-paper No. 46 to AWG-LCA 8 as a part of an annex to the meeting's report (FCCC/AWG/LCA/2009/L.4).

**CLOSING PLENARY:** On Friday evening, the AWG-LCA closing plenary convened. Chair Zammit Cutajar explained that the six contact groups had worked "tirelessly" and that he sensed increased urgency in their work. He underlined his "firm conviction" that a strong outcome in Copenhagen can be achieved, called for flexibility in Copenhagen and emphasized that "the opportunity remains within grasp."

Chair Zammit Cutajar noted that due to time constraints, observers would not make statements, but these would be available on the Secretariat's website at: <http://unfccc.int/meetings/items/4381.php>. Underscoring the importance of the AWG-LCA's work for the delegates' "grandchildren, children and those yet to come," he said he would make one exception to allow the Youth to make a statement. The Youth urged avoiding scientific and political "tipping points of no return," stressed Copenhagen as the "last opportunity to solve the climate crisis" and called on parties to "take the brackets off our future."

Parties then made closing statements. Sudan, for the G-77/China, underscored the UNFCCC as the sole legitimate forum for these negotiations and denounced all means that would place the determination of the agreed outcome in Copenhagen in the hands of a few countries. He expressed concern at attempts to diminish the level of ambition and stressed the need to proceed on two parallel tracks without "exporting" vital parts of the Kyoto Protocol into the Convention track, denying historical responsibilities or weakening the Convention, particularly the principle of common but differentiated responsibilities. On the Copenhagen outcome, he called for agreement on ambitious emission reduction targets by developed countries that are not Protocol parties and on the delivery of means of implementation. He identified the need for: a financial mechanism under the authority of the COP to implement financing commitments; an effective mechanism for technology transfer; and institutional arrangement to deliver finance for the implementation of adaptation actions.

Grenada, for AOSIS, stressed significant action by AOSIS members and other developing countries to adapt to the impacts of climate change without support. She highlighted that AOSIS will not go to Copenhagen "just to reaffirm the status quo" and stressed that there are no legal impediments for concluding work in Copenhagen. She opposed "weak political solutions," stressing that AOSIS is not prepared to wait and gamble with the safety and livelihoods of their people, and called for a legally-binding outcome in Copenhagen.

Algeria, for the African Group, noted the imbalance in progress on mitigation by developed countries under sub-paragraph 1(b)(i) of the BAP and mitigation by developing countries under sub-paragraph 1(b)(ii), calling for legally-binding commitments from developed countries that are not parties to the Protocol. He emphasized that it will be possible to achieve a legally-binding outcome in Copenhagen but that political will be needed and that a legally-binding outcome under the AWG-KP will be required for a legally-binding outcome under the AWG-LCA.

Lesotho, for the LDCs, highlighted that parties must agree on a legally-binding agreement in Copenhagen. He noted that long-term financing, capacity building and technology transfer are matters of survival for the LDCs.

Australia, for the Umbrella Group, noted the progress made at the Barcelona meeting, saying that text had been streamlined and clarified. She highlighted that Copenhagen should result in a robust and comprehensive legally-binding outcome, which includes maximum possible global emission reductions.

Switzerland, for the Environmental Integrity Group, lamented that "very little" progress had been made during the week and called for focusing on the most crucial issues early in Copenhagen to provide solid negotiating text for political leaders.

Sweden, for the EU, underlined that in Copenhagen parties have to reach a legally-binding agreement that includes all nations, embraces the target of limiting temperature increase to below 2°C, sets out ambitious emission reduction targets and scales up public and private finance. Noting that failure is not an option, he said that reaching a legally-binding agreement may be difficult in Copenhagen because of limited time remaining and stated that in that case, work needs to be continued afterwards.

China stressed that Copenhagen must become a success and called for a focus on the mandate and essentials of the BAP. He also noted China's proactive role in addressing climate change and called on developed countries to "catch up" with developing countries. Bolivia called for financing and technology transfer for adaptation in developing countries and highlighted the need to consider indigenous peoples.

The US expressed optimism based on: an agreed objective by parties; steps by major players to make near-term contributions; advancement of negotiations on institutions for financing; and sustained engagement by international leaders. Canada underscored the need for collaboration to reach a legally-binding agreement in Copenhagen. Norway said that a political decision from Copenhagen should include a pathway to reach a legally-binding agreement. Japan underlined useful and intensive discussions in Barcelona, but said there are fundamental

differences remaining. He stressed the need to establish a fair and effective single instrument in the post-2012 period and highlighted Japan's proposals on finance and technology.

Tanzania said they would provide a document to be considered with non-paper No. 39 on REDD-plus and called for a fair, equitable and just deal driven by science and the provisions of the Convention. Egypt called for the outcomes of Copenhagen to be: consistent with the Convention and the BAP; address all the elements of the BAP; and not weaken the distinction between developed and developing countries. Senegal highlighted the importance of local and sub-national governments in the text on a shared vision for long-term cooperative action. Pakistan highlighted the importance of dealing with institutional arrangements on finance, on comparability of arrangements, and on technology transfer.

Bangladesh called for assurance of delivery of support and finance, as well as technology transfer and capacity building. He urged parties to strengthen their commitment to complete their tasks and not defer them. India said parties must guard against a weak, declaratory outcome from Copenhagen to form the basis of future work. Supported by Qatar, he stressed that the UNFCCC must continue to remain the foundation for climate change action.

Turkey called for recognition of decision 26/CP.7 (amendment to Annex II of the Convention) and said his country should be differentiated from other Annex I countries. He said Turkey wants to undertake voluntary mitigation actions within the context of international efforts to combat climate change, and that NAMAs are the suitable framework for Turkey to undertake such actions. South Africa supported the African Group's rejection of a weak outcome in Copenhagen in the nature of a political declaration, and called for a legally-binding two-track outcome. She stressed that the annex to document FCCC/AWGLCA/2009/L.4 is not a basis for negotiations, but only documentation to facilitate negotiations. She underlined that there was no agreement on the organization of the text in the annex.

Parties then adopted the meeting's report (FCCC/AWGLCA/2009/L.4). Chair Zammit Cutajar noted that the report will contain a substantive annex with the non-papers, urged parties to "remove brackets from around our future" in Copenhagen and closed the meeting at 9:05 pm.

## A BRIEF ANALYSIS OF AWG-LCA 7 AND AWG-KP 9

### "APPROACHING JUDGMENT DAY"

As the Barcelona Climate Change Talks drew to a close on Friday, 6 November, just 30 days remained before Copenhagen. With this impending deadline and zero negotiating days left, negotiators, NGOs, the media and other climate trackers were looking towards one of the most-anticipated international conferences in recent memory.

The negotiations are taking place against the backdrop of unprecedented global attention and intense media coverage on climate change from the highest political echelons right down to the man on the street. The world's leaders have also emphasized

their commitment to a successful outcome in Copenhagen, and roughly 40 heads of state and government are expected to attend the conference. Yet, in recent months, expectations for Copenhagen have been increasingly downplayed, with many leaders and other pundits publicly voicing that the prospect of Copenhagen delivering a legally-binding outcome is extremely slim. Many felt that the Barcelona meeting amplified these sentiments, as well as divergent interests, polarization, frustration and mistrust between developed and developing countries. Against this backdrop, this analysis will focus specifically on the prospects and possible alternatives for a Copenhagen outcome.

### DEFLATING COPENHAGEN?

The goal of the resumed seventh session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the UNFCCC (AWG-LCA) in Barcelona was to come up with streamlined negotiating text and identify clear alternatives that would shape and generate momentum for an agreed outcome in Copenhagen, as envisaged in the Bali Action Plan (BAP). Many also hoped that the pace of negotiations would accelerate on the key elements of the BAP, namely: mitigation, adaptation, finance, technology and capacity building, as well as a shared vision for long-term cooperative action. However, at the close of the meeting, views on movement varied and progress under the different building blocks was described by many as uneven. While some contact groups were able to streamline and consolidate options, others saw very little change between text coming into and text going out of Barcelona. Indeed, many delegates admitted that "we could be doing better." Acknowledging the enormity of work remaining, some felt that Barcelona clarified a set of choices, and progressed in discussing more of what countries "need" rather than what they "want," enabling the "contours" of a potential outcome in Copenhagen to emerge.

Under the *Ad Hoc* Working Group on further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP), the plan was to further streamline text and provide clear options on issues such as the flexibility mechanisms and LULUCF. In particular, many were urging progress on "numbers" – the scale of Annex I parties' aggregate and individual emission reduction targets – which, according to the work programme, should have been adopted at AWG-KP 7 in March 2009 and AWG-KP 8 in June 2009, respectively. However, coming into Barcelona, few realistically expected this to happen, although many did continue to hold out hope for a radical change from previous sessions. Many developing countries and environmental NGOs called for Annex I parties to scale up their emission reduction pledges in order to bridge the gap between the pledges on the table and what the science requires to prevent dangerous climate change. Developed countries, however, continued to stress the need to reach agreement on the means to reach emission reduction targets, including the flexibility mechanisms as well as land use, land-use change and forestry (LULUCF), before finalizing the numbers. They also emphasized the need to consider mitigation in a broader context, saying that agreement on their new commitments under the Protocol without the US and major developing countries will not be enough to meet the demands of science.

This led to a standoff, with the African Group calling for a suspension of work in other AWG-KP contact groups until the numbers group completed its work. Some acknowledged that it did give the issue increased political visibility and it certainly brought about increased press coverage during the week. Others, however, questioned the African Group's tactics, noting that this did not result in a noticeable change in the Barcelona outcome.

### **SCENARIOS, VISIONS AND OPTIONS FOR COPENHAGEN**

The mood at the Barcelona talks were dampened by statements by AWG-LCA Chair Michael Zammit Cutajar during the meeting that Copenhagen would not result in a legally-binding agreement, but instead in a series of COP decisions. This statement also echoed views expressed recently by senior UN officials, including UNFCCC Executive Secretary Yvo de Boer on the sidelines of the Major Economies Forum on Energy and Climate in October, and also during the Barcelona meeting. Furthermore, while delegates hunkered down in Barcelona, UN Secretary-General Ban Ki-moon, after talks with British Prime Minister Gordon Brown in London, said he no longer expects a legally-binding outcome in Copenhagen.

For some, these high-level figures were only vocalizing what many had already gleaned from the pace of negotiations throughout 2009. As one veteran negotiator said, "I knew it was coming, but it is still so disheartening to have it spelled out in black and white." In this vein, some are now starting to look beyond Copenhagen to see whether, how and when a strong political deal from Copenhagen could be turned into a legally-binding instrument. "My best-case scenario is there will be money on the table and a strong political agreement on mitigation in Copenhagen, and then a COP 15 *bis* during the first half of 2010 to make the outcome legally-binding," strategized one developed country negotiator.

However, not everyone was prepared to give up on a Copenhagen outcome. Several delegates vowed not to accept a "greenwash deal," and said they would hold out for a legally-binding outcome in Copenhagen. Some of them expressed optimism that high-level political impetus from processes external to the UNFCCC would help "seal the deal." For others, even a "complete failure" at Copenhagen would be better than a bad, watered-down deal, in order to ensure continuing political momentum into 2010 to secure a legally-binding outcome.

Overall, one month before Copenhagen, several scenarios exist for the negotiations, possible outcomes and the way forward. One of the reasons is that the BAP was ambiguously formulated and just refers to an agreed outcome and adopting a decision at COP 15, and is silent on the form of the outcome, whether legally-binding or not. To be sure, a number of visions continue to exist on the legal design of the post-2012 climate regime. Where most developing countries do agree is that the AWG-KP track should result in a separate legally-binding outcome, taking the form of an amendment to the Protocol to define Annex I parties' targets beyond the first commitment period. There are, however, differing views among developing countries about whether the AWG-LCA outcome should be legally-binding: some major developing countries prefer to maintain a "firewall" between mitigation by developed and

developing countries, thus arguing that the outcome should be expressed by having a COP decision. At the same time, many smaller and more vulnerable developing countries are calling for a new protocol to complement the Kyoto Protocol. In contrast, several developed countries, including the EU, Japan, Australia and New Zealand, have expressed preference for a single agreement as the combined outcome from both AWGs, within which all developed countries, together with major emitting developing countries, take on mitigation commitments or actions.

While many acknowledged that an emission reduction target from the US in Copenhagen would deliver a critical signal to the international process and enable others to move ahead, the US has yet to confirm whether they will be in a position to put numbers on the table in Copenhagen without further advancement of the climate legislation currently being considered by the Senate.

Many of those suspecting that a legally-binding outcome in Copenhagen is no longer possible think that a "plan B" could comprise an umbrella COP decision, setting out emission reduction targets for industrialized countries and deciding what actions major developing countries should take to reduce the growth of their emissions within the context of a global long-term goal for cutting emissions. Many also argue that this comprehensive decision should also give the AWG-LCA a new mandate to fill in the technical details and a timeline to turn the outcome into a legally-binding instrument at COP 15 *bis* or COP 16. Additionally, a series of COP 15 decisions on finance, technology and adaptation could be adopted, ostensibly to launch immediate action especially to jump-start funding.

One of the scenarios, albeit a highly controversial one, also envisages suspending the AWG-KP in Copenhagen and continuing negotiations only under the Convention track. This option would leave the possibility of reactivating the Protocol if required, to get developing country buy-in and leave open the possibility of reverting to the Protocol if the negotiations under the Convention then prove unsatisfactory. Many speculate that in order for this to be palatable to developing countries, they would have to be given assurances that the provisions of the Protocol would be transplanted into the new agreement without opening up the Protocol for renegotiation. The Protocol could then be used during the interim before an agreement is finalized to avoid a gap between the commitment periods. Or as Executive Secretary de Boer put it in a press conference: "You don't throw out your old shoes until you have new ones."

### **REMOVING THE BRACKETS**

Whatever the shape or form of the Copenhagen outcome, success can also be measured in terms of the clarity provided on the four political deliverables that have been restated by the UNFCCC Executive Secretary Yvo de Boer on many occasions: ambitious emission reduction targets by industrialized countries; clarity on the scope and scale of NAMAs by developing countries; significantly increased financial and technology support for both mitigation and adaptation actions in developing countries; and an equitable governance structure to manage that support.

The run-up to Copenhagen will bear witness to a plethora of informal high-level political engagements, including a G-20 meeting and a meeting of vulnerable countries in the Maldives, during which the basics of an acceptable outcome could be worked out. On 16-17 November, the Danish climate and energy minister will meet with ministers from a number of states as part of a “pre-COP.” So while doubts remain about the prospects of a legally-binding instrument, there are still more than 30 days in which governments can reach a deal in Copenhagen, and as a negotiator noted, “it’s not over until it’s over.”

In the midst of this frenzy of climate activity in the lead-up to Copenhagen, and the multitude of technically and politically complicated issues on the table, it may be useful to take a step back and reflect on the ultimate objective of the negotiations and on “what the atmosphere sees.” From this perspective, the major indicator of success in Copenhagen is an outcome that ensures that what the atmosphere actually sees is a reduction in greenhouse gas emissions to a level that will prevent dangerous human interference with the climate system.

### UPCOMING MEETINGS

#### THE GLOBAL ENVIRONMENT FACILITY (GEF)

**COUNCIL MEETING:** This meeting will take place from 10-13 November 2009, in Washington, DC, US. The GEF Council Meeting will develop, adopt and evaluate GEF programmes. For more information, contact: GEF Secretariat; tel: +1-202-473-0508; fax: +1-202-522-3240/3245; e-mail: [secretariat@thegef.org](mailto:secretariat@thegef.org); internet: <http://www.thegef.org/>

#### CONFERENCE ON AVIATION AND ALTERNATIVE

**FUELS:** This conference is organized by the International Civil Aviation Organization and will take place from 16-18 November 2009 in Rio de Janeiro, Brazil. This conference will showcase the state of the art in alternative aviation fuels and potential implementation. For more information, contact: ICAO Air Transport Bureau; tel: +1-514-954-8219, ext. 6321; e-mail: [envcaaf@icao.int](mailto:envcaaf@icao.int); internet: <http://www.icao.int/CAAF2009/>

#### SEVENTH WORLD FORUM OF SUSTAINABLE

**DEVELOPMENT: PARIS 2009:** This conference will take place from 19-20 November 2009 in Paris, France. The theme is “The new world order: after Kyoto and before Copenhagen.” For more information, contact: Passages-ADAPes; tel: +33-01-43-25-2357; fax: +33-01-43-25-6365 /6259; e-mail: [Passages4@wanadoo.fr](mailto:Passages4@wanadoo.fr); internet: [http://www.fmdd.fr/english\\_version.html](http://www.fmdd.fr/english_version.html)

#### SECOND WORKSHOP ON ENERGY EFFICIENCY

**IN HOUSING:** This workshop will take place from 23-25 November 2009 in Vienna, Austria. Results of the workshop and the related measures presented will feed into and contribute to the development of the Action Plan for Energy Efficient Housing, to be developed under the UN Economic Commission for Europe. For more information, contact: Paola Deda, Secretary to the Committee on Housing and Land Management, UNECE; tel: +41-22-917-2553, fax: +41-22-917-0107, e-mail: [paola.deda@unece.org](mailto:paola.deda@unece.org); internet: <http://www.energy-housing.net>

#### UNFCCC COP 15 AND KYOTO PROTOCOL COP/

**MOP 5:** The fifteenth Conference of the Parties to the UNFCCC and fifth Meeting of the Parties to the Kyoto Protocol will take place from 7-18 December 2009 in Copenhagen, Denmark.

These meetings will coincide with the 31st meetings of the UNFCCC’s Subsidiary Bodies. Under the “roadmap” agreed at the UN Climate Change Conference in Bali in December 2007, COP 15 and COP/MOP 5 are expected to finalize an agreement on a framework for combating climate change post-2012 (when the Kyoto Protocol’s first commitment period ends). For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: [secretariat@unfccc.int](mailto:secretariat@unfccc.int); internet: <http://unfccc.int/>

### GLOSSARY

AAU	Assigned Amount Unit
AOSIS	Alliance of Small Island States
AWG-LCA	<i>Ad Hoc</i> Working Group on Long-term Cooperative Action under the UNFCCC
AWG-KP	<i>Ad Hoc</i> Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
BAP	Bali Action Plan
CDM	Clean Development Mechanism
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the Meeting of the Parties
GHG	Greenhouse Gases
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least Developed Countries
LULUCF	Land use, land-use change and forestry
MEF	Major Economies Forum on Energy and Climate
MRV	Monitoring, reporting and verification
NAMAs	Nationally appropriate mitigation actions
QELROs	Quantified emission limitation and reduction objectives
REDD-plus	Reducing deforestation and forest degradation in developing countries; conservation, sustainable management of forests and enhancement of forest carbon stocks
SIDS	Small island developing states
SBI	Subsidiary Body on Implementation
SBSTA	Subsidiary Body on Scientific and Technological Advice
UNFCCC	United Nations Framework Convention on Climate Change