

**SUMMARY OF THE DURBAN CLIMATE CHANGE CONFERENCE:  
28 NOVEMBER - 11 DECEMBER 2011**

The United Nations Climate Change Conference in Durban, South Africa, was held from 28 November - 11 December 2011. The conference involved a series of events, including the seventeenth session of the Conference of the Parties (COP 17) to the UN Framework Convention on Climate Change (UNFCCC) and the seventh meeting of the Conference of the Parties serving as the Meeting of Parties to the Kyoto Protocol (CMP 7).

In support of these two main bodies, four other bodies convened: the resumed 14th session of the *Ad hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA); the resumed 16th session of the *Ad hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP); and the 35th sessions of the Subsidiary Body for Implementation (SBI) and the Subsidiary Body for Scientific and Technological Advice (SBSTA).

The Conference drew over 12,480 participants, including over 5400 government officials, 5800 representatives of UN bodies and agencies, intergovernmental organizations and civil society organizations, and more than 1200 members of the media.

The meetings resulted in the adoption of 19 COP decisions and 17 CMP decisions and the approval of a number of conclusions by the subsidiary bodies. These outcomes cover a wide range of topics, notably the establishment of a second commitment period under the Kyoto Protocol, a decision on long-term cooperative action under the Convention, the launch of a new process towards an agreed outcome with legal force applicable to all parties to the Convention, and the operationalization of the Green Climate Fund.

After the frustrations at the Copenhagen conference and the struggle to rescue the multilateral climate regime in Cancun, negotiators in Durban turned a corner and not only resuscitated the Kyoto Protocol but, in doing so, adopted a decision that will lead to negotiations on a more inclusive 21st century climate regime. There was a strong sense that elements of the Durban package, guided by a need to fulfill long overdue commitments that go back to the Bali Roadmap, restored sufficient momentum for a new negotiation process, one that will continue to witness a

series of differentiated interests across and within the traditional lines of division between developed and developing countries. Many welcomed the adoption decisions including on the Green Climate Fund, and the Durban Platform, as well as the process to launch an agreement with legal force, while others continued to insist on the urgent need to significantly scale up the level of ambition to address the gap between existing mitigation pledges and the needed emission reductions recommended by science.

This report summarizes the discussions, decisions and conclusions based on the agendas of the COP, CMP and the subsidiary bodies.

**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. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid “dangerous

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anthropogenic interference” with the climate system. The Convention, which entered into force on 21 March 1994, now has 195 parties.

In December 1997, delegates to the third session of the Conference of the Parties (COP) 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 as Annex I parties under the UNFCCC, 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 193 parties.

At the end of 2005, the first steps were taken to consider long-term issues. Convening in Montreal, Canada, the first session of the CMP decided to establish 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. COP 11 agreed 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 CMP 3 took place in December 2007 in Bali, Indonesia. Negotiations resulted in the adoption of the Bali Action Plan. Parties established the AWG-LCA with a mandate to focus on key elements of long-term cooperation identified during the Convention Dialogue: mitigation, adaptation, finance, technology and a shared vision for long-term cooperative action. The Bali conference also resulted in agreement on the Bali Roadmap. Based on two negotiating tracks under the Convention and the Protocol, the Roadmap set a deadline for concluding the negotiations in Copenhagen in December 2009.

**COPENHAGEN CLIMATE CHANGE CONFERENCE:** The UN Climate Change Conference in Copenhagen, Denmark, took place in December 2009. The event was marked by disputes over transparency and process. During the high-level segment, informal negotiations took place in a group consisting of major economies and representatives of regional and other negotiating groups. Late in the evening of 18 December, these talks resulted in a political agreement: the “Copenhagen Accord,” which was then presented to the COP plenary for adoption. Over the next 13 hours, delegates debated the Accord. Many supported adopting it as a step towards securing a “better” future agreement. However, some developing countries opposed the Accord, which they felt had been reached through an “untransparent” and “undemocratic” negotiating process. Ultimately, the COP agreed to “take note” of the Copenhagen Accord. It established a process for parties to indicate their support for the Accord and, during 2010, over 140 countries did so. More than 80 countries also provided information on their national emission reduction targets and other mitigation actions.

On the last day of the Copenhagen Climate Change Conference, parties also agreed to extend the mandates of the AWG-LCA and AWG-KP, requesting them to present their respective outcomes to COP 16 and COP/MOP 6.

#### **CANCUN CLIMATE CHANGE CONFERENCE:**

Following four preparatory meetings in 2010, the UN Climate Change Conference in Cancun, Mexico, took place from 29 November to 11 December 2010. By the end of the conference, parties had finalized the Cancun Agreements, which include decisions under both negotiating tracks. Under the Convention track, Decision 1/CP.16 recognized the need for deep cuts in global emissions in order to limit global average temperature rise to 2°C. Parties also agreed to consider strengthening the global long-term goal during a review by 2015, including in relation to a proposed 1.5°C target. They took note of emission reduction targets and nationally appropriate mitigation actions (NAMAs) communicated by developed and developing countries, respectively (FCCC/SB/2011/INF.1/Rev.1 and FCCC/AWGLCA/2011/INF.1, both issued after Cancun). Decision 1/CP.16 also addressed other aspects of mitigation, such as measuring, reporting and verification (MRV); reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+).

Parties also agreed to establish several new institutions and processes, such as the Cancun Adaptation Framework and the Adaptation Committee, as well as the Technology Mechanism, which includes the Technology Executive Committee (TEC) and the Climate Technology Centre and Network (CTCN). On finance, Decision 1/CP.16 created the Green Climate Fund (GCF), which was designated to be the new operating entity of the Convention’s financial mechanism and is to be governed by a board of 24 members. Parties agreed to set up a Transitional Committee tasked with the Fund’s detailed design, and established a Standing Committee to assist the COP with respect to the financial mechanism. They also recognized the commitment by developed countries to provide US\$30 billion of fast-start finance in 2010-2012, and to jointly mobilize US\$100 billion per year by 2020.

Under the Protocol track, Decision 1/CMP.6 included agreement to complete the work of the AWG-KP and have the results adopted by the CMP as soon as possible and in time to ensure there will be no gap between the first and second commitment periods. The CMP urged Annex I parties to raise the level of ambition of their emission reduction targets with a view to achieving aggregate emission reductions consistent with the range identified in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). Parties also adopted Decision 2/CMP.6 on land use, land-use change and forestry (LULUCF).

The mandates of the two AWGs were extended to the UN Climate Change Conference in Durban.

**UN CLIMATE CHANGE TALKS IN 2011:** In 2011, three official UNFCCC negotiating sessions were held in the lead-up to Durban. In April, the two AWGs convened in Bangkok, Thailand. The AWG-LCA engaged in procedural discussions on its agenda, finally agreeing on an agenda for its subsequent work. Under the AWG-KP, parties focused on key policy issues hindering progress.

Two months later, negotiators gathered in Bonn, Germany, for sessions of the SBI, SBSTA, AWG-LCA and AWG-KP. SBSTA agreed to a new agenda item on impacts of climate

change on water and integrated water resources management under the Nairobi Work Programme. No agreement was reached on other proposed new items, such as blue carbon and rights of nature and the integrity of ecosystems, and a work programme on agriculture. Under the SBI, work was launched on national adaptation plans, and loss and damage, as mandated by the Cancun Agreements. The agenda item relating to MRV remained in abeyance. Proposed new items related to the impacts of the implementation of response measures also featured prominently.

The focus of the AWG-KP in Bonn was on outstanding political issues and conditionalities set by various Annex I countries for taking on new commitments during a second commitment period. Despite initial opposition from developing countries, parties also undertook technical work, including on LULUCF, the flexibility mechanisms and methodological issues. Under the AWG-LCA, substantive work began based on Decision 1/CP.16. Parties worked on adaptation, finance, technology, capacity building, shared vision, review of the global long-term goal, legal options, and diverse issues related to mitigation. Parties agreed that notes prepared by the facilitators of the AWG-LCA informal groups be carried forward to the third part of AWG-LCA 14 in Panama. While progress was reported on some issues, many felt that the outcomes were relatively modest.

The AWG-LCA and AWG-KP reconvened from 1-7 October 2011 in Panama City, Panama. The AWG-KP concentrated on outstanding issues and further clarifying options concerning mitigation targets, the possible nature and content of rules for a second commitment period, and the role of a possible second commitment period within a balanced outcome in Durban. Under the AWG-LCA, negotiators engaged in extended procedural discussions based on Decision 1/CP.16 and the Bali Action Plan. Parties worked on adaptation, finance, technology, capacity building, shared vision, review of the global long-term goal, legal options, and diverse issues related to mitigation. The outcome for most of the informal group discussions was some “form of text” forwarded to Durban as a basis for further discussions.

### UNFCCC COP 17

The United Nations Climate Change Conference in Durban, South Africa, opened on Monday morning, 28 November 2011. Following a welcoming ceremony attended by South African President Jacob Zuma and other high-level dignitaries, delegates gathered for the opening plenary meetings of the COP, CMP, SBI and SBSTA. COP 16 President Patricia Espinosa, Minister of Foreign Affairs, Mexico, urged delegates to agree on, *inter alia*, full implementation of the Cancun Agreements, capitalizing the Green Climate Fund, and the future of the Kyoto Protocol, reaffirming the relevance of a rules-based system.

UNFCCC Executive Secretary Christiana Figueres stressed that two decisive steps must be taken in Durban: tasks from COP 16 must be completed and key political questions from Cancun answered. She highlighted launching the Adaptation Committee, operationalizing the Technology Mechanism in 2012, approving the Green Climate Fund (GCF), and providing more clarity on fast-start finance. She stressed the need for a fair and responsible process towards a multilateral rules-based system under the Convention.

Vice-President of Angola, Fernando de Piedade Dias dos Santos, representing the Southern African Development Community, stated that the Kyoto Protocol is the only suitable tool that can enable the international community to remain committed to reducing greenhouse gas emissions.

President of Chad, Idriss Déby Itno, representing the Economic Community of Central African States, said Africa needs the resources to mitigate and adapt to climate change.

Jacob Zuma, President of South Africa, emphasized the need for a balanced, fair and credible outcome in Durban. He highlighted the responsibility of affirming the multilateral rules-based system anchored by the Kyoto Protocol, as well as the need to provide funding to address climate change impacts by operationalizing the Green Climate Fund.

Delegates observed a minute of silence to honor SBSTA Chair Mama Konaté of Mali, who had recently passed away and had been a key actor in the climate change process for many years.

Maite Nkoana-Mashabane, South Africa’s Minister of International Relations and Cooperation, was elected COP 17 and CMP 7 President by acclamation. She said negotiations and outcomes in Durban should be transparent, inclusive, fair and equitable. She called for progress on key issues, such as legal options and the Green Climate Fund.

During opening statements, Argentina, for the Group of 77 and China (G-77/China), supported a second commitment period under the Kyoto Protocol as part of a balanced and comprehensive outcome for Durban, saying the Cancun Agreements should be fully operationalized. Australia, for the Umbrella Group, supported a transition towards a climate change framework including all major economies, taking into account countries’ respective capabilities. The European Union (EU) said Durban should address the gap in the level of ambition, a common international accounting system, and a process to deliver a new global comprehensive legally-binding framework to be completed by 2015.

Switzerland, for the Environmental Integrity Group (EIG), outlined three important steps for Durban: agreeing on key elements of an international regime after 2012; launching a process to further strengthen the regime in the mid-term; and agreeing on the key elements of a shared vision, including a long-term global goal for emission reductions and a date for peaking of global emissions.

Grenada, for the Alliance of Small Island States (AOSIS), supported: a process to scale up the ambition of mitigation pledges; a second commitment period; a Durban mandate for a legally-binding agreement in accordance with the Bali Action Plan; operationalizing the new institutions established in Cancun; and reviewing the adequacy of the long-term global goal for emission reductions.

Youth said Durban should not be the “burying ground for the Kyoto Protocol.”

**ORGANIZATIONAL MATTERS:** COP President Nkoana-Mashabane reminded parties of the practice since COP 1 of applying the draft rules of procedure (FCCC/CP/1996/2) with the exception of draft rule 42 on voting, which has remained unresolved since COP 1. Papua New Guinea expressed concerns, suggesting that lack of agreement on voting can mean “lowest common denominator” outcomes. Further consultations were held during COP 17. On Friday, 9 December, COP Vice-Chair

Andrej Kranjc (Slovenia) reported that no consensus was reached on this matter. Parties agreed that informal consultations would continue and agreed to apply provisionally the rules of procedure without rule 42.

The COP closing plenary also approved the credentials of parties' representatives (FCCC/CP/2011/L.10).

**Adoption of the agenda:** On 28 November, parties agreed to proceed with their work based on the provisional agenda (FCCC/CP/2011/1) with a view to its formal adoption at a later stage following informal consultations on three agenda items proposed by India (on accelerated access to critical technologies, equitable access to sustainable development and unilateral trade measures). Singapore expressed concern over this procedure, noting that it could open the door to more agenda items and make the workload unmanageable. Syria supported having discussions on India's proposals. The agenda was discussed during the week in informal consultations.

On 9 December, the COP's evening plenary considered the adoption of the agenda (FCCC/CP/2011/1). Vice-Chair Kranjc reported on consultations by the COP President regarding the three agenda items proposed by India. He said an agreement had been reached to consider the issue of equitable access to sustainable development through a workshop under a relevant agenda item. India requested that the body to hold the workshop be identified, while Australia said agreement was to bring back this item under a relevant agenda item, but not to identify the body at this COP. The President noted both comments in the report, and the COP then adopted the agenda for the meeting without items 11, 12 and 13 (proposals by India), as well as holding in abeyance the item on the second review of Convention Articles 4.2(a) and 4.2(b) (policies and measures on emissions and removals from sinks), as has been the practice since COP 4.

**Election of officers:** On Sunday, 11 December, the COP elected: Artur Runge-Metzger (Germany) as Vice President, Phillip Muller (Marshall Islands) as Vice President, Richard Muyungi (Tanzania) as SBSTA Chair, and Andrej Kranjc (Slovenia) as rapporteur. He said there were ongoing consultations on other nominations and noted once such nominations from regional groups are received, they will be deemed elected at COP 17.

Regarding SBI, the COP elected Kishan Kumarsingh (Trinidad and Tobago) as SBI Chair, Narcis Paulin Jeler (Romania) as SBI Vice-Chair and Petrus Muteyauli (Namibia) as SBI Rapporteur.

On AWG-LCA officers, the COP elected Aysar Ahmed Al Tayeb (Saudi Arabia) as Chair, Marc Pallemmaerts (Belgium) as Vice-Chair, and Valeria Gonzalez Posse (Argentina) as Rapporteur. The AWG KP officers remain same, except for the election of AWG-KP Vice-Chair Yukka Uosukainen (Finland).

**Dates and venues of future sessions:** On Sunday, 11 December the COP adopted a decision on the date and venue of future sessions (FCCC/CP/2011/L.4). The decision accepts the offer of Qatar to host COP 18 in Doha from 26 November - 7 December 2012. Qatar said his government will spare no efforts to ensure its success. The Republic of Korea said that, following lengthy discussions, his country would host the pre-COP

ministerial meeting. The COP President also confirmed that COP 19 will be in Eastern Europe and no offers have been received to date.

#### **PROPOSALS UNDER CONVENTION ARTICLE 17**

The COP plenary addressed this issue on 30 November. Parties noted proposals by Japan, Tuvalu, the US, Australia, Costa Rica and Grenada. Parties agreed to leave the issue open pending an outcome from the AWG-LCA consideration of legal options in its work. On Sunday, 11 December, during the closing plenary, the COP agreed that the item will be included in the provisional agenda of COP 18.

#### **PROPOSALS FOR AMENDMENTS TO THE CONVENTION UNDER ARTICLES 15 AND 16.**

**PROPOSAL BY MEXICO AND PAPUA NEW GUINEA ON VOTING:** This item was first considered during the COP plenary on 30 November. Mexico, supported by Colombia and others, introduced a proposal to allow a "last resort" vote in cases when every effort to reach consensus has failed on issues that carry broad support. Parties also discussed the matter during the week. He explained that this was in order to avoid "paralysis." Bolivia, Venezuela and Saudi Arabia said they could only support a consensus approach. Informal consultations were convened on this issue.

During informal consultations, many spoke in favor of this proposal stating it would improve the effectiveness of the Convention, including Costa Rica, Colombia, Guyana, Suriname and the EU. Saudi Arabia, Bolivia and Venezuela opposed any change to the consensus rule. During the COP 17 closing plenary, Mexico expressed satisfaction with the interest generated, noting that a revised version of the proposal had been introduced. Parties agreed to include the item on the provisional agenda for COP 18.

#### **PROPOSAL BY THE RUSSIAN FEDERATION TO AMEND CONVENTION ARTICLE 4.2 (COMMITMENTS):**

This item was first considered during the COP plenary on 30 November. The Russian Federation explained the need for periodic review of the list of countries in Annexes I and II. Belarus, Ukraine and Kazakhstan supported this proposal, while Saudi Arabia opposed it. Informal consultations facilitated by Amb. Javier Diaz (Costa Rica) were held. During the closing plenary, the Russian Federation sought clarification on the status of the proposal. COP President Nkoana-Mashabane observed that constructive discussions had been held on legal, political and other implications of the proposal, noting that additional time is required to consider the proposal. Parties agreed to include the item on the provisional agenda for COP 18.

#### **PROPOSAL FROM CYPRUS AND THE EU TO AMEND ANNEX I TO THE CONVENTION:**

Informal consultations were facilitated by Amb. Javier Diaz on a joint proposal from Cyprus and the EU to amend Annex I to the Convention to include Cyprus. On Sunday, 11 December the COP adopted a decision to include Cyprus in Annex I of the Convention.

**COP Decision:** The decision (FCCC/CP/2011/L.2) amends Annex I to the Convention to include Cyprus.

## **TECHNOLOGY EXECUTIVE COMMITTEE – MODALITIES AND PROCEDURES**

On 28 November, SBSTA addressed this issue, pursuant to Decision 1/CP.16 to establish a Technology Mechanism comprising a Technology Executive Committee (TEC) and a Climate Technology Centre and Network (CTCN), and decided to establish a contact group chaired by Carlos Fuller (Belize) and Zitouni Ould-Dada (UK). Delegates considered a report from the TEC (FCCC/CP/2011/8). TEC Chair Gabriel Blanco (Argentina) presented a draft decision text for comment. The G-77/China called for the term of the TEC to be extended by one year and for the adoption of modalities and procedures as soon as possible. On 3 December, SBSTA adopted a draft decision, which was confirmed by the COP on 9 December.

**COP Decision:** The decision (FCCC/CP/2011/L.3) recalls Decision 1/CP.16 on the establishment of a Technology Mechanism, comprising a Technology Executive Committee and a Climate Technology Centre and Network to enhance action on technology development and transfer. It welcomes the report of the TEC (FCCC/CP/2011/8) and adopts the modalities and rules of procedure as contained in Annexes 1 and 2.

The modalities include: analysis and synthesis; policy recommendations; facilitation; linkage with other institutional arrangements; engagement with stakeholders; and information and knowledge sharing. The decision requests the TEC to further elaborate its modalities for consideration by COP 18 on linkage with other institutions.

## **GREEN CLIMATE FUND – REPORT OF THE TRANSITIONAL COMMITTEE**

This item was considered in open-ended informal consultations presided over by COP President Nkoana-Mashabane. It was also the subject of high-level ministerial consultations. Informal consultations, facilitated by Zaheer Fakir (South Africa) on behalf of the COP 17 Presidency, also took place. The main issues for parties were: legal status; relationship to the COP; the role of private sector financing; establishing the Board; and elaborating a process to establish an interim secretariat to support the Board.

On 30 November, Transitional Committee Co-Chair Trevor Manuel (South Africa) presented the Committee's report, which includes the GCF's draft governing instrument. He explained that the report aims to present a middle ground as the basis for launching the GCF in Durban. The EIG and the African Group welcomed the report. The EU observed that the draft governing instrument is a compromise but agreement should be reached on it as part of a balanced package, and further discussions would be counterproductive. Zambia, for the Least Developed Countries (LDCs), said the draft governing instrument provides sufficient basis for a financial institutional arrangement. The Philippines, for the G-77/China, said the GCF is a crucial element of the solution. Barbados, for AOSIS, stressed that operationalizing the GCF cannot be delayed in spite of its shortcomings, which include lack of a dedicated small island developing states (SIDS) and LDC funding window, and the lack of provision for a replenishment process. He said the GCF should not be an empty shell. Venezuela, for the Bolivarian Alliance for the Peoples of Our America (ALBA), expressed "alarm over certain elements of the report, which would hinder democratic access to resources."

She stressed that the GCF must possess international legal personality, work under the guidance of the COP and have no conflict of interest between the fiduciary and executive trustee functions.

Egypt said the draft governing instrument lacks crucial elements, including international legal personality, accountability to the COP and country ownership of projects. Acknowledging concerns with the draft governing instrument, Japan and Colombia (on behalf of Costa Rica, Chile, Honduras, the Dominican Republic, Peru and Panama), opposed reopening the document and requested the COP Presidency to conduct consultations. Australia expressed willingness to approve the document "as is."

Japan acknowledged concerns over the Fund's legal personality and ambiguity in the relationship between the Fund and the Convention, but said the newly established Board could address these concerns. Egypt, India, Namibia and the LDCs said the Fund should have full juridical personality to ensure direct access. Along with Kenya, Saudi Arabia and the Sudan, they also stressed the importance of ensuring the GCF's accountability to the COP. Fiji called for complementarity with other funding instruments and institutions. Nigeria, Tanzania and Zambia warned against overreliance on the private sector.

The EU recognized concerns, but said he was confident the COP would be able to agree on the draft instrument and that parties should focus on interim arrangements to get things off the ground. Switzerland said countries with economies in transition should have access to the Fund. Nigeria identified a "strategic imbalance" in the negotiations, with mitigation discussions far ahead of those on adaptation.

During lengthy informal discussions, parties were able to agree on the legal personality, the host country selection process, and a process for conferring legal personality on the Fund. On the interim secretariat, parties agreed that it shall be fully accountable to the Board and shall function under its guidance and authority. Parties also agreed that the head of the secretariat should have experience working with developing countries. On the host of the interim secretariat, three options were presented (the UNFCCC Secretariat, the Global Environment Facility (GEF) Secretariat and the UN Office in Geneva), but parties were unable to agree on this. During closing COP plenary, COP President Nkoana-Mashabane noted the efforts made to resolve outstanding issues and welcomed the text as a basis for the GCF to "become the main global fund for climate finance." She noted the letter received from the G-77/China regarding the composition of developing country membership of the GCF. The decision was then adopted.

**COP Decision:** The COP (FCCC/2011/CP/L.9) designates the GCF as an operating entity of the financial mechanism of the Convention, with arrangements to be concluded between the COP and the Fund at COP 18 to ensure that it is accountable to and functions under the guidance of the COP to support projects, programmes, policies and other activities in developing country parties. It also:

- provides guidance to the Board of the GCF, including on matters related to policies, programme priorities and eligibility criteria;

- requests the Board to develop a transparent no-objection procedure to be conducted through national designated authorities, in order to ensure consistency with national climate strategies and plans and a country-driven approach and to provide for effective direct and indirect public and private sector financing by the Green Climate Fund;
- stresses the need to secure funding for the GCF to facilitate its expeditious operationalization and requests the Board to establish necessary policies and procedures, which will enable an early and adequate replenishment process;
- invites parties, through their regional groupings and constituencies, to submit their nominations for the members of the Board to the interim secretariat by 31 March 2012;
- confers juridical personality and legal capacity to the GCF Board;
- invites parties to submit to the Board expressions of interest for hosting the GCF Fund by 15 April 2012;
- further requests the Board to establish the independent secretariat of the GCF in the host country in an expedited manner as soon as possible;
- invites the Board to select the trustee of the GCF through an open, transparent and competitive bidding process in a timely manner to ensure there is no discontinuity in trustee services; and
- selects the head of the interim secretariat based on, *inter alia*, expertise in the design or management of funds, relevant administrative and management experience, experience in or working with developing countries, and policy expertise.

#### **REVIEW OF IMPLEMENTATION OF COMMITMENTS AND OTHER PROVISIONS OF THE CONVENTION**

##### **NATIONAL COMMUNICATIONS FROM ANNEX I**

**PARTIES:** On 29 November, this issue was briefly considered in SBI plenary. SBI took note of the report on the status of submission and review of fifth national communications and the report on national greenhouse gas inventory data from Annex I parties for the period 1990-2009 (FCCC/SBI/2011/INF.8). A contact group, co-chaired by Alma Jean (Saint Lucia) and Kiyoto Tanabe (Japan), was established to address: compilation and synthesis of fifth national communications; compilation and synthesis of supplementary information; and further implementation of Article 12, paragraph 5, of the Convention, including consideration of Decision 1/CP.16, paragraphs 40 and 46. On 3 December, SBI adopted draft conclusions with no further discussion, which were confirmed by COP on 9 December.

**SBI Conclusions:** SBI took note of the annual compilation and accounting report (FCCC/SBI/2011/L.26).

##### **NATIONAL COMMUNICATIONS FROM NON-**

**ANNEX I PARTIES:** On 29 November, the issue was briefly considered in SBI plenary. A contact group, co-chaired by Alma Jean (Saint Lucia) and Kiyoto Tanabe (Japan), was established to address: work of the Consultative Group of Experts; further implementation of Article 12, paragraph 5, of the Convention; and provision of financial and technical support. On 3 December, SBI adopted conclusions and a draft COP decision on the work of the Consultative Group of Experts (CGE); and conclusions

on further implementation of Convention Article 12.5 and the provision of financial and technical support. On 9 December, the COP adopted the draft decision on the CGE.

**SBI Conclusions:** The CGE conclusions (FCCC/SBI/2011/L.31) welcome the progress report on its work. On further implementation of Convention Article 12.5 (FCCC/SBI/2011/L.32), SBI defers consideration of this sub-item to SBI 36. On the provision of financial and technical support (FCCC/SBI/2011/L.33), SBI, *inter alia*: invites the GEF to continue to provide information on its activities relating to the preparation of national communications by non-Annex I parties; and encourages non-Annex I parties to submit project proposals for the funding of their subsequent national communications.

**COP Decision:** The decision on the CGE (FCCC/SBI/2011/L.31 and Add.1): continues the Group's current mandate until the end of 2012; and invites parties to submit their views on its term and mandate with a view to address the issue in a draft decision at COP 18.

**TECHNOLOGY TRANSFER:** On 29 November, the SBI briefly addressed this agenda item and established a joint SBSTA/SBI contact group, co-chaired by Carlos Fuller (Belize) and Zitouni Ould-Dada (UK). On 3 December, SBI adopted draft conclusions on development and transfer of technologies.

**SBI Conclusions:** The SBI approved draft conclusions (FCCC/SBI/2011/L.34), together with SBSTA (FCCC/SBSTA/2011/L.22), encouraging parties not included in Annex I to the Convention to develop and submit project proposals, particularly for technologies for adaptation, to the GEF, and welcomes the results of the technology needs assessments that are being prepared in cooperation with the United Nations Environment Programme (UNEP). The conclusions also include an annex with elements for a draft decision on development and transfer of technologies, that: welcomes the elected members of the TEC, Gabriel Blanco (Argentina) and Antonio Pfluger (Germany); and sets out the duration of the terms of TEC members.

**CAPACITY BUILDING:** This issue was first addressed in the SBI plenary on 29 November. SBI Chair Owen-Jones noted that the review of the framework for capacity building for developing countries must be completed in Durban. During the SBI closing plenary, the SBI adopted a draft COP decision, which was then adopted by the COP on 9 December.

**COP Decision:** This decision (FCCC/SBI/2011/L.37) invites relevant UN agencies and intergovernmental organizations to continue providing support to developing countries and Annex II parties, the private sector and multilateral, bilateral and international agencies to support capacity-building activities. The decision, *inter alia*, invites parties to enhance reporting on best practices.

The decision also states that further implementation of the capacity-building framework in developing countries should be improved by:

- ensuring consultations with stakeholders throughout the entire process of activities;
- enhancing integration of climate change issues and capacity-building needs into national development strategies, plans and budgets;
- increasing country-driven coordination of capacity-building activities; and

- strengthening networking and information sharing among developing countries, especially through South-South and triangular cooperation.

Finally, the COP decides to conclude the second comprehensive review and to initiate the third comprehensive review of the implementation of the capacity-building framework, with a view to completing the review at COP 22.

#### **IMPLEMENTATION OF THE BUENOS AIRES PROGRAMME OF WORK ON ADAPTATION AND RESPONSE MEASURES (DECISION 1/CP.10)**

The issue was taken up under the SBI on 28 November. SBI Chair Owen-Jones provided parties with an update, including the organization of two workshops: the workshop on promoting risk management approaches on the specific needs and concerns of developing country parties arising from the impact of the implementation of response measures (21 September 2011, in Bonn, Germany); and the workshop to identify challenges and gaps in the implementation of risk management approaches to the adverse effects of climate change (10-12 October 2011, in Lima, Peru). Informal consultations were chaired by Samuel Ortiz Basualdo (Argentina). On the draft conclusions, the Gambia, for LDCs, sought to add reference to LDCs in one section. Saudi Arabia and Venezuela both raised concerns about the text. Parties agreed to hold further informal discussions on Saturday evening. However, these did not result in an agreement and parties agreed to take up the issue again at SBI 36.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.25), the SBI, *inter alia*: agrees to continue consideration of this matter at SBI 36 and welcomes the report on the interim workshops to identify challenges and gaps in the implementation of risk management approaches to the adverse effects of climate change and on promoting risk management approaches on the specific needs and concerns of developing countries.

**MATTERS RELATING TO THE LDCs:** This issue (FCCC/SBI/2011/11, FCCC/TP/2011/7) was first taken up under the SBI on 28 November when a representative from the Least Developed Countries Expert Group (LEG) provided an update on the work of the LEG for 2011. Parties met twice in informal consultations and focused work on activities of the LEG in 2011 and activities planned for 2012 as part of its work programme for 2011-2012.

**SBI Conclusions:** In its conclusions (FCCC/SBI/2011/L.22), the SBI, *inter alia*: took note of the oral report by the Chair of the LEG, welcomes the submission of 46 national adaptation programmes of action (NAPAs), and expressed appreciation to the LEG for progress made under its 2011-2012 work programme.

#### **FINANCIAL MECHANISM**

On 29 November, the SBI addressed this agenda item, including the report of, and additional guidance to, the GEF, as well as the LDC Fund (support for the implementation of elements of the LDCs' work programme other than NAPAs), and forwarded it to a contact group co-chaired by Ana Fornells de Frutos (Spain) Lavaasa Malua (Samoa). The group prepared a set of draft decisions, which were adopted by the SBI on 3 December. The decisions were adopted by the COP on 11 December.

**SBI Conclusions:** The SBI takes note of information presented on support provided by the GEF (FCCC/SBI/2011/L.39 and FCCC/SBI/2011/L.41) and recommends that the COP request the GEF to continue to provide financial resources to developing countries through the LDC Fund and Special Climate Change Fund (SCCF). It also takes note on support provided through the LDC Fund and forwarded a decision to the COP.

**COP Decision:** The COP decisions (FCCC/SBI/2011/L.40 Add.1 and FCCC/SBI/2011/L.41/Add.1) request the GEF as operating entity of the LDC Fund to, *inter alia*:

- support the development of programmatic approaches for the implementation of NAPAs;
- further explore opportunities to streamline the LDC Fund project cycle;
- clarify the concept of additional costs as applied to different types of adaptation projects under the LDC Fund and SCCF; and
- continue to enhance the transparency of the project review process throughout the project cycle.

#### **ADMINISTRATIVE, FINANCIAL AND**

**INSTITUTIONAL MATTERS:** The SBI took up this agenda item on 29 November. The topic included three sub-items dealing with budget performance for the biennium 2010-2011 (FCCC/SBI/2011/16 and FCCC/SBI/2011/INF.14); continuing review of the functions and operations of the Secretariat (FCCC/SBI/2011/16 and FCCC/SBI/2011/INF.15); and implementation of the Headquarters Agreement. On the 2010-2011 budget, UNFCCC Executive Secretary Figueres noted that the majority of mandates and activities in the work programme for 2010-2011 had been completed but any additional activities would require further financial support. On the review of the Secretariat's functions, she highlighted planned efficiency gains for the biennium 2012-2013. The SBI adopted conclusions on these issues on 3 December, and the COP and CMP each adopted the following decision on 9 December.

**COP/CMP Decision:** In its decisions (FCCC/SBI/2011/L.27/ Add.1 and Add.2), the COP takes note of the information contained in the interim financial statements for the biennium 2010-2011, the report on budget performance for January 2010 to 30 June 2011 and the status of contributions to the Trust Fund for the Core Budget of the UNFCCC, the Trust Fund for Supplementary Activities and the Trust Fund for Participation in the UNFCCC Process.

The COP/CMP: takes note of the information relating to the functions and operations of the Secretariat and appreciates the report on planned efficiency gains for the biennium 2012-2013; and agrees that SBI 36 and SBI 38 should consider matters under this sub-item.

**Implementation of the Headquarters Agreement:** This item was introduced in the SBI plenary on 29 November. The SBI adopted draft conclusions on 3 December.

**SBI Conclusions:** The SBI (FCCC/SBI/2011/L.28) takes notes of the information provided by the Host Government of the Secretariat that construction works on the new conference facilities in Bonn will be resumed and that their completion is still expected by the first negotiating session of 2013.

The SBI was informed by the Host Government and the UNFCCC Executive Secretary of the progress made in the completion of the new premises for the Secretariat in Bonn and that the first building is to be completed by mid-2012 and that the second building and additional meeting facilities are expected to be completed by 2017.

#### **OTHER MATTERS REFERRED BY THE SUBSIDIARY BODIES**

##### **REVISION OF THE UNFCCC REPORTING GUIDELINES ON ANNUAL INVENTORIES FOR ANNEX I PARTIES:**

This item was first taken up by the SBSTA on 28 November. Informal consultations were facilitated by Riita Pipatti (Finland) and Nagmeldin Elhassan (Sudan). On Sunday morning, SBSTA Chair Richard Muyungi presented a draft decision to the COP regarding the revision of the UNFCCC reporting guidelines on annual inventories for parties included in Annex I to the Convention, which was adopted.

**COP Decision:** In the decision (FCCC/CP/2011/L.6), the COP, *inter alia*: adopts the UNFCCC Annex I inventory reporting guidelines; decides the global warming potentials used by parties to calculate the carbon dioxide equivalence of anthropogenic emissions by sources and removals by sinks of greenhouse gases shall be listed in Annex III to the decision; and invites Annex I parties to use the inventory reporting guidelines voluntarily during a trial period from October 2012 to May 2013.

**NATIONAL ADAPTATION PLANS:** This issue was first addressed during the opening SBI plenary on 29 November, and subsequently in an informal group, facilitated by SBI Chair Owen-Jones. During the closing SBI plenary on 3 December, Chair Owen-Jones said while progress was being made, more work was still needed on this issue, and parties adopted SBI conclusions (FCCC/SBI/2011/L.36), which recommended that the COP consider and finalize a draft decision on this issue.

During the discussions, the G-77/China said national adaptation plans should recognize that adaptation occurs at the local level, and be flexible and country-driven. LDCs said the national adaptation plan process was distinct and separate from the NAPA process. Much of the debate on this issue revolved around whether to broaden the national adaptation plans to include other vulnerable developing countries, with Colombia initially proposing development of a work programme to this end. Norway and others reiterated that national adaptation plans should only apply to the LDCs. Following informal consultations, Colombia presented compromise text on modalities for other developing countries that are not LDCs and on the provision of financial and technical support to those countries.

On reporting, monitoring and evaluation, delegates discussed using national communications as the primary tool for communicating progress and whether the Secretariat should establish a database, with some developed countries expressing concern over costs, and some developing countries specifying such a database should be on support provided, not on activities.

Another point of contention during the discussions related to the role of the GEF. Many countries stressed that GEF guidance should be clear, simple and operationally feasible to ensure the support that LDCs require will be provided. Colombia said the GEF would need to work through agencies with on-the-ground

experience and through one or two core programmes to ensure funds can be accessed quickly. The US opposed singling out specific organizations. The G-77/China stressed the need to ensure the provision of long-term support for the process. During the closing plenary on Sunday morning, 11 December, the COP adopted a decision on this issue.

**COP Decision:** The first section of this decision (FCCC/CP/2011/L.8/Add.1) addresses the framing of national adaptation plans. The COP agrees, *inter alia*, that the national adaptation plan process should not be prescriptive, nor result in the duplication of in-country efforts, but should rather facilitate country-owned, country-driven action.

The second section outlines the process to enable LDCs to formulate and implement national adaptation plans, and has subsections on: guidelines, modalities, and financial arrangements for the formulation and implementation of national adaptation plans.

On modalities, the COP requests the LEG to, *inter alia*, invite the Adaptation Committee and other relevant bodies under the Convention to contribute to its work in support of the national adaptation plan process. The decision also invites parties to strengthen their engagement with regional centers and networks, and requests developed country parties to provide LDCs with finance, technology and capacity building.

On financial arrangements, the decision, *inter alia*: requests the GEF, as an operating entity of the financial mechanism, through the LDC Fund, to consider how to enable activities for the preparation of national adaptation plans

The third section invites developing country parties that are not LDCs to employ the modalities for national adaptation plans. The decision requests the Adaptation Committee to consider in its workplan the relevant modalities for supporting interested developing countries that are not LDCs to plan, prioritize and implement their national adaptation planning measures, and invites operating entities of, *inter alia*, the financial mechanism of the Convention to provide financial and technical support

The final section addresses reporting, monitoring and evaluation and, *inter alia*:

- invites parties to provide information, through their national communications on which measures they have undertaken and on support provided or received relevant to the national adaptation plan process; and
- requests the Secretariat to utilize and enhance existing databases to include information on support and other activities under the national adaptation plan process.

The attached annex on initial guidelines for the formulation of national adaptation plans by the LDCs contains elements of national adaptation plans, including sections on: laying the groundwork and addressing gaps; preparatory elements; implementation strategies; and reporting, monitoring and review.

**LOSS AND DAMAGE:** This item was briefly taken up in the SBI plenary on 29 November and forwarded for further consideration to an informal group chaired by SBI Chair Owen-Jones. Further to consultations held during the week, the SBI adopted draft conclusions on 3 December and forwarded a draft decision to the COP, which was adopted on 9 December.

**SBI Conclusions:** The conclusions (FCCC/SBI/2011/L.35) note the outcomes of the workshop to identify challenges and gaps in the implementation of risk management approaches

to the adverse effects of climate change and recommend a draft decision on the work programme on loss and damage for adoption by the COP.

**COP Decision:** The decision on approaches to address loss and damage associated with climate change impacts in developing countries that are particularly vulnerable to the adverse effects of climate to enhance adaptive capacity (FCCC/SBI/2011/L.35/Add.1) sets out a work programme on loss and damage. The decision requests SBI to: continue the implementation of the work programme on loss and damage; and take into account the questions mentioned in the annex to the decision on risk assessment, and approaches to, loss and damage.

The COP further invites parties and relevant organizations to, *inter alia*, take into account the three thematic areas on risk assessment and to engage a large and diverse representation of experts in undertaking work under the thematic areas. The decision recognizes the need to explore a range of possible approaches and potential mechanisms, including an international mechanism, to address loss and damage.

**RESEARCH AND SYSTEMATIC OBSERVATION:** This agenda item (FCCC/SBSTA/2011/MISC.8, FCCC/SBSTA/2011/MISC.8/Add.1 and FCCC/SBSTA/2011/MISC.14) was taken up in the SBSTA plenary on 29 November. SBSTA conclusions and a draft COP decision were adopted on 3 December. The COP adopted the decision on 9 December.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.27), the SBSTA welcomes the IPCC Special Report on Managing the Risks of Extreme Weather Events and Disasters to Advance Climate Change Adaptation and invites parties and international and regional research programmes to provide information on technical and scientific aspects of, *inter alia*, emissions by sources and removals by sinks.

**COP Decision:** In the decision (FCCC/SBSTA/2011/L.27/Add.1), the COP urges parties and invites regional and international research programmes to discuss needs, and convey findings from, climate change research.

**REDD+ (Methodological guidance):** This agenda item (FCCC/SBSTA/2011/MISC.7, Add.1, 2 and 3) was taken up in SBSTA plenary on 29 November and then addressed in a contact group co-chaired by Peter Graham (Canada) and Victoria Tauli-Corpus (Philippines). The issues addressed included: guidance on systems for providing information on how safeguards are addressed and respected, modalities for forest reference emission levels and forest reference levels and MRV. Discussions focused on, *inter alia*: how the information on safeguards to be provided by countries would be used and whether to identify the specific type of information to be provided in this context; and how to consider historical deforestation, projections and national circumstances in the context of reference levels.

On 3 December, the SBI forwarded a draft decision for adoption by the COP. The African Group, Australia and others welcomed progress on this issue. On 9 December, the COP adopted the decision.

**COP Decision:** In its decision (FCCC/SBSTA/2011/L.25/Add.1), the COP notes that guidance on systems for providing information on safeguards should be consistent with national sovereignty, national legislation and national circumstances,

and recognizes the importance and necessity of adequate and predictable financial and technology support for developing the elements referred to in Decision 1/CP.16, paragraph 71.

Under the section on guidance on systems for providing information on how safeguards are addressed and respected, the COP, *inter alia*:

- notes that the implementation of the safeguards referred to in Appendix I to Decision 1/CP.16, and information on how these safeguards are being addressed and respected, should support national strategies or action plans and be included in, where appropriate, all phases of implementation;
- agrees that systems for providing information on how the safeguards are addressed and respected should, among other things: provide transparent and consistent information that is accessible by all relevant stakeholders and updated on a regular basis, be country-driven and implemented at the country level, and build upon existing systems, as appropriate;
- agrees that developing countries undertaking the activities referred, should provide a summary of information on how the safeguards referred to are being addressed and respected throughout the implementation of the activities; and
- decides that the summary of information referred should be provided periodically and included in national communications, consistent with relevant COP decisions on non-Annex I parties' national communications, or communication channels agreed by the COP.

The COP requests SBSTA 36 to consider the timing of the first and the frequency of subsequent presentations of the summary of information to be considered by COP 18, and the need for further guidance to the COP.

Under modalities for forest reference emission levels and forest reference levels, the COP, *inter alia*:

- agrees that forest reference emission levels and/or forest reference levels are benchmarks for assessing each country's performance in implementing the referred activities;
- decides that these shall be established considering Decision 4/CP.15, paragraph 7 and consistent with anthropogenic forest-related greenhouse gas emissions by sources and removals by sinks as in each country's greenhouse gas inventories;
- invites parties to submit information and rationale on the development of their forest reference emission levels and/or forest reference levels including details of national circumstances, and if adjusted to national circumstances, including details in accordance with the guidelines contained in the annex;
- acknowledges that subnational forest reference emission and/or forest reference levels may be elaborated as an interim measure, while transitioning to a national level, and that interim reference levels may cover less than the national territory of forest area;
- agrees that developing parties should update forest emission reference levels and/or forest reference levels periodically, as appropriate, taking into account new knowledge, trends and any modification of scope and methodologies;
- requests the Secretariat to make information on forest reference levels, including submissions, available on the UNFCCC REDD web platform; and

- agrees to a process enabling technical assessment of the proposed forest reference levels when submitted or updated by parties in accordance with guidance to be developed by SBSTA 36.

The decision contains an annex that includes guidelines for submissions of information on reference levels.

**NAIROBI WORK PROGRAMME:** This issue was first addressed in the opening SBSTA plenary on 28 November. The EU supported making the Nairobi Work Programme (NWP) more relevant for practitioners. Delegates were briefed on the recent IPCC Special Report on Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation. The issue was referred to an informal group, during which Bolivia supported future work on vulnerable stakeholder groups, including women, and highlighted indigenous knowledge and key sectors, such as water. The US urged taking full advantage of the knowledge and expertise of partners, and expanding into areas, such as agriculture, water and ecosystem-based approaches. AOSIS stressed coherence of action on adaptation under the Convention. Australia stressed links between the NWP and the Adaptation Committee that is being discussed under the AWG-LCA. During Saturday's SBSTA closing plenary, SBSTA adopted draft conclusions and a draft decision, which was then adopted by the COP on 9 December.

**SBSTA Conclusions:** The SBSTA (FCCC/SBSTA/2011/L.26) welcomes, *inter alia*:

- a compilation of submissions on proposals for upcoming activities under the NWP;
- a technical paper on water and climate change impacts and adaptation strategies;
- a compilation of information on ecosystem-based approaches to adaptation; and
- the report on the survey of national focal points to identify priority needs for disseminating products related to impacts and vulnerability.

**COP Decision:** This decision (FCCC/SBSTA/2011/L.26 Add.1) requests SBSTA 38 to reconsider the NWP work areas with a view to making recommendations to COP 19 on how to best support the objectives of the NWP. It invites parties and relevant organizations to submit to the Secretariat by 17 September 2012, their views on potential areas of future work under the NWP, and requests the Secretariat to compile those submissions by SBSTA 38.

The decision further requests the Secretariat to:

- organize workshops on water and climate change impacts and adaptation strategies and on ecosystem-based approaches;
- prepare a compilation of case studies on national adaptation planning processes by SBSTA 37; and
- continue developing user-friendly knowledge products and outputs, and engaging stakeholders, under the NWP.

The decision also, *inter alia*: encourages the NWP partner organizations to better align pledged actions with the needs of parties; and notes the value of the Focal Point Forum in facilitating information exchange and collaboration between partner organizations.

## OTHER MATTERS

### FORUM ON THE IMPACT OF RESPONSE

**MEASURES:** This joint SBI/SBSTA item was first addressed on

28 November, and was taken up under both bodies throughout the week. A joint SBSTA/SBI forum was co-chaired by SBSTA Chair Muyungi and SBI Chair Owen-Jones.

On 1 December, a special event was held on the joint SBI/SBSTA forum, with presentations made by several parties and organizations, and parties convened in a contact group to review the report on the special event (FCCC/SB/2011/INF.5). Parties continued to meet throughout the week with views diverging on, *inter alia*: the interpretation of mandates from the AWG-LCA and the subsidiary bodies (SBs), and on the role and inclusion of trade issues; language regarding positive and negative aspects of response measures; language regarding the duration of the work programme; and modalities and operationalization of the work programme.

**COP Decision:** On 11 December, the COP adopted a decision (FCCC/CP/2011/L.7) that contains, *inter alia*:

- the adoption of a work programme;
- the adoption of modalities for the operationalization of the work programme, which could include convening workshops and meetings, receiving input from experts and preparing reports and technical papers;
- the establishment of a forum on the impact of the implementation of response measures;
- a decision that the forum will be convened under a joint agenda item of the SBs; and
- a request for the SBs to review the work of the forum at SB 39.

## KYOTO PROTOCOL CMP 7

The seventh meeting of the Conference of the Parties serving as the Meeting of Parties to the Kyoto Protocol (CMP 7) opened on Monday morning, 28 November, with Maite Nkoana-Mashabane elected CMP 7 President by acclamation. Parties adopted the agenda and agreed to the organization of work (FCCC/KP/CMP/2011/1), and referred a number of issues to the subsidiary bodies (FCCC/SBSTA/2011/3 and FCCC/SBI/2011/8).

In opening statements, Argentina, for the G-77/China, reaffirmed the need for a second commitment period under the Kyoto Protocol, calling for a higher level of ambition by Annex I parties.

Switzerland, for the EIG, called for, *inter alia*: further clarity on the AWG-LCA outcome; maintaining a rules-based system; and enhancing the environmental integrity of the regime in areas such as land use, land-use change and forestry (LULUCF) and the flexible mechanisms.

Australia, for the Umbrella Group, supported a new climate change framework that builds on the Kyoto Protocol, when appropriate, and takes operationalizing the Cancun Agreements as a foundation for future action.

The EU supported a multilateral, ambitious rules-based system with broad participation, notably from major economies. He said a second commitment period of the Kyoto Protocol could be considered as part of a transition to a wider legally-binding framework, provided there is an agreement for a robust roadmap for a new legally-binding framework with a clear timeline and engaging all parties.

The Democratic Republic of the Congo, for the African Group, said the two negotiating tracks should remain separate

and expressed concern over countries not willing to commit to a second commitment period. Grenada, for AOSIS, said the Protocol is central to the future of the climate change regime.

The Gambia, for LDCs, called for a second commitment period under the Kyoto Protocol and on Annex I parties to reduce their greenhouse gas emissions by at least 45% below 1990 levels by 2020 and at least 95% below 1990 levels by 2050. Saudi Arabia, for the Arab Group, rejected attempts to marginalize the Kyoto Protocol.

China, for the BASIC countries, said defining a second commitment period should be the main priority for Durban. He opposed “unilateral measures” on international aviation under the EU’s Emissions Trading Scheme.

Papua New Guinea, for the Coalition of Rainforest Nations, supported an agreement on a second commitment period, the introduction of a REDD+ mechanism on a voluntary basis, and eliminating loopholes in the rules on LULUCF.

Venezuela, for ALBA, condemned the “selfishness” of predatory economies that are destroying the existing climate regime to replace it with a voluntary approach that will be lethal for the planet.

#### **ELECTION OF OFFICERS**

On Sunday, 11 December, the CMP elected officers to the Clean Development Mechanism (CDM), Adaptation Fund, Compliance Committee (facilitative branch and enforcement branch) and Joint Implementation Supervisory Committee. They also elected Madeleine Diouf (Senegal) and Yukka Uosukainen (Finland) as Chair and Vice-Chair of the AWG-KP.

#### **PROPOSALS FOR AMENDMENTS TO THE KP**

This item (FCCC/KP/CMP/2010/3 and FCCC/KP/CMP/2009/2-13) was first addressed by the CMP plenary on 30 November. India said it will not agree to changes to Annex B unless a second commitment period is agreed. Belarus, the EU and Ukraine favored simplifying amendment procedures. During the 11 December closing plenary, the CMP decided consideration of this item will continue at CMP 8. This issue is also addressed under the AWG-KP Outcome Document (FCCC/KP/CMP/2011/L.3 Add.1) Annexes II and III, which include proposed amendments to the Kyoto Protocol.

#### **KAZAKHSTAN’S PROPOSAL TO AMEND ANNEX B**

On 30 November, the issue was briefly considered in CMP plenary. An informal group co-chaired by Philip Gwage (Uganda) and Ositadinma Anaedu (Nigeria) was established to address the item. The CMP adopted a draft decision on 11 December.

**CMP Decision:** In the decision (FCCC/KP/CMP/2011/L.9), the CMP agrees to include this item on the provisional agenda for its next session in order to continue its consideration of this proposal.

#### **CLEAN DEVELOPMENT MECHANISM**

On 30 November, the issue was considered in the CMP plenary. CDM Executive Board Chair Martin Hession (UK) reported on efforts to improve the Board’s work, including strengthening additionality guidance and standardized baselines, as well as guidelines on “suppressed demand,” and urged a clear signal on the CDM’s future. The item was referred to a contact

group co-chaired by Carolina Fuentes Castellanos (Mexico) and Kunihiko Shimada (Japan).

During informal consultations, some developing countries sought to specifically link participation in the CDM after 2012 to accepting a target under the Kyoto Protocol, which proved to be a major point of discussion. Other contentious issues included: governance-related issues; an appeals process; monitoring methodologies; ways to improve the current approach to assessment of additionality; and public and private sector CDM projects. Following lengthy consultations, parties were unable to agree on: supplementarity of the mechanism; transition to a second commitment period; review of CDM modalities and procedures; stakeholder consultations; and share of proceeds for certified emission reduction (CER) issuance.

The bracketed text was forwarded to the CMP plenary. On 11 December, parties agreed to delete bracketed text and adopted the decision as amended.

**CMP Decision:** The decision on further guidance relating to the CDM (FCCC/KP/CMP/2011/L.11), *inter alia*: takes note of the annual report for 2010-2011 of the CDM Executive Board; welcomes the launch of the CDM policy dialogue; designates operational entities to carry out sector-specific validation specified in an annex; and requests the Executive Board to develop appropriate voluntary measures, and to continue its work to improve the procedures on programmes of activities.

On governance, the decision, *inter alia*: encourages the Executive Board to make technical reports publicly available; and requests the Board to continue its work on improving the consistency, efficiency and transparency of its decision-making, and to revise the draft procedure.

On baseline and monitoring methodologies and additionality, the decision, *inter alia*: encourages the Executive Board to extend the simplified modalities for the demonstration of additionality to a wider scope of project activities; requests the Board to continue ensuring environmental integrity when developing and revising baseline and monitoring methodologies, and to conduct further work to develop simplified top-down baseline and monitoring methodologies, tools and standardized baselines. The decision also contains some provisions on registration of CDM project activities and issuance of CERs; and regional and subregional distribution and capacity building.

#### **APPEALS AGAINST CDM EXECUTIVE BOARD**

**DECISIONS:** On 29 November this agenda item was briefly considered in SBI plenary and forwarded for further consideration to a contact group co-chaired by Yaw Bediako Osafo (Ghana) and Kunihiko Shimada (Japan). The contact group addressed procedures, mechanisms and institutional arrangements for appeals against the decisions of the CDM Executive Board. Parties made progress on the form but did not agree on the mandate to establish an appeals process. On 3 December, SBI adopted conclusions on the item.

**SBI Conclusions:** SBI conclusions (FCCC/SBI/2011/L.30) take note of: the progress on reaching an agreement on the form and some of the features of the possible appeals body, and the revised Co-Chairs’ text annexed to the conclusions. SBI agreed to continue the consideration of this item at SBI 36, with a view to forwarding a draft text to CMP 8.

## JOINT IMPLEMENTATION

On 30 November, the issue was considered in the CMP plenary. Muhammed Quamrul Chowdhury (Bangladesh), Chair of the Joint Implementation Supervisory Committee (JISC), noted substantial progress since Cancun. He said the JISC recommended: replacing the current two-track approach with a single, unified verification process; establishing a new governing body to oversee this verification process; and providing clarity on how joint implementation should continue after 2012. A contact group co-chaired by Balisi Gopolang (Botswana) and Helmut Hojesky (Austria) was established to address issues relating to joint implementation. The CMP adopted a draft decision on 11 December.

**CMP Decision:** The decision on guidance on the implementation of Article 6 of the Kyoto Protocol (FCCC/KP/CMP/2011/L.7), *inter alia*: encourages the JISC to continue to streamline the process of accrediting independent entities, including efforts to align the joint implementation accreditation process with the CDM accreditation process, and to continue enhancing the implementation of the verification procedure under the Committee; agrees to consider at CMP 8 the issuance of emission reduction units (ERUs) for projects considered by the JISC; and requests the JISC to draft a revised set of key attributes and transitional measures dealing with the possible changes to the joint implementation guidelines with a view to develop revised joint implementation guidelines for adoption at CMP 9. The decision also contains some provisions on governance and resources for the work on joint implementation.

## COMPLIANCE

On 30 November, this issue was briefly considered in the CMP plenary, which established an informal group co-chaired by Amjad Abdulla (Maldives) and Richard Tarasofsky (Canada) to address the report of the Compliance Committee and the appeal by Croatia against a final decision of the enforcement branch of the Compliance Committee in relation to the implementation of Decision 7/CP.12 (level of emissions for Croatia's base year). Parties agreed on two draft decisions on the two sub-items to be forwarded to the CMP for adoption. On 11 December the CMP adopted the two decisions.

**CMP Decisions:** The decision on the Compliance Committee (FCCC/KP/CMP/2011/L.2) notes the continued interest of the Compliance Committee in ensuring privileges and immunities for its members and alternate members, and takes note of the Committee's proposal to extend the eligibility for funding related to the costs of travel and participation in the Committee's meetings to all its members and alternate members.

The decision on the appeal by Croatia (FCCC/KP/CMP/2011/L.3) takes note of: the withdrawal by Croatia of its appeal and the termination of the appeal's consideration by the Compliance Committee.

## ADAPTATION FUND BOARD

The Report of the Adaptation Fund Board (AFB) and Review of the Adaptation Fund (FCCC/KP/CMP/2011/6 and FCCC/KP/CMP/2011/MISC.1) were first addressed in the CMP plenary on 30 November. A contact group was established, co-chaired by Ruleto Camacho (Antigua and Barbuda) and Stefan Schwager (Switzerland). Addressing the CMP, Adaptation Fund Board Chair Ana Fornells de Frutos (Spain) provided an update on

the work of the Adaptation Fund, indicating that institutional progress has been overshadowed by falling prices of CERs. Bahamas, for the G-77/China, stressed the comparatively small amount of money made available for adaptation. Several others said the accreditation process should be simplified to facilitate access. Throughout the week, parties addressed aspects of the Report of the Adaptation Fund Board and Review of the Adaptation Fund jointly.

On the Report of the Adaptation Fund Board, a group of countries said that the operationalization of the Adaptation Fund has proceeded with agreed plans and with the available level of funding. Parties noted the regional workshops held recently in Senegal and Panama were viewed as "very productive" and two remaining workshops were noted for 2012, one in Asia and the other in the Pacific. Several countries expressed concern over the fallen price of CERs.

On the Review of the Adaptation Fund, one country requested greater independence of the Adaptation Fund Board Secretariat. Parties agreed to forward the initial review of the Adaptation Fund to SBI 36, with a view to recommending a draft decision for adoption by CMP 8. On 9 December, the CMP adopted decision on this matter and Bahamas expressed his satisfaction with the decisions adopted under this agenda item.

**CMP Decisions:** The decision on the report of the Adaptation Fund Board (FCCC/KP/CMP/2011/L.5) looks forward to the organization of the two regional workshops to assist in the accreditation of national implementation entities.

The decision on the review of the Adaptation Fund (FCCC/KP/CMP/2011/L.6): requests the Adaptation Fund Board to submit to the Secretariat, as soon as possible, after its first meeting in March 2012, its views on the report on the Review of the Interim Arrangements of the Adaptation Fund for inclusion in an information document; requests SBI 36 to consider the initial review of the Adaptation Fund; and decides to complete at CMP 8 the initial review of the Adaptation Fund.

## INTERNATIONAL TRANSACTION LOG

This matter was first considered in the SBI plenary on 29 November. The SBI adopted draft conclusions on 3 December, which were confirmed by the CMP on 11 December.

**SBI Conclusions:** In the conclusions (FCCC/SBI/2011/L.23), the SBI takes note of the annual report of the administrator of the International Transaction Log under the Kyoto Protocol for 2011.

## COMPILATION AND ACCOUNTING REPORT FOR ANNEX B PARTIES

This agenda item was considered by the SBI. On 3 December, SBI adopted draft conclusions, which were confirmed by the CMP on 11 December.

**SBI Conclusions:** In the conclusions (FCCC/SBI/2011/L.26), SBI takes note of the annual compilation and accounting report for Annex B parties under the Kyoto Protocol for 2011.

## CAPACITY BUILDING

This issue was first addressed in the SBI plenary on 29 November. During Saturday's closing plenary, the SBI forwarded a draft CMP decision, which was then adopted by the CMP on 9 December.

**CMP Decision:** This decision (FCCC/SBI/2011/L.38) refers to the importance of taking into account gender aspects and

acknowledging the role and needs of youth and persons with disabilities in capacity-building activities. The CMP invites continued provision of financial and technical resources to support capacity-building activities for the implementation of the Kyoto Protocol, addressing the following challenges:

- geographical distribution of CDM project activities;
- lack of technical expertise to estimate changes in carbon stock in soils; and
- the need to train and retain experts to plan and implement project activities.

The CMP, *inter alia*, decides that further implementation of the capacity-building framework should be improved at the systematic, institutional and individual levels by:

- ensuring consultations with stakeholders;
- enhancing integration of climate change issues and capacity-building needs into national development strategies, plans and budgets;
- increasing country-driven coordination of capacity-building activities; and
- strengthening networking and information sharing among developing countries, through South-South and triangular cooperation.

The CMP further:

- encourages cooperative efforts between developed and developing country parties to implement capacity-building activities relating to participation in the CDM;
- encourages relevant intergovernmental and non-governmental organizations to continue enhancing and coordinating their capacity-building activities under the Nairobi Framework; and
- decides to conclude the second comprehensive review and to initiate the third comprehensive review of the implementation of the capacity-building framework, with a view to completing the review at CMP 12.

#### **ARTICLES 2.3 AND 3.14**

Article 3.14 was first taken up under the SBI on 29 November, and Article 2.3 was first taken up under the SBSTA on 28 November. This issue (FCCC/SB/2011/INF.6) concerns the adverse impacts of response measures. Parties established a joint contact-group for Article 2.3 and Article 3.14 under both subsidiary bodies, co-chaired by Eduardo Calvo Buendia (Peru) and José Romero (Switzerland). SBSTA adopted conclusions and agreed to further consideration of the issue at SBSTA 36. The SBI adopted draft conclusions on the item and agreed to continue discussions of the item at SBI 36. The CMP took note of the conclusions on 9 December.

**SBI/SBSTA Conclusions:** The conclusions of the SBI and SBSTA (FCCC/SBI/2011/L.29, FCCC/SBSTA/2011/L.21) welcome the organization of the joint workshop to address matters relating to Article 2.3 and Article 3.14; acknowledge the lessons learned from the joint workshop; and agree to continue to discuss related matters.

#### **OTHER MATTERS REFERRED TO THE CMP BY THE SBS MATERIALITY STANDARD UNDER THE CLEAN DEVELOPMENT MECHANISM:**

This issue (FCCC/SBSTA/2011/MISC.13) was first taken up in the SBSTA plenary on 29 November and in informal consultations facilitated by Peer Stiansen (Norway). On 3 December, SBSTA adopted conclusions and forwarded a draft decision to the CMP.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.18), SBSTA recommends that the elements contained in the annex of its decision be incorporated into a decision on further guidance relating to the CDM for consideration and adoption by the COP/MOP.

**CMP Decision:** In its decision (FCCC/KP/CMP/2011/L.10), the CMP, *inter alia*: decides that the concept of materiality should be applied in a consistent manner under the CDM; defines material information; decides on elements under the scope of materiality; and decides that the scope of the concept of materiality and the materiality thresholds shall be reviewed, based on data reported, by the Executive Board of the CDM, no later than one year after their implementation.

**CARBON DIOXIDE CAPTURE AND STORAGE IN THE CDM:** This agenda item (FCCC/SBSTA/2011/4, FCCC/SBSTA/2011/MISC.10 and 11) was taken up in the SBSTA plenary on 29 November and then addressed in a contact group co-chaired by Pedro Martins Barata (Portugal) and Andrea García Guerrero (Colombia). On 3 December, the SBSTA adopted conclusions and forwarded a draft decision for consideration by CMP. On 8 December, during an informal stocktaking plenary, SBSTA Chair Muyungi said that after consultations, compromise had been reached on carbon capture and storage (CCS) in the CDM, while project-specific reserve and transboundary issues were referred to SBSTA 36. On 9 December the CMP adopted a decision.

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.24), the SBSTA takes note of the views submitted on CCS and of the related documents prepared by the Secretariat.

**CMP Decision:** In its decision (FCCC/SBSTA/2011/L.4), the CMP, *inter alia*:

- adopts the modalities and procedures for CCS as CDM project activities, to be reviewed no later than five years after the adoption of this decision;
- agrees to consider at CMP 8 the eligibility of CCS involving the transport of carbon dioxide from one country to another or which involves geological storage sites that are located in more than one country;
- requests SBSTA 36 to consider provisions for the type of project activities referred, including a possible dispute resolution mechanism with a view to forwarding a draft decision for consideration by CMP 8; and
- invites submissions by 5 March 2012 on views by parties and observers and requests the Secretariat to compile the submissions into a miscellaneous document.

An annex contains modalities and procedures for CSS in geological formations under the CDM. Appendix A contains additional requirements for the CDM registry to address CCS and Appendix B includes additional requirements for CCS.

#### **ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS**

On 29 November, this item was taken up in SBI plenary for the first time. Discussions were held throughout the week and a decision was adopted by the CMP on 11 December.

**CMP Decision:** The CMP Decision (FCCC/SBI/2011/L.27/Add.2), *inter alia*, calls upon parties that have not made contributions to the core budget and the international transaction

log to do so without delay and expresses appreciation for contributions received from parties to the Trust Fund for Participation and the Trust Fund for Supplementary Activities.

## REPORTS OF THE SUBSIDIARY BODIES

Conclusions and decisions pertaining to COP agenda items are summarized in the relevant parts of this report. However, there were also several items on which conclusions were adopted by the subsidiary bodies, but not directly addressed by the COP. These items include: the SBSTA and SBI opening and closing plenaries, as well as their organization of work; and methodological issues. This section provides details on issues taken up in the report of the SBSTA and SBI that were not taken up by the COP.

**SBI 35: Organization of Work:** SBI Chair Robert Owen-Jones (Australia) opened the meeting on 28 November, and delegates adopted the SBI agenda and organization of work (FCCC/SBI/2011/8). Many speakers urged progress on national adaptation plans and loss and damage.

**Amendment of the Protocol Relating to Compliance:** This agenda item (FCCC/KP/CMP/2005/2) was first taken up in SBI plenary on Tuesday, 29 November. SBI Chair Owen-Jones conducted consultations with interested parties. On 3 December, parties agreed to resume discussions of the item at SBI 36. On Sunday, 11 December, the CMP took note of it.

**Closing Plenary:** On 3 December, the SBI adopted its report (FCCC/SBI/2011/L.24). In their closing remarks, delegates applauded the decision on loss and damage and urged conclusions on national adaptation plans to ensure the process can be launched as soon as possible. SBI Chair Owen-Jones thanked participants and closed SBI 35 at 12:22 am on 4 December.

**SBSTA 35: Organization of Work:** SBSTA Chair Richard Muyungi (Tanzania) opened the meeting on Monday afternoon, 28 November, and parties made opening remarks and approved the agenda and organization of work (FCCC/SBSTA/2011/3). Parties highlighted the need to conclude work on the Technology Executive Committee (TEC), the Nairobi Work Programme (NWP), and MRV for REDD+.

**Methodological Issues under the Convention: Bunker Fuels:** This issue (FCCC/SBSTA/2011/MISC.9), on emissions from fuel used for international aviation and maritime transport, was first taken up by SBSTA on 28 November. Parties heard reports from the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO). ICAO highlighted recent developments in respect to civil aviation on climate change through state action plans and assistance to states; sustainable alternative fuels for aviation; market-based measures; and global aspirational goals. The IMO reported on improvements made to energy efficiency of maritime transport and the corresponding reduction of emissions from ships regarding air pollution and greenhouse gases. He noted the July 2011 “breakthrough” at the IMO when 30 parties listed in Annex I of the Convention, and 19 non-Annex I parties, adopted amendments to MARPOL Annex VI to reduce greenhouse gas emissions.

Several countries said work to address sectoral emissions under the IMO and ICAO should be guided by the principles of the UNFCCC, while several others welcomed progress achieved

in ICAO and IMO. Panama said the IMO, not the UNFCCC, is the correct forum to discuss maritime emissions.

Informal consultations were facilitated by Riita Pipatti (Finland) and Nagmeldin Elhassan (Sudan).

**SBSTA Conclusions:** On 3 December, the SBSTA adopted conclusions (FCCC/SBSTA/2011/L.19), which note the information received from, and progress reported by, the secretariats of the ICAO and IMO on their ongoing work on addressing emissions from fuel used for international aviation and maritime transport, and invite the secretariats to continue to report at future SBSTAs.

**Annual report on the technical review of greenhouse gas inventories from parties included in Annex I to the Convention:** This issue (FCCC/SBSTA/2011/INF.13) was first taken up by the SBSTA on 28 November. SBSTA took note of the report.

**Methodological Issues under the Kyoto Protocol: Implications of the establishment of new hydrochlorofluorocarbon-22 (HCFC-22) facilities seeking to obtain certified emission reductions for the destruction of hydrofluorocarbon-23 (HFC-23):** This agenda item was taken up in SBSTA plenary on 29 November. Parties agreed to resume their discussions at SBSTA 36.

**Implications of the inclusion of reforestation of lands with forest in exhaustion as afforestation and reforestation Clean Development Mechanism project activities:** This issue (FCCC/SBSTA/2011/MISC.12, FCCC/SBSTA/2011/INF.15) was taken up in the SBSTA plenary on 29 November and in informal consultations, facilitated by Eduardo Sanhueza (Chile).

**SBSTA Conclusions:** In its conclusions (FCCC/SBSTA/2011/L.20), the SBSTA agrees that the definition of forest in exhaustion, as contained in FCCC/KP/CMP/2009/16 Annex I, requires further clarification, and further agrees to continue consideration of the issue at SBSTA 36.

**Annual report on the technical review of greenhouse gas inventories and other information reported by parties included in Annex I to the Convention that are also parties to the Kyoto Protocol:** This issue (FCCC/SBSTA/2011/INF.16) was first taken up in SBSTA plenary on 29 November. On 3 December, SBSTA took note of the report.

**SBSTA 35 CLOSING PLENARY:** On 3 December, SBSTA 36 adopted its report (FCCC/SBSTA/2011/L.17) and SBSTA Chair Muyungi thanked participants and closed SBSTA 35 at 11:23 pm.

## RESUMED 14TH SESSION OF THE AWG-LCA

AWG-LCA Chair Daniel Reifsnnyder (US) opened the resumed fourteenth session of the *Ad hoc* Working Group on Long-term Cooperative Action under the Convention, recalling the goal of forwarding a comprehensive, balanced and robust outcome to the COP.

During opening statements, Argentina, for the G-77/China, said Durban must deliver an outcome that ensures the fulfillment of the Convention’s ultimate objective. On the Adaptation Committee, she said it should have a majority of developing country members. She urged a decision on, *inter alia*, developed country public funds for long-term finance, and defining the governance structure of the Technology Mechanism.

The EU called for a process to deliver a new global, comprehensive and legally-binding framework, to be completed by 2015. He reaffirmed his commitment to jointly mobilize US\$100 billion annually by 2020.

The Republic of Korea, for the EIG, expressed a commitment to a strengthened, comprehensive and ambitious international climate change regime.

Papua New Guinea, for the Coalition for Rainforest Nations, called for the Green Climate Fund to include a dedicated window for REDD+ and a new market mechanism to be established and shared by both the AWG-LCA and the AWG-KP.

Grenada, for AOSIS, called for the AWG-LCA to deliver on a mandate to negotiate a parallel protocol, to be completed by December 2012, which provides for comparable mitigation commitments for developed countries that do not have mitigation commitments under the Kyoto Protocol. She called for an agreement to pursue options for all developed countries to immediately increase their level of mitigation ambition, and initiation of the 2015 Review.

The Gambia, for LDCs, called for operationalizing a more efficient and equitable international financial mechanism. Nicaragua, for ALBA, stressed that the Green Climate Fund must not become an “empty basket” of false promises and called on developed countries to contribute with 1.5% of their GDP.

Australia reported on its clean energy future package, which she said will drive “the biggest expansion in the clean energy sector in Australia’s history.”

Parties agreed to resume substantive work under the previously established AWG-LCA contact group. Chair Reifsnyder said a limited number of meetings would be convened to provide an overview of work being conducted in the informal groups on: mitigation and its sub-groups; adaptation; finance; technology transfer; review; legal options; and other matters. He indicated that an “amalgamation document” bringing together all elements of the work would provide the basis for negotiations.

The AWG-LCA considered Agenda Items 3, 4 5 and 6 on: preparation of an outcome to be presented to COP 17; review of the long-term global goal; legal options; and other matters, including Annex I parties undergoing the process of transition to a market economy and Annex I parties whose special circumstances have been recognized by the COP. Early Sunday morning, 11 December, Chair Reifsnyder presented to the COP Plenary a draft decision on “Outcome of the work of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention” (FCCC/AWGLCA/2011/L.4), which was adopted by the COP early on Sunday morning, 11 December. The following summarizes the discussions in the informal groups and the relevant parts of this decision that emerged from each group.

### SHARED VISION

This issue was addressed in an informal group, facilitated by Margaret Mukahanana-Sangarwe (Zimbabwe). Parties shared their views on whether the text should stress a peak emissions year and a global goal or if it should be more holistic. A group of countries tabled a new proposal for a draft decision on shared vision, calling on SBSTA, *inter alia*, to initiate a process to articulate the meaning, implications and operationalization of equitable access to sustainable development in the climate

change regime, and to initiate a process to study the implications of the elaboration of a long-term global goal for emissions reductions by 2050 and a timeframe for global peaking.

Parties discussed four possible options for consideration by Ministers: a first option to agree on “the numbers” identifying the global goal for emission reductions and the timeframe for global peaking of greenhouse gas emissions and then discussing other issues; a second option to first consider the context for the adoption of “the numbers;” a third option to propose a process to make a decision on the issue and possible steps forward; or a fourth option to drop the issue owing to lack of agreement. Many parties supported presenting the four options to the Ministers and indicated their preferences.

While many developing country parties supported the third option to set up a process, some developed countries supported the two first options to discuss “the numbers.” A group of developing countries cautioned against the third option, urging for the establishment of numbers to ensure peaking by 2015.

Facilitator Mukahanana-Sangarwe continued bilateral consultations and encouraged parties to consult informally. The issue was finally considered at the ministerial level and a decision was adopted by the COP plenary on 11 December as part of the AWG-LCA outcome. Outstanding text on shared vision was incorporated in the note by the Chair on work undertaken in the informal groups in the preparation of a comprehensive and balanced outcome to be presented to the Conference of the Parties for adoption at its seventeenth session (FCCC/AWGLCA/2011/CRP.39, hereinafter CRP.39) for further consideration, including different options on preambular text and different options on the global goal for substantially reducing global greenhouse gas emissions by 2050. Other options for further consideration included in CRP.39 include: timeframe for global peaking of greenhouse gas emissions, equity, historical responsibility, establishment of global goals for finance, establishment of global goals for technology, establishment of global goals for adaptation, establishment of global goals for capacity building, trade, response measures, intellectual property issues in relation to technology, low-carbon and climate-resilient society, human rights, rights of mother earth, right to survive, an international climate court of justice, and warfare.

**COP Decision:** In Section I of the decision (FCCC/AWGLCA/2011/L.4), the COP agrees:

- to continue to work towards identifying a global goal for substantially reducing global emissions by 2050 to be considered at COP 18;
- to continue to work towards identifying a timeframe for the global peaking of greenhouse gas emissions based on the best available scientific knowledge and equitable access to sustainable development, and consider it at COP 18; and
- that consideration of a global goal cannot be undertaken in the abstract and will necessarily involve matters related to the context.

The COP also requests the AWG-LCA to consider the issue of equitable access to sustainable development, as contained in Decision 1/CP.16, through a workshop at its next session and to report on it to the COP.

**ENHANCED ACTION ON MITIGATION**

**DEVELOPED COUNTRY MITIGATION:** This item was considered during informal consultations co-facilitated by Karine Hertzberg (Norway) and José Alberto Garibaldi Fernandez (Dominican Republic). The issues discussed were: the level of ambition, biennial reports, and international assessment and review (IAR). Many parties expressed willingness to begin drafting on the basis of the non-papers from Panama. The EU suggested that the decision focus on: recognizing and establishing a process to narrow the ambition gap; an international, common rules-based accounting system; and a process to understand the assumptions underlying current pledges.

On ambition, Switzerland, for the EIG, suggested a process to increase ambition, technical workshops, and further consideration at COP 18. The US said the Cancun Agreements do not establish a process for narrowing the ambition gap and this should be considered in the context of the 2013-2015 Review. New Zealand, supported by Australia and Norway, proposed a template as a flexible tool to capture information on pledges, including on sectors, metrics, gases and timeframes covered. Parties discussed whether or not to clarify pledges, assumptions and conditions, with several saying it was useful to do so. Guidance was sought from Ministers on clarification of pledges and whether they should be translated into other forms.

On accounting, Australia supported a common accounting framework for all parties. The EU said common accounting rules are key to increasing ambition and ensuring transparency. The US said the development of such rules was not mandated by the Cancun Agreements and suggested they be based on IPCC methodologies.

On biennial reports, some developed countries suggested bracketing text on the update of guidelines for national communications for Annex I parties, saying this should be acceptable only if also considered in the case of non-Annex I parties. A developing country highlighted that the Cancun Agreements mandate the update of guidelines for Annex I parties, but not for non-Annex I parties, suggesting the former be completed for consideration by COP 19, rather than COP 20. Some parties suggested retaining only general references to finance to avoid prejudging outcomes of other discussions.

On IAR, Bolivia called for a compliance system and a set of penalties. Mali, for the African Group, suggested a robust compliance mechanism. One developed country said that emerging developing countries should be subject to a similar regime, and that IAR is for emission reduction targets and not for reporting on the provision of support to developing countries. China said discussions on developed and developing countries' mitigation efforts should remain separate. Parties also considered options for, *inter alia*: comparability; the timeframe for the adoption of modalities and procedures; frequency of IAR; and compliance. Parties further discussed the objectives of IAR, technical review and multilateral assessment.

**COP Decision:** In Section II.A of the decision (FCCC/AWGLCA/2011/L.4) **on ambition**, the COP:

- decides to continue in 2012 the process of clarifying developed country parties' quantified economy-wide emission reduction targets contained in document FCCC/SB/2011/INF.1/Rev.1, with the objective of understanding assumptions

and conditions related to individual targets, in particular in relation to the base year, global warming potential values, coverage of gases, coverage of sectors, expected emission reductions, the role of LULUCF and forestry and carbon credits from market-based mechanisms, and associated assumptions and conditions related to the ambition of the pledges; and

- decides to hold workshops to explore the assumptions and conditions related to targets, and requests the Secretariat to produce a technical paper exploring the commonalities and differences of approaches.

The COP decision on the establishment of an AWG on the Durban Platform (FCCC/CP/2011/L.10) contains further provisions on the level of ambition, including the launching of a work-plan on enhancing the mitigation ambition and a request for submissions on ways for further increasing of the level of ambition.

On **biennial reports**, the COP, *inter alia*:

- adopts the guidelines contained in Annex I on the preparation of biennial reports by developed countries;
- decides that developed countries shall use the mentioned UNFCCC biennial reporting guidelines for the preparation of their first biennial reports, taking into account their national circumstances; and submit their first biennial reports to the Secretariat by 1 January 2014, and their second and subsequent biennial reports two years after the due date of a full national communication (i.e., in 2016, 2020);
- decides also that Annex I parties shall submit a full national communication every four years, noting that the next due date after adoption of this decision is 1 January 2014 according to Decision 9/CP.16;
- decides further that in the years when the full national communications are submitted, developed countries should present the biennial reports as an annex to the national communication or as a separate report;
- decides to establish a work programme under the SBSTA on development of a common tabular format for electronic reporting of information according to the reporting guidelines referred above, with the view to adopting the format by COP 18;
- requests the SBI 40 to begin the revision of the UNFCCC reporting guidelines on national communications, based on the experiences gained in preparing the first biennial reports and other information, with a view to adopting the guidelines by COP 20; and
- requests the SBSTA to develop, taking into account existing international methodologies, and based on the experiences gained in preparing the first biennial reports, methodologies for reporting financial information with a view of recommending a decision to COP 20 on this matter.

On **IAR** the COP:

- decides that the IAR process will be conducted through a technical review of information and a multilateral assessment of the implementation of quantified economy-wide emission reduction targets;
- adopts the modalities and procedures for IAR as contained in Annex II, and decides to use them until any revisions are decided upon by the COP;
- agrees that the first round of IAR should commence two

months after the submission of the first round of biennial reports by developed countries;

- decides to revise the modalities and procedures prescribed herein on the basis of experience gained in the first round of IAR, no later than 2016;
- also decides that the review of annual national greenhouse gas inventories will continue on an annual basis, and that IAR will be conducted every two years for the biennial reports, whether independently or in conjunction with a national communication;
- further decides to establish a work programme under the SBSTA, with a view to concluding the revision of the guidelines for the review of biennial report, and national communications, including national inventory review to be concluded no later than COP 19;
- requests the Secretariat to enhance coordination between different review processes to ensure effective and efficient processes and procedures;
- agrees that the outputs of the multilateral assessment will comprise, for each party, a record prepared by the Secretariat, which will include in-depth review reports, the summary report of the SBI, questions submitted by parties and responses provided, and any other observations of the party under review that are submitted within two months of the working group session; and
- also agrees that any revision of the modalities and procedures for IAR should take into account any future agreement on a compliance regime for mitigation targets under the Convention.

The decision contains Annex I on UNFCCC biennial reporting guidelines for developed countries and Annex II on modalities and procedures for IAR.

**DEVELOPING COUNTRY MITIGATION:** During informal consultations on developing country mitigation the main issues discussed were: the level of ambition; biennial update reports; international consultation and analysis (ICA); and the Registry. Many parties expressed support for the non-papers from Panama as a basis for further discussions. Bolivia expressed concern that requirements being imposed on developed and developing countries are too similar. The EU reiterated that progress on these issues is a key part of the Durban package and suggested that text for a decision focus on the same areas identified for developed countries' mitigation issues. Switzerland, for the EIG, highlighted: ambition and the need for information on the ambition gap; and common accounting rules.

On *ambition*, many developing parties emphasized the need to respect the diversity of developing country pledges, and that increasing the level of ambition for developing countries is closely linked with support. The issue of ambition for developing countries was extensively discussed during high-level consultations.

On *biennial update reports*, the US said the Cancun Agreements set their frequency at every two years and the information should be consistent with national communications. India said biennial update reports should be: less onerous than biennial reports for developed countries; updates of the latest national communications; and contingent on financing from Annex I parties.

New Zealand, supported by Australia and Canada, proposed including a template for understanding underlying assumptions for nationally appropriate mitigation actions (NAMAs). Pakistan said a common reporting format is not applicable and expressed preference for a graduated model.

On *ICA*, the US highlighted that, according to the Cancun agreements, a technical analysis should be followed by consultations and suggested these be held in the subsidiary bodies for the sake of transparency and in a non-intrusive and non-punitive manner. India stressed that ICA should be less onerous than IAR. Indonesia and Brazil said ICA should not be burdensome.

On the *Registry*, Australia supported a simple and accessible web platform, but stressed that it should not replace the need to clarify the pledges. South Africa said the Registry could help raise developing countries' ambition. On inviting developing country parties to submit information to the Registry, some parties suggested that all parties should provide information, while others added that information should also come from agencies and other entities. A developing country suggested possible future linkages between the Registry, the Standing Committee and the GCF, supporting a reference to ensuring that information is taken into account by the relevant financial mechanism. Some parties supported management of the Registry by the Secretariat but one highlighted it is premature to determine further details.

**COP Decision:** In Section II.B of the decision (FCCC/AWGLCA/2011/L.4), on *ambition*, the COP, *inter alia*:

- encourages developing countries who have yet to submit information on NAMAs pursuant to Decision 1/CP.16, paragraph 50 to do so, noting the need to extend flexibility to SIDS and LDCs;
- decides to continue in 2012 workshops, in a structured manner, to further the understanding of the diversity of mitigation actions as communicated and contained in FCCC/AWGLCA/2011/INF.1, underlying assumptions and any support needed for the implementation of these actions, noting different national circumstances and the respective capabilities of developing country parties;
- invites developing countries, to submit, subject to availability, more information relating to NAMAs, including underlying assumptions and methodologies, sectors and gases covered, global warming potential values used, support needs for implementation of NAMAs and estimated mitigation outcomes;
- requests the Secretariat to organize the in-session workshops referred to in conjunction with SB 36 and prepare written workshop summary reports; and
- requests SBSTA to develop general guidelines for domestic MRV of domestically-supported NAMAs.

On *biennial update reports*, the COP:

- adopts the guidelines, contained in Annex III to this decision, for the preparation of biennial update reports by non-Annex I parties, (hereinafter referred to as the Guidelines);
- affirms that the Guidelines shall respect the diversity of mitigation actions and provide flexibility for non-Annex I parties to report information, while providing an understanding of actions taken;
- decides that non-Annex I parties, consistent with their

capabilities and level of support provided for reporting, should submit their first biennial update report by December 2014; LDCs and SIDS may submit biennial update reports at their discretion;

- decides that these guidelines should be reviewed and revised as appropriate, in accordance with decisions of the COP;
- requests the Secretariat to facilitate assistance to non-Annex I parties, on request, in the preparation of their biennial update reports; and
- requests the GEF to make available support to non-Annex I parties preparing their first biennial update reports as early as possible in 2012 and on the basis of agreed full cost funding.

On the **Registry**, the COP:

- decides the Registry should be developed as a dynamic, web-based platform managed by a dedicated team in the Secretariat;
- invites developing countries to submit, as appropriate, to the Secretariat the information on individual NAMAs seeking international support;
- also invites developing countries to submit to the Secretariat information on other individual NAMAs, to be recorded in a separate section of the Registry, for their recognition;
- further invites parties, the entity or entities entrusted with the operation of the financial mechanism, including the GEF and the GCF, multilateral, bilateral and other public donors, and private and non-governmental organizations that are in position to do so, to submit to the Secretariat, as appropriate, information on financial, technological and capacity-building support available and/or provided for the preparation and/or implementation of NAMAs;
- decides that the Registry will facilitate the matching of actions seeking international support with support available by providing and directing information to parties that submitted information on NAMAs seeking support, and parties and entities that have submitted information on support available;
- requests the Secretariat to develop a prototype of the Registry by SBI 36 in order to present the prototype to parties for their consideration; and
- requests the Secretariat, if applicable, to improve the design of the prototype based on the views expressed by parties at SBI 36, in order to enable parties to start using the prototype of the registry as soon as possible.

On **ICA**, the COP:

- decides that the first round of ICA will be conducted for developing countries, commencing within six months of the submission of the first round of biennial update reports;
- urges developed countries and other developed parties included in Annex II to provide new and additional financial resources at the agreed full cost with a view to supporting any reporting needed for ICA; and
- invites parties to submit to the Secretariat, by 5 March 2012, their views on the composition, modalities and procedures of the team of technical experts referred to in paragraph 1 of Annex IV.

Annex III of the decision contains the UNFCCC biennial update reporting guidelines for parties not included in Annex I to the Convention. Annex IV contains modalities and guidelines for ICA.

**REDD+:** This issue was addressed in an informal group facilitated by Tony La Viña (Philippines). Discussions mainly focused on: sources of financing for REDD+, the role of markets and non-markets and the potential use of offsets. Underscoring ongoing REDD+ initiatives, many parties agreed to the preparation of a non-paper containing, *inter alia*: elements on linkages among forest reference levels and/or forest emission reference levels, safeguards, MRV and financing; language on markets that could provide the funding for results-based actions; and a request to the Secretariat to provide a technical paper on financing. On the basis of a non-paper prepared by the facilitator, parties engaged in drafting and met frequently throughout the meeting.

Discussions focused on the controversial issue of sources of financing for REDD+ and the use of offsetting. On REDD+ sources of financing, many parties highlighted the need for flexibility on financing sources and that it should be up to each party to decide what sources to use. Some parties supported referring to private and public funding, others suggested linking REDD+ phase one and two to public sources and phase three also to private sources. Some parties supported that appropriate market-based approaches be developed and that the SBSTA could develop modalities and procedures. Some other developing country parties considered that results-based finance provided to developing countries may come from a wide variety of sources, including alternative sources, considering appropriate market and non-market based approaches under the Convention. Disagreement emerged around a proposal by some developing countries to include a footnote explaining that “appropriate” means exclusion of offsetting mechanisms and/or carbon markets. An ALBA country strongly supported developing non-market based approaches focusing on the multiple functions and values of forests.

On the way forward and the work for the coming year, some parties proposed requesting the Secretariat to prepare a technical paper exploring the sources, potential scale and efficient and effective use of financing, while others suggested the prior request for submissions by parties. Some parties suggested this paper be reported to the SBSTA and that discussions continue in that body, with some initially opposing merging AWG-LCA and SBSTA work. One party suggested moving the work on REDD+ to the SBI, rather than to SBSTA, while others said forwarding the discussions to a subsidiary body will result in losing a political space for REDD+. Other parties suggested that discussions continue under the AWG-LCA, if extended, or under the body that may replace it. Different views also emerged on issues to be addressed in a workshop on possible elements for modalities and procedures for financing results-based actions to be held before SBSTA 39.

The agreed text on REDD+ was incorporated as part of the Outcome of work of the AWG-LCA, while text in brackets remains in document CRP.39 for further consideration. Outstanding text includes seven options on REDD+ financing and different approaches to the use of market and non-market based approaches and the possibility of considering offsetting in the context of REDD+ activities.

**COP Decision:** In Section II.C of the decision (FCCC/AWGLCA/2011/L.4), the COP:

- agrees that, regardless of the source or type of financing, the activities referred to in Decision 1/CP.16, paragraph 70, should be consistent with the relevant provisions included in Decision 1/CP.16, including the safeguards in its Appendix I;
- agrees that results-based finance provided to developing parties that is new, additional and predictable may come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources;
- considers that, in the light of the experience gained from current and future demonstration activities, appropriate market-based approaches could be developed by the COP to support results-based actions by developing countries; and
- invites parties and observers to submit by 5 March 2012 their views on modalities and procedures for financing results-based actions.

The COP further requests the Secretariat to:

- compile the submissions for consideration by AWG-LCA in conjunction with SBSTA 36;
- prepare, subject to the availability of supplementary resources, a technical paper, based on parties and observers' submissions;
- organize, subject to the availability of supplementary resources, a workshop; and
- requests the AWG-LCA to consider the submissions, the technical paper and the report of the outcomes of the workshops with the aim of reporting on progress made and any recommendations to COP 18.

**SECTORAL APPROACHES:** This issue was addressed throughout the week in a contact group facilitated by George Wamukoya (Kenya). Based on the facilitator's note from Panama, parties focused discussion on three main areas of the text: the general framework, agriculture, and international aviation and maritime transport.

Parties' views diverged on the language contained in, and possible need for, a general framework, and the extent to which it should detail language on agriculture and bunker fuels. Discussions addressed how the application of common but differentiated responsibilities across sectors is both a "legal and a political issue," upon which guidance must be provided and must therefore be taken up by Ministers.

On agriculture, parties considered food security, trade, and economic development and poverty eradication. Some developed countries emphasized the relevance of a SBSTA programme of work on agriculture. On bunker fuels, divergent views were expressed on, *inter alia*: the scope of measures, principles and directed guidance for the work of ICAO and IMO, ambition of action, and market-based instruments. However, there was broad agreement on defining a role for ICAO and IMO to regulate greenhouse gas emissions from international aviation and maritime transport, respectively.

**COP Decision:** In Section II.D of the decision (FCCC/AWGLCA/2011/L.4), the COP, *inter alia*:

- agrees to continue considering a general framework for cooperative sectoral approaches and sector-specific actions with a view to adopting a decision on this matter at COP 18;
- requests that SBSTA 36 consider issues relating to agriculture; and
- agrees to continue consideration of issues related to addressing emissions from international aviation and maritime transport.

**MARKET AND NON-MARKET APPROACHES:** This issue was addressed in an informal group facilitated by Giza Gaspar Martins (Angola). Parties discussed, *inter alia*, the role of the Convention in the development of, and the need to, establish a work programme to address various approaches. Developed countries urged for the establishment of a new market mechanism, whereas some developing countries raised concerns over the lack of consideration of non-market approaches.

**COP Decision:** In Section II.E of the decision (FCCC/AWGLCA/2001/L.4), the COP: emphasizes that various approaches, including opportunities for using markets, must meet standards that deliver real mitigation outcomes; requests the AWG-LCA to conduct a work programme to consider a framework for such approaches with a view to forwarding a decision to COP 18; and requests the AWG-LCA to conduct a work programme to elaborate modalities and procedures for that mechanism.

**ECONOMIC AND SOCIAL CONSEQUENCES OF RESPONSE MEASURES:** This issue was addressed in an informal group facilitated by Crispin d'Auvergne (Saint Lucia) with discussions carried over from the previous meeting in Panama and focused on: whether the group has a mandate to discuss trade issues; the interpretation of mandates from the AWG-LCA and the subsidiary bodies; and language regarding positive and negative aspects of response measures.

Saudi Arabia stressed the need for text on response measures that reflects progress across all areas of the negotiations and, supported by Iraq, expressed concern that response measures have not received as much attention as mitigation under the AWG-LCA.

During the second week, parties considered a consolidated text based on parties' submissions, language on response measures within the Chair's amalgamation document (FCCC/AWGLCA/2011/CRP.37/Add.1), and other relevant documents. At the end of the meeting, outstanding items were incorporated in CRP.39, including three options for text on trade.

**COP Decision:** Section II.F of the decision (FCCC/AWGLCA/2011/L.4), *inter alia*, recognizes that social and economic development and poverty eradication are the first and overriding priorities of developing countries; urges parties in implementing policies to promote a just transition of the workforce; urges developed country parties to assist developing country parties to promote economic diversification in the context of sustainable development; urges parties to give full consideration to the positive and negative impacts of the implementation of response measures on society; and recognizes the decision that establishes the Forum to Implement the Work Programme on the Impact of the Implementation of Response Measures, and consolidates all progressive discussions related to response measures under the Convention.

#### **ENHANCED ACTION ON ADAPTATION**

During the AWG-LCA opening plenary on 29 November, parties agreed to: resume substantive work under the previously established informal group on enhanced action on adaptation, facilitated by Kishan Kumarsingh (Trinidad and Tobago) and base discussions on the text forwarded from Panama.

The G-77/China stressed the Adaptation Committee should report directly to the COP, and linkages with other institutional

arrangements. Delegates also raised the following issues: progress in other areas related to adaptation has provided more clarity for the work of the Adaptation Committee; the need for linkages to regional centers and work with other organizations outside the Convention; and the need for prioritizing activities that should be undertaken by the Committee during its first year. Stressing the need for an achievable and realistic work programme, some delegates said the proposed Adaptation Committee's work programme for the first year was far too ambitious. While one delegate supported a preambular paragraph reference to the adverse impacts of response measures, many others opposed such a reference, and it was subsequently not included.

Remaining outstanding issues on the Adaptation Committee related to, *inter alia*, composition of the Committee and linkages with other adaptation-related work programmes, bodies and institutions under the Convention. Ministerial-led consultations took these issues up during the final days in Durban. The COP adopted the decision and decided that nominations for the Committee should be submitted by 31 March 2012.

**COP Decision:** Part III of the decision (FCCC/AWGLCA/2011/L.4) recalls Decision 1/CP.16, which established the Cancun Adaptation Framework and the Adaptation Committee. The COP decides that the Adaptation Committee should make use of the following modalities in exercising its functions:

- workshops and meetings;
- expert groups;
- compilation, review, synthesis, analysis reports of information, knowledge, experience and good practice;
- channels for sharing information, knowledge and expertise; and
- coordination and linkages with all relevant bodies, programmes, institutions and networks, within and outside the Convention.

The COP also decides that the Adaptation Committee shall operate under the authority of, and be accountable to, the COP, and requests the Committee to:

- report annually to the COP;
- during its first year, develop a three-year plan for its work, and initiate some of the activities contained in Annex V to this decision;
- engage and develop linkages with all adaptation-related work programmes, bodies and institutions under the Convention, including, *inter alia*, the LEG, the NWP, the work programme on loss and damage, and the operating entities of the financial mechanism of the Convention; and
- engage with relevant institutions, organizations, frameworks, networks and centers outside the Convention.

Regarding composition, the decision decides the Committee shall comprise 16 members, to be elected by the COP, as follows:

- two members for each of the five UN regional groups;
- one member from a small island developing state;
- one member from an LDC;
- two Annex I party members; and
- two non-Annex I party members.

Annex V outlines an indicative list of activities for the Adaptation Committee, *inter alia*:

- considering relevant information and providing

recommendations to the COP on ways to rationalize and strengthen coherence among adaptation bodies, programmes and activities under Convention;

- preparing an overview of the capacities of regional centers and networks working on adaptation issues, and recommending to parties ways that their role can be enhanced;
- preparing periodic overview reports synthesizing information and knowledge relating to, *inter alia*, implementation of adaptation activities and good adaptation practices; and
- upon request, considering technical support and guidance to parties as they develop national adaptation plans, and work in support of the work programme on loss and damage.

### FINANCE

During informal discussions facilitated by Georg Børsting (Norway) and Suzanty Sitorus (Indonesia), parties focused on the Standing Committee of the financial mechanism of the Convention and on long-term finance. Several iterations of draft text on these items were considered.

On the Standing Committee, parties considered whether it should be a subsidiary body of the Convention and make recommendations directly to the COP or whether it should report to the SBI. Functions of the Standing Committee regarding assistance to be provided to the COP were also addressed. Proposed functions include: improving coherence and coordination in the delivery of climate financing; developing recommendations to rationalize the financial mechanism; and MRV of support provided to developing countries.

On long-term finance, parties made proposals for streamlining the text, with several parties cautioning against going back on what was agreed in Cancun in proposals presented, for example, on a burden sharing mechanism to identify the flows of financial support. However, parties agreed on an option whereby each country will determine the mode and source of its contributions in support of the goal of mobilizing US\$100 billion.

On capitalization of the GCF, some parties emphasized the need to clarify what was pledged in terms of long-term financing. Others said issues relating to the GCF were being considered elsewhere. Parties also exchanged views on the feasibility of convening workshops on sources of long-term finance including an annexed indicative schedule of activities on sources of long-term financing. They also addressed operational paragraphs on options for adequacy and predictability, and on continuity and scaling up of financing.

On the issue of long-term finance for adaptation, many developing countries emphasized the need to focus on ground-based adaptation, both in the form of grants and with direct access to overcome current barriers to investments in adaptation. Delegates also discussed whether public sources constitute the main funding source. During discussions on new and innovative sources of finance, a group of developed countries observed that it is premature to discuss the establishment of a mechanism to assess the incidence of sources of finance.

On bunker fuels, they proposed language noting that alternative sources such as carbon pricing of global aviation and maritime transportation have the potential to generate significant funds and will also generate the price signal necessary to achieve emission reductions in these sectors and inviting IMO and ICAO to develop instruments including market-based instruments.

Other developed countries preferred to delete all the paragraphs relating to incidence.

**COP Decision:** Section IV of the decision (FCCC/AWGLCA/2011/L.4) includes subsections on the Standing Committee and long-term finance. The COP decides that the Standing Committee shall:

- report and make recommendations to the COP, for its consideration, at each ordinary session of the COP on all aspects of its work;
- assist the COP in exercising its functions with respect to the financial mechanism of the Convention in terms of improving coherence and coordination in the delivery of climate change financing, rationalization of the financial mechanism, mobilization of financial resources, and MRV of support provided to developing countries;
- perform any other functions that may be assigned to it by the COP; and
- develop a work programme for presentation to COP 18.

The decision includes Annex VI with the composition and working modalities of the Standing Committee.

On long-term finance, the COP, *inter alia*: affirms the importance of continuing to provide ongoing support beyond 2012; decides to undertake a work programme on long-term finance in 2012, including workshops, to progress on long-term finance; decides that the aim of this work programme is to contribute to the on-going efforts to scale up the mobilization of climate change finance after 2012; and notes the information provided by developed countries on the fast-start finance they have provided and urges them to continue to enhance the transparency of their reporting on the fulfillment of their fast-start finance commitments.

### TECHNOLOGY DEVELOPMENT AND TRANSFER

This issue was first taken up in the opening AWG-LCA plenary on 29 November and discussed throughout the conference in an informal group, facilitated by Jukka Uosukainen (Finland), and in informal consultations. The G-77/China urged defining the governance structure of the Technology Mechanism. Bolivia stressed the need for discussing intellectual property rights in the context of the TEC. Parties focused on: possible gaps in the overall call for proposals and selection process to host the Climate Technology Center and Network (CTCN), including financial arrangements and eligibility criteria; and possible gaps in evaluation criteria and information requirements. On criteria to evaluate and select the host of the Climate Technology Center (CTC), delegates addressed: the selection timeline and the possible involvement of an intermediary body, finance, the role of the GEF, and governance.

Unresolved issues are contained in CRP.39 and will be addressed at a later stage. They relate to, *inter alia*, intellectual property rights related to the development and transfer of technologies, and composition of the “board” or “advisory committee” of the CTCN.

**COP Decision:** In Section V of the decision (FCCC/AWGLCA/2011/L.4), the COP, *inter alia*:

- requests the CTCN, once it is operational, to elaborate its modalities and procedures based on the terms of reference; and
- decides that the selection process for the host of the CTC shall

be launched upon conclusion of COP 17, in order to make the Technology Mechanism fully operational in 2012.

The COP further, *inter alia*:

- outlines the procedure for selecting the host of the CTC for approval at COP 18;
- decides that the costs associated with the CTC and the mobilization of services of the Network should be funded from various sources, including the financial mechanism, the private sector and philanthropic sources;
- requests the GEF to support the operationalization and activities of the CTCN without prejudging the selection of the host; and
- requests the TEC and the CTC to establish procedures for preparing a joint annual report.

Two annexes are associated with this decision. Annex VII on the Terms of Reference of the CTCN includes sections on: mission; functions; roles and responsibilities; governance of the CTCN; organizational structure of the CTC; reporting and review; and term of agreement.

Annex VIII to the decision is on criteria to be used to evaluate and select the host of the CTCN and information required to be included in the proposals. Under criteria, there are sections on: technical capabilities; technical approach; existing governance and management structures; the CTCN management plan; past performance; budget proposal for the CTCN; and example budget scenarios and activities of the CTCN. The last two sections are on methodology and information to be included in the proposals.

### CAPACITY BUILDING

During the opening AWG-LCA plenary, parties agreed to resume substantive work under the informal group on capacity building, facilitated by Maas Goote (Netherlands). Delegates based discussions on the text forwarded from Panama, focusing on paragraphs related to, *inter alia*: enhancing monitoring and review of the effectiveness of capacity building; and modalities regarding institutional arrangements for capacity building.

Some countries cautioned against creating stand-alone capacity-building institutions, noting capacity building was best considered as an integrative component under mitigation and adaptation. After almost 30 hours of negotiations, outstanding issues in the final informal group related to whether to call an in-session body, a “forum,” or an “in-depth discussion,” and whether it should meet annually or biennially. However, the G-77/China expressed concern with the lack of clarity on institutional arrangements and an absence of reference to performance indicators. Facilitator Goote said he would send the text to the AWG-LCA Chair with the recommendation that a “forum for in-depth discussion” meet annually, at least initially.

**COP Decision:** Part VI of the decision (FCCC/AWGLCA/2011/L.4) recalls Decision 1/CP.16 on further enhancing the monitoring and review of the effectiveness of capacity building, and reaffirms:

- that capacity building should be a continuous, progressive and iterative process that is participatory, country-driven and consistent with national priorities and circumstances; and
- the importance of taking into account gender aspects and acknowledging the role and needs of youth and persons with disabilities in capacity-building activities.

The decision, *inter alia*:

- requests the SBI to organize an annual in-session Durban Forum for in-depth discussion on capacity building, with a view to sharing experiences, and exchanging ideas, best practices and lessons learned regarding the implementation of capacity-building activities;
- decides that the Durban Forum should include as inputs, *inter alia*, any capacity building contained in the reports prepared since the most recent session of the Forum;
- requests the Secretariat to compile and synthesize the reports and to prepare a summary report for consideration by the SBI;
- requests the Secretariat to continue to compile and synthesize information;
- encourages the relevant bodies under the Convention, including, *inter alia*, the CGE, the LEG and the GEF, to continue to elaborate and to carry out work on capacity building in an integrated manner within their respective mandates;
- decides that the first meeting of the Durban Forum during SBI 36 explore potential ways to further enhance monitoring and review of the effectiveness of capacity building;
- decides that the financial resources should be provided by Annex II parties and other parties in a position to do so through, *inter alia*, current and any future operating entities of the financial mechanism; and
- requests that the actions called for be undertaken subject to the availability of financial resources.

## REVIEW

Consideration of the further definition of the scope and development of the Review of the adequacy of the long-term global goal, in the light of the ultimate objective of the Convention, and the overall progress made towards achieving it, was taken up in a contact group facilitated by Margaret Mukahanana-Sangarwe (Zimbabwe). Parties considered a number of options for streamlining a non-paper referred from the last AWG-LCA meeting in Panama. Parties discussed the scope and modalities of the Review. Mukahanana-Sangarwe distributed a revised draft text on the further definition of the scope and development of the modalities of the Review, characterizing the key options as “Cancun,” “Cancun+” and an option covering elements of both. The scope of the Review was one of several issues referred to Ministers for political resolution.

**COP Decision:** Section VII of the decision (FCCC/AWGLCA/2011/L.4) recalls Decision 1/CP.16 on the Review: reaffirms that it should periodically assess the adequacy of the long-term global goal, in the light of the ultimate objective of the UNFCCC, confirms the first review should start in 2013 and conclude by 2015; agrees that parties continue to work on scope, and agrees that the Review should be guided by, *inter alia*, equity and common but differentiated responsibilities (CBDR), best available scientific knowledge, climate change observations, and submissions from parties. It further decides that the Review be concluded with the assistance of SBSTA and the SBI and further define expert consideration of inputs by COP 18.

## OTHER MATTERS

**MATTERS RELATED TO ANNEX I PARTIES WITH ECONOMIES IN TRANSITION AND OTHERS:** This item was addressed under a previously established AWG-LCA contact

group. An informal group facilitated by Kunihiko Shimada (Japan) was established to address matters related to Annex I parties with economies in transition (EIT) and matters related to Annex I parties whose special circumstances are recognized by the COP.

**COP Decision:** In Section VIII of the decision (FCCC/AWGLCA/2011/L.4), the COP invites Annex I parties, that are in a position to do so, to make available the capacity-building, financial, technical and technology transfer assistance for Annex I parties with EIT; and agrees to continue with the discussion on modalities for the provision of support for mitigation, adaptation, technology development and transfer, capacity-building and finance to parties whose special circumstances are recognized by the COP.

## LEGAL OPTIONS

This issue was addressed in an informal group facilitated by Maria del Socorro Flores (Mexico). Discussions mainly focused on: linkages between the legal form of the AWG-LCA outcome and the possible adoption of a second commitment period under the Kyoto Protocol and narrowing down key legal options for a possible AWG-LCA outcome.

Grenada, for AOSIS, said he supported adoption of a second commitment period under the Kyoto Protocol and a legally-binding framework. He said legal form and level of ambition are mutually reinforcing. Bolivia said he does not “trust” voluntary pledges, and suggested a compliance system particularly in consideration of countries that are not party to the Protocol. With Trinidad and Tobago, he opposed a “facilitative and non-punitive framework,” saying this would hamper implementation. Saudi Arabia said form should follow content and opposed discussing any proposals in detail. The Gambia, for LDCs, favored a legally-binding agreement encompassing the Bali Action Plan, contingent on adoption of a ratifiable second commitment period.

The EU supported a multilateral, rules-based, legally-binding treaty. He said empirical evidence indicates that treaties are superior to voluntary commitments in terms of ensuring compliance, stressing that they inspire confidence in governments and markets to act. Australia supported a new legally-binding instrument, with specific obligations for a broad set of parties, while Palau called for a new protocol. Japan supported a new, single, legally-binding instrument with participation of all major economies. The US supported a legally-binding agreement including commitments from all major economies. He suggested that this is not the appropriate venue to discuss a mandate for a process for a post-2020 regime, and said common but differentiated responsibilities is a concept with “evolving applicability.” Climate Action Network requested adoption of a mandate for a legally-binding instrument by 2015, stressing that “the world cannot afford a dead decade on climate change.”

Facilitator Flores prepared a non-paper containing options based on parties’ discussions, which was subsequently revised based on inputs. On 6 December parties discussed a revised non-paper presented by the facilitator with options for an AWG-LCA outcome. The non-paper contained four options to be considered by Ministers: (1) to develop and finalize a protocol pursuant to Convention Article 17 (protocols); (2) to request the AWG-LCA to complete the agreed outcome based on Decisions 1/CP.13

and 1/CP.16 through a legally-binding instrument/outcome or, in a second option, through a series of decisions; (3) to request the AWG-LCA to continue discussing legal options to complete an agreed outcome based on Decisions 1/CP.13 and 1/CP.16, the work done at COP 17 and 18, and proposals made under Convention Article 17; or (4) making no decision on the issue.

The US suggested an additional option, to develop a series of decisions based on Decision 1/CP.16 alone and not on Decision 1/CP.13.

The first option deciding to develop a protocol under Convention Article 17 included elements on the content. The EU said that addressing the principle of CBDR “in a contemporary and dynamic manner” is an essential component and suggested its inclusion. India, supported by China, suggested this option should be based on, and under, the UNFCCC and not involve reinterpretation or amendment of the Convention, with China suggesting that “dynamic” interpretation of the principle may entail amendment.

On 7 December in the AWG-LCA Contact Group, Chair Reifsnnyder said the issue of legal options would be taken up in the ministerial process. During the Indaba ministerial consultations, the options were revised. When COP/CMP President Nkoana-Mashabane presented draft decision FCCC/AWGLCA/2011/L.10 in a joint informal COP/CMP plenary on Sunday morning, 11 December, delegates expressed diverging views regarding the option for a “legal outcome.” President Nkoana-Mashabane invited parties to form a “huddle” to reach a compromise and thirty minutes later parties reconvened to replace the phrase with “agreed outcome with legal force.”

**COP Decision:** In the decision on the establishment of an *Ad Hoc* Working Group on the Durban Platform for Enhanced Action (FCCC/AWGLCA/2011/L.10), the COP decides to launch a process to develop: a protocol, another legal instrument or an agreed outcome with legal force” under the UNFCCC applicable to all parties, through a subsidiary body under the Convention established and known as the *Ad Hoc* Working Group on the Durban Platform for Enhanced Action.

## RESUMED 16TH SESSION OF THE AWG-KP

Opening the resumed 16th session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol on 29 November, AWG-KP Chair Adrian Macey (New Zealand) discussed the need for a decisive outcome that completes the work of the AWG-KP. On challenges, he noted bridging differences, especially over the fundamental issue of the commitment period and the need for a major political decision. Chair Macey proposed that the AWG-KP continue to work in a single contact group on Annex I parties’ further commitments, with spin-off groups on numbers and LULUCF.

In opening statements, Argentina, for the G-77/China, stressed the need for developed countries to put forward ambitious quantified emission reduction commitments under the AWG-KP and lamented that current pledges are insufficient.

Australia, for the Umbrella Group, said pledges and actions from Copenhagen and Cancun should set the groundwork for future efforts.

Switzerland, for the EIG, urged agreement on LULUCF accounting rules, flexible mechanisms, length of commitment period after 2012, transformation of pledges into quantified

emission limitation and reduction objectives (QELROs), and the basket of gases.

Contingent on an agreement to develop a new legally-binding framework engaging all parties, the EU said he is “open to” a second commitment period, which should end by 2020.

The African Group, G-77/China, AOSIS and the LDCs urged a second commitment period. The African Group added that carbon markets would collapse without an agreement, and said African soil should not become the Protocol’s “graveyard.”

AOSIS said a credible outcome in Durban must consist of: a second commitment period of no longer than five years; ratifiable amendments to the Protocol and its Annex B; binding commitments in the form of QELROs; closing loopholes in LULUCF accounting rules; and increased mitigation ambition by Annex I parties.

The Gambia, for LDCs, supported by AOSIS, said those aiming to leave the Kyoto Protocol are doing so because they want to do less. She urged the elimination of loopholes, such as carryover of surplus assigned amount units (AAUs) and in accounting rules for LULUCF.

Spain reported on an informal meeting jointly organized with Mexico and South Africa to discuss the legal form of the AWG-LCA outcome. She highlighted that progress on the legal form is a key part of a balanced package in Durban for a number of Annex I parties, building on the Bali Action Plan, the UNFCCC, the Kyoto Protocol and the Cancun Agreements.

Business and Industry NGOs called for clear and positive signals in Durban on the climate change structure to encourage the private sector to keep investing in clean development. Environment NGOs called for closing loopholes, such as in LULUCF rules. Indigenous Peoples representatives supported strengthening the Kyoto Protocol provisions and developing alternatives to market mechanisms for adaptation and mitigation funding.

## ANNEX I FURTHER COMMITMENTS

The issue of further commitments under the Kyoto Protocol was addressed throughout the meeting, and constituted the basis of the document issued on the final day of CMP 7 as part of the Durban Outcome. This document was discussed in the final plenary and adopted on Sunday, 11 December, with brackets around the length of the second commitment period.

**AMENDMENTS/NUMBERS:** This issue was first addressed in a contact group on Tuesday, with AWG-KP Chair Macey calling for countries to explore middle ground and compromise solutions. The spin-off groups were co-facilitated by Leon Charles (Grenada) and Jürgen Lefevere (EU) and focused on: the need to consider the transformation of pledges into QELROs; carryover of surplus AAUs; and whether to discuss option B (consequential amendments).

Initial discussions focused primarily on QELROs, with associated text on assumptions. Delegates established five issues needing resolution before the QELROs discussion can be finalized: measurement rules; baselines or “starting points;” whether QELROs should consist of a single number or a range; how to ensure comparability; and the length of a second commitment period.

Delegates also discussed a submission by the EU regarding the Chair’s negotiating text (FCCC/KP/AWG/2011/CRP.2/Rev.1)

with many countries expressing concerns that the option to increase levels of ambition was not strong enough. Submissions were made by Brazil on QELROs and by AOSIS, Brazil and the African Group on carryover of surplus AAUs.

During the second week, Co-Facilitator Lefevere (EU) reported that parties identified options for the conversion of pledges to QELROs: the mid-point for the first commitment period; the current level of emissions; case-by-case selection for each party; and no definition, since the conversion of pledges to QELROs is a political decision. He noted that the “limits of our technical work have been reached,” and required political signals.

In the final AWG-KP plenary, parties could not agree on the length of the commitment period, with the EU requesting that the period should be until 2020 to maintain coherence with the Convention track, and the Chair decided to forward the text to the CMP for adoption, with brackets around the length of the commitment period. On Sunday, 11 December, the CMP approved the decision, including the brackets, which are expected to be resolved during COP 18.

**CMP Decision:** The decision on consideration of further commitments for Annex I parties under the Kyoto Protocol (FCCC/KP/AWG/2011/L.3), and the Outcome of the work of AWG-KP 16 (FCCC/KP/AWG/2011/L.3/Add.1) includes, *inter alia*:

- proposed amendments to Annex B to the Kyoto Protocol (Annex I);
- proposed amendments to the Kyoto Protocol (Annex III);
- an aim to ensure the aggregate emissions of greenhouse gases by parties included in Annex I are reduced by at least 25-40 percent below 1990 levels by 2020;
- notes the quantified economy-wide emission reduction targets to be implemented by parties included in Annex I as communicated by them, and presented in Annex I to the decision, and of the intention to convert these targets to QELROs for the second commitment period under the Kyoto Protocol;
- an invitation to parties listed in Annex I to the decision to submit information on their QELROs for the second commitment period under the Kyoto Protocol by 1 May 2012; and
- a request to the AWG-KP to assess the implications of the carryover of AAUs to the second commitment period.

The document includes brackets around the extension of the second commitment period under the Kyoto Protocol, that shall begin on 1 January 2013 and end on 31 December 2017.

**FLEXIBILITY MECHANISMS:** This issue is addressed in a CMP decision on emissions trading and project-based mechanisms adopted on Sunday, 11 December.

**CMP Decision:** The decision (FCCC/AWG/2011/L.3/Add.3) reconfirms that the use of the mechanisms shall be supplemental to domestic action; decides to review at CMP 8, and revise as appropriate, the design of the commitment period reserve for the subsequent commitment period to support the effective operation of emissions trading; and requests SBI 36 to consider the issue.

**LULUCF:** The issue was addressed in a spin-off group co-chaired by Peter Iversen (Denmark) and Marcelo Rocha (Brazil). Discussions focused on identifying key areas for

streamlining text and narrowing down technical options for a political decision by Ministers.

The African Group presented a revised proposal on the baseline approach to forest management accounting, which was included in the text.

Parties also addressed “disturbances” with some expressing concerns over the definition and the importance of distinguishing anthropogenic from natural disturbances, and others stressing the importance of operationalizing the concept. Other parties also introduced a revised version of harvested wood products.

One party discussed his proposal on a definition on forests, noting that this would introduce a comprehensive vision of forests as systems of life that have multiple functions. One party noted that changing the definition of forests for a second commitment period could bring difficulties in terms of implementation and accounting. Eventually parties agreed to integrate reference to forests as systems of life that have multiple and integral functions in the preamble of the decision.

One party questioned the participation of parties that had indicated that they would not be part of a second commitment period under the Kyoto Protocol, and expressed concern about parties working under the assumption that LULUCF rules could be “transferred” to the AWG-LCA track, noting the different nature of commitments. He noted that LULUCF rules would depend on QELROs adopted and questioned how to deal with the fact that many parties said they are not ready to adopt QELROs.

Parties met in diverse fora to address outstanding text, and on 11 December the CMP closing plenary adopted a decision.

**CMP Decision:** In its decision (FCCC/KP/AWG/2011/L.3/Add.2) the CMP, *inter alia*:

- decides that anthropogenic greenhouse gas emissions by sources and removals by sinks shall be accounted with the principles and definitions referred to in paragraphs 1 and 2 of Decision 2/CMP.6 and in accordance with the annex to the decision;
- invites the IPCC to review and, if necessary, update supplementary methodologies for estimating anthropogenic greenhouse gas emissions; and
- agrees to consider the need to revise decisions of the CMP relevant to the annex contained, including those related to reporting and review.

The COP also requests SBSTA to initiate a work programme to:

- explore more comprehensive accounting from LULUCF and to report on the outcomes to CMP 9;
- consider, develop and recommend modalities for alternative approaches to addressing the risk of non-permanence under the CDM with a view to forwarding a draft decision for adoption by CMP 9; and
- develop and recommend modalities and procedures for applying the concept of additionality, with a view to forward a draft decision for adoption by CMP 9.

The annex to the decision includes definitions, modalities, rules and guidelines relating to LULUCF under the Kyoto Protocol.

#### POTENTIAL CONSEQUENCES OF RESPONSE

**MEASURES:** This issue was addressed in a CMP decision on consideration of information on potential environmental,

economic and social consequences, including spillover effects, of tools, policies, measures and methodologies available to Annex I parties.

**CMP Decision:** The decision (FCCC/KP/AWG/2011/L.3/Add.5) urges Annex I parties to support the efforts of non-Annex I parties in strengthening institutional capacities and regulatory frameworks. It also recognizes the need to deepen the understanding of potential consequences and any observed impacts that can be achieved, *inter alia*, through the provision of relevant information, assessment of potential consequences and observed impacts, and relevant information from work being carried out by other UNFCCC bodies.

### JOINT HIGH-LEVEL SEGMENT

COP/CMP President Nkoana-Mashabane opened the Joint High-Level Segment of the COP and CMP on Tuesday afternoon, 7 December. UNFCCC Executive Secretary Christiana Figueres reflected on topics where progress is being made in Durban. United Nations Secretary-General Ban Ki-moon said economic troubles should not distract from the ultimate goal of a binding comprehensive agreement, adding that although this objective may be unattainable at present, parties must remain ambitious and keep up the momentum for COP 18 in Qatar.

South African President Jacob Zuma explained that parties considering a second commitment period need reassurance that others will be prepared to commit to a legally binding regime in the near future and share the load. He added that parties also need assurance on long-term funding. He called for agreement on the formalization and implementation of the mitigation pledges of developed countries and on rules of comparability between pledges of parties and non-parties to the Protocol. Zuma described adaptation and finance as critical issues.

Alberto Pedro D'Alotto, Argentina, on behalf of the G-77/China, described the continuation of the Kyoto Protocol as a cornerstone of efforts to address climate change, adding that non-Annex I parties also need to join these efforts with comparable commitments.

Connie Hedegaard, EU Commissioner for Climate Action, said that the EU was ready to take a second commitment period under the Kyoto Protocol. She said the EU must be assured that others will agree on a new legally binding framework.

Marcin Korolec, Minister of Environment, Poland, for the EU, called for a roadmap leading to a global comprehensive and legally binding framework. He warned that a second commitment period for a limited number of parties to the Kyoto Protocol must not become an excuse for inaction. He said the EU expects full implementation of the actions pledged in Cancun.

Greg Combet, Minister of Climate Change and Energy Efficiency, Australia, for the Umbrella Group, highlighted the collective contribution of his group to fast-start finance of US\$20 billion and said they are ready to support a deal that puts in place the building blocks of a comprehensive climate framework.

Jato Sillah, Minister of Forestry and the Environment, the Gambia, for LDCs, emphasized the plight of the poorest nations that are suffering from extreme weather events and internal migrations due to the effects of climate change, wondering how some parties can propose delaying action until 2015 or later.

Karl Hood, Minister of Foreign Affairs, Grenada, for AOSIS, stressed that a system based on multilateral rules is essential for the survival of vulnerable countries. He expressed concern over proposals to leave Durban without a final resolution on the second commitment period of the Kyoto Protocol, and called for a parallel protocol to cover countries that are not parties to the Kyoto Protocol.

The high-level segment continued until Friday, with statements by heads of state and government and observer organizations. A webcast of all statements is available online at: [http://unfccc4.meta-fusion.com/kongresse/cop17/templ/ovw\\_live.php?id\\_kongressmain=201](http://unfccc4.meta-fusion.com/kongresse/cop17/templ/ovw_live.php?id_kongressmain=201)

### CLOSING PLENARIES

The series of closing plenaries of the COP, CMP, AWG-LCA and AWG-KP started on Friday evening, 9 December and continued until the final gavel came down at 6:30 am on Sunday, 11 December. In between, Ministers and other delegates held informal consultations to resolve the remaining outstanding issues.

#### COP AND CMP PLENARIES

The CMP Plenary convened Friday afternoon, 9 December, chaired by Vice-Chair Kranjc. SBSTA Chair Muyungi presented an oral report. The CMP adopted the reports of SBSTA 34 and 35 (FCCC/SBSTA/2011/2 and FCCC/SBSTA/2011/L.17). SBI Chair Owen-Jones presented an oral SBI report, and the CMP adopted the reports of SBI 34 and 35 (FCCC/SBI/2011/7 and Add.1 and FCCC/SBI/2011/L.24).

The COP Plenary convened immediately after. SBSTA Chair Richard Muyungi (Tanzania) and SBI Chair Robert Owen-Jones (Australia) presented an oral report of the work of the session. The COP took note of the reports of the Subsidiary Bodies' sessions held in 2011, namely SBI 34 and 35 (FCCC/SBI/2011/7 and Add.1 and FCCC/SBI/2011/L.24) and SBSTA 34 and 35 (FCCC/SBSTA/2011/2 and FCCC/SBSTA/2011/L.17).

The COP and CMP also adopted a series of decisions, and were suspended pending further consultations and negotiations. Informal negotiations went on through the night and early morning hours as well as throughout Saturday.

#### AWG-KP PLENARY

On Saturday evening, 10 December, AWG-KP Chair Macey presented draft decisions on the consideration of further commitments for Annex I Parties under the Kyoto Protocol (FCCC/KP/AWG/2011/L.3 and Add.1-5). The EU said in order to maintain symmetry with the outcome of the AWG-LCA, the length of the second commitment period should be from 2013-2020, instead of 2013-2017, with Brazil expressing interest in this proposal. Grenada, Colombia and the Gambia said it is important to maintain a five-year rather than an eight-year second commitment period, given the low level of ambition. The EU, the Russian Federation and New Zealand also proposed technical text on LULUCF. Japan proposed a footnote identifying countries that will not take part in a second commitment period. Bolivia observed that reference to a "25-40 percent" reduction of aggregate emissions for Annex I parties by 2020 is too wide a range, and should be identified as a single percentage. He

also said, regarding paragraphs 3-5, that if references are made to QELROs, the language in the decision should be mandatory rather than voluntary, as QELROs are binding obligations.

After suspending the session to allow for consultations, the AWG-KP reconvened and the Chair proposed forwarding the text to the CMP under his own responsibility, with the years of the second commitment period in brackets. Papua New Guinea, the Gambia, Colombia and Brazil supported the Chair's proposal to forward the text for consideration by CMP. Delegates continued to propose changes, and Venezuela, Saudi Arabia and Bolivia requested bracketing paragraphs 3-5, which refer to the assumption of QELROs, while Kenya and Nicaragua proposed language to strengthen the paragraphs. Venezuela called for ensuring strong language in the text to preserve the Kyoto Protocol. Egypt expressed disappointment with the insufficient level of ambition and said the objective of strengthening the only existing legally-binding regime was not accomplished in the text. Nicaragua said the text does not set out a process or a timeframe that could provide a solution to avoiding a gap between commitment periods. He further recalled that the principle of CBDR is not adequately reflected when referring to "a global response to the problem of climate change."

Chair Macey decided to forward the text to CMP as a Chair's text after which the report of AWG-KP (FCCC/KP/AWG/2011/L.2) was adopted, with Chair Macey saying he thinks "this is the first decision we agreed on." Chair Macey gavelled the meeting to a close at 9:25 pm.

#### **AWG-LCA PLENARY**

On Saturday night, AWG-LCA Chair Reifsnnyder introduced a draft decision on the outcome of the work of the AWG-LCA under the Convention to be presented to COP 17 (FCCC/AWGLCA/2011/L.4), noting that the text contained is "clean text." He also introduced document FCCC/AWGLCA/2011/CRP.39, which contains text on issues that need further consideration. He said reaching an outcome under the AWG-LCA is only one element of the task in Durban and that he is hopeful that parties will achieve a comprehensive outcome.

Saudi Arabia expressed concern over some aspects of the text, including: the level of emphasis on developing country mitigation; weak language on response measures; and the unclear role of the Standing Committee. Indonesia said many elements of the amalgamation document (FCCC/AWGLCA/2011/CRP.37/Add.1) are not captured in the text, including earlier provisions on developing country mitigation, the Registry and NAMAs. The Democratic Republic of Congo highlighted concerns, including lack of consideration of long-term finance and a failure to reflect CBDR.

India raised concerns over the inclusion of agriculture in the section on mitigation and exclusion of trade from the section on the economic and social consequences of response measures. Pakistan regretted a lack of balance on mitigation and that the Adaptation Committee has not been given the status of a subsidiary body. With Egypt, he expressed concern over how the text addresses long-term finance. Bangladesh, Switzerland, the Philippines and Tanzania expressed support for the text.

Venezuela said she will not accept the text approving market mechanisms without a second commitment period under Kyoto Protocol. The Gambia said their proposal on long-term

finance was not reflected. China said the text does not reflect the concerns of both sides and that it should specify how the developed countries' commitment to mobilize US\$100 billion included in the Cancun Agreements will be achieved. Bolivia, the Democratic Republic of the Congo and Ecuador expressed concern over the unbalanced text, particularly considering developed and developing countries' mitigation, with Bolivia saying that the text, *inter alia*: lacks a compliance system to monitor developed countries' commitments, which is particularly relevant for those not subscribing to a second commitment period under the Kyoto Protocol; places excessive requirements on mitigation for developing countries; does not reflect CBDR; and favors the creation and use of markets. He said the document should not be adopted as is.

Nicaragua expressed support for the creation of the Green Climate Fund while criticizing the transparency of fast start finance and the absence of identified funding sources, and supported Ecuador's proposal on ways to capitalize the fund. The EU supported the text for adoption, including on: long-term finance, understanding the underlying assumptions of pledges and the Standing Committee, but expressed disappointment that language on ambition gap, accounting and biennial reporting guidelines had been weakened. Seeking to send a message that humankind can respond aggressively to climate change, Papua New Guinea suggested that the proposed decision should be forwarded as part of a balanced package. Malaysia expressed concern about weak mitigation targets for developed countries and described a number of issues raised by developing countries that were deferred to future meetings, including equity, intellectual property rights and trade measures. He recommended that the text be submitted for work the next year.

Thailand voiced concerns about mitigation and comparability, the absence of ambition, and a compliance regime for mitigation targets. Malawi underlined the role of public finance. The US noted movement on a number of critical issues on adaptation, finance, technology, the Review, and a new market mechanism. He cautioned against failure to adopt the decisions and unraveling the overall package, which includes elements such as the GCF, a new legal agreement and the second commitment period.

Paraguay cautioned against weakening CBDR and equity and the need to complete the Bali Roadmap. He called for a second commitment period without conditions. Kenya listed demands for a number of improvements on: mitigation, transformation level of pledges, ambition, accounting, compliance and reporting. Japan conceded the document was not perfect, required more ambition, but pressed for adoption.

Chair Reifsnnyder noted a great deal of disappointment with the AWG-LCA text and opposition to its adoption. He announced that he would forward the text to the COP as a Chair's text.

He then invited the AWG-LCA to adopt the report of the 14th session, parts three and four (FCCC/AWGLCA/2011/L.3) as amended.

Venezuela made a point of order regarding the text's acceptance. The Chair recalled that he had not adopted the AWG-LCA text (FCCC/AWGLCA/2011/L.4), only the report of the meeting. Venezuela reported that she had received threats, implying that if her country did not agree to the adoption of the AWG-LCA text there would be no second commitment period

and there would be no GCF. She described the AWG-LCA text as a mercantilist vision that pretends to “save us” but places a price on the future, saying the fate of the world is worth more than US\$100 billion.

Chair Reifsnnyder gavelled the meeting to a close.

#### **JOINT INFORMAL COP AND CMP PLENARY**

Early Sunday morning, 11 December, the COP President opened a Joint Informal Session of COP 17/CMP 7 noting the presence of global citizenry and civil society to whom governments are accountable. She recalled intensive consultations with groups and parties and urged delegates to collectively make history. She said it was their choice what history they wished to make. She invited the conference to comment on a package of draft decisions, consisting of the second commitment period, long-term cooperative action, a way forward on the implementation of the UNFCCC, and the operationalization of the GCF. She appealed for the formal adoption of each element. She conceded that the package was not the best that delegations could achieve but noted it was important in order to maintain the integrity of the multilateral system and trust in the UNFCCC process.

Emphasizing that the EU had “shown patience” and readiness to commit to a second commitment period of at least five years, the EU, supported by Chile, Norway and Colombia, called for a protocol or legal instrument under the Convention by 2018. She added that language stipulating the option of a “legal outcome” could put this in doubt.

Colombia said they could not accept a “legal outcome” or application in 2020 and cannot accept the Durban package as it stands. Cautioning against “saying goodbye to the principle of equity,” and shifting burden sharing on to developing countries, India observed that they had agreed to language expressing specific options, and that India would “never be intimidated by threats.”

Observing that countries “were climbing down the ladder of ambition,” Grenada called for creating a protocol or legal instrument that will hold countries accountable.

Bangladesh called for a Durban Package that will ensure the second commitment period and a legally binding deal, despite shortcomings. China underscored the need to implement the principle of common but differentiated responsibilities, and highlighted its own efforts to deal with climate change that others have not taken. Bolivia stressed how the “right to development” is linked to emissions and how a climate regime must address this relationship. The Philippines said that a legal regime should be designed with a view to saving the Kyoto Protocol. Pakistan said that, despite how much the world has changed, the principles of equity and common but differentiated responsibilities still apply. El Salvador highlighted the “new and imperfect democracy” created under the UNFCCC and the need to move towards a legally binding agreement that addresses finance, mitigation and the equity gap.

The US said that elements of the package—the AWG-LCA, the second commitment period under the Kyoto Protocol, the Green Climate Fund, and the Durban Platform—offer a historic opportunity that it wants to support.

Brazil called for a legally binding agreement, observing that “we are on the verge of approving the most important result after

the Berlin Mandate,” while Egypt noted the need for clarity on the predictability, sustainability, additionality and transparency of support.

The COP President invited parties to form a “huddle” to address diverging views around language in paragraph 4 of the document on a Durban Platform (FCCC/AWGLCA/2011/L.10) regarding the words “legal outcome.” Parties reconvened to replace the phrase with “agreed outcome with legal force.” India and the EU said they could support the agreed language.

#### **RESUMED CMP CLOSING PLENARY**

At 4:00 am on Sunday, the CMP closing plenary resumed. AWG-KP Chair Adrian Macey informed delegates that parties were not able to agree on the outcome of the work of the AWG-KP (FCCC/KP/AWG/2011/L.3/Add.6) and that it had been forwarded to the CMP for consideration. He said a number of changes had been requested and he had reviewed these to see what impact they could have on the delicate political balance. He said that two options for the length of the second commitment period were still bracketed and they could be decided by CMP 8.

Bolivia, opposed by Papua New Guinea, stressed that they had proposed deleting a paragraph stipulating that any units generated from market-based mechanisms to be established under the Convention or its instruments may be used by Annex I parties to assist them in achieving compliance with their quantified emission limitation and reduction commitments. He subsequently called for the paragraph to be bracketed.

Nicaragua also highlighted several concerns with the text, saying none of his proposed changes had been introduced in the text.

The EU expressed surprise with the discussion observing that he had assumed that this decision was to be adopted as part of the Durban package. Parties then adopted the decision on the outcome of the work of the AWG-KP. Bolivia requested his objections to be recorded in the meeting report.

#### **RESUMED COP CLOSING PLENARY**

AWG-LCA Chair Reifsnnyder presented the report on the Outcome of the work of the AWG-LCA (FCCC/AWGLCA/2011/L.4). He noted that many parties expressed support for the document, while others thought it lacked balance. He said he believes the text captures important progress on the key pillars of the Bali Action Plan and the Cancun Agreements. On the decision on the composition and modalities for the Adaptation Committee and Standing Committee, he proposed that groups make recommendations by 21 March 2012. Parties adopted the decision.

COP President Nkoana-Mashabane then introduced a draft decision entitled “Establishment of an *Ad Hoc* Working Group on the Durban Platform for Enhanced Action” (FCCC/CP/2011/L.10) as the “landmark decision of our comprehensive outcome.”

The Russian Federation noted its disapproval with the consultation process, indicating that the unconventional huddle format obstructed their meaningful participation. The COP adopted the decision, as well as the decision on the GCF (FCCC/2011/CP/L.9) and other outstanding items.

The Democratic Republic of Congo, on behalf of 54 African Ministers, thanked the COP President for her spirit of inclusiveness. Mexico congratulated the South African

Government on their successful hosting of the conference. Ecuador, for ALBA, stressed the need to move forward with certainty that Qatar will take up issues of justice and equity. Grenada for AOSIS also expressed satisfaction with the outcome.

The COP President welcomed the milestone agreements reached under the Convention and Kyoto Protocol and asked Vice-Chair Kranjc to continue with the adoption of outstanding items.

After a short break, Vice-Chair Kranjc presented outstanding agenda items for adoption by COP. The COP then adopted the Report of the Meeting (FCCC/CP/2011/L.1). A resolution was adopted expressing gratitude to the Government of South Africa, and the COP was gavelled to a close at 6:00 am.

### RESUMED CMP CLOSING PLENARY

The last plenary of the CMP took place at 6:00 am on Sunday morning. Vice-Chair Runge-Metzger presented a set of outstanding decisions. Rapporteur Kranjc presented, and the CMP adopted, the report of the CMP (FCCC/KP/CMP/2011/L.1). After adopting the resolution expressing gratitude to South Africa, the CMP was gavelled to a close at 6:22 am.

## DURBAN OUTCOME

### AWG-LCA OUTCOME

This decision (FCCC/CP/2011/L.10) on the Establishment of an *Ad Hoc* Working Group on the Durban Platform for Enhanced Action, is part of the Durban Package, and launches a process to develop a protocol, another legal instrument or an agreed outcome with legal force under the Convention applicable to all parties, through a new subsidiary body under the Convention known as the *Ad Hoc* Working Group on the Durban Platform for Enhanced Action, starting its work in the first half of 2012. The decision also, *inter alia*:

- extends the AWG-LCA for one year in order for it to continue its work;
- decides the *Ad Hoc* Working Group on the Durban Platform for Enhanced Action (AWG-DP) shall plan its work in the first half of 2012 drawing upon submissions by parties and the work of the SBs;
- decides the AWG-DP shall complete its work as early as possible, but no later than 2015, in order to adopt this protocol, legal instrument or agreed outcome with legal force at COP 21 for it to come into effect and be implemented from 2020;
- decides that the process shall raise the level of ambition and shall be informed, *inter alia*, by the Fifth Assessment Report of the IPCC, the outcomes of the 2013-2015 Review and the work of the subsidiary bodies;
- launches a workplan on enhancing mitigation ambition to identify and explore options for a range of actions that can close the ambition gap with a view to ensuring the highest possible mitigation efforts by all parties; and
- decides to hold an in session workshop at the first negotiating session in 2012 to consider options and ways for increasing ambition and possible further actions.

### AWG-KP OUTCOME

In the Outcome of the AWG-KP, the CMP adopted a set of documents, namely on:

- consideration of further commitments for Annex I parties under the Kyoto Protocol: Draft conclusions proposed by the Chair (FCCC/KP/AWG/2011/L.3);
- outcome of the work of AWG-KP 16 (FCCC/KP/AWG/2011/L.3 Add.1);
- LULUCF (FCCC/KP/AWG/2011/L.3 Add.2);
- emissions trading and the project-based mechanisms (FCCC/KP/AWG/2011/L.3 Add.3);
- other issues (FCCC/KP/AWG/2011/L.3 Add.4); and
- potential consequences (FCCC/KP/AWG/2011/L.3 Add.5).

The Outcome of the AWG-KP contains the main agreements regarding the continuation of the Kyoto Protocol in its second commitment period and includes in the preamble:

- the importance of developing a comprehensive global response to the problem of climate change;
- recognizes the importance of ensuring the environmental integrity of the Kyoto Protocol; and
- aims to ensure that aggregate emissions of greenhouse gases by parties included in Annex I are reduced by at least 25-40 percent below 1990 levels by 2020, noting in this regard the relevance of the Review to be concluded by 2015.

The CMP, further:

- decides that the second commitment period under the Kyoto Protocol shall begin on 1 January 2013 and end either on 31 December 2017 or 31 December 2020, to be decided by AWG-KP 17;
- welcomes the agreement by the AWG-KP on its work in the areas of, *inter alia*, LULUCF and forestry, emissions trading and the project-based mechanisms, greenhouse gases, sectors and source categories; and potential consequences.
- takes note of the proposed amendments to the Kyoto Protocol developed by the AWG-KP as contained in Annexes 1, 2 and 3 to the decision;
- takes note of the economy-wide emission reduction targets to be implemented by Annex I parties as presented in Annex 1 to the decision and of the intention of these parties to convert these targets to QELROs for the second commitment period under the Kyoto Protocol; and
- invites Annex I parties to submit information on their QELROs for the second commitment period under the Kyoto Protocol by 1 May 2012 for consideration by AWG-KP 17.

The CMP further requests AWG-KP to:

- deliver the results of its work on QELROs to CMP 8 with a view to adopting these QELROs as amendments to Annex B of the Kyoto Protocol at that session, while ensuring coherence with the implementation of the AWG-LCA Outcome Document (FCCC/AWGLCA/2011/L.4);
- assess the implication of the carry-over of AAUs to the second commitment period on the scale of emission reductions to be achieved by Annex I parties in aggregate with a view to complete it by AWG-KP 17; and
- requests the AWG-KP to aim to deliver the results of its work pursuant to Decision 1/CMP.1 by CMP 8.

Annex I contains proposed amendments to Annex B to the Kyoto Protocol. Annex II includes proposed amendments to the Kyoto Protocol's Annex A. Finally, Annex III incorporates proposed Kyoto Protocol amendments.

## A BRIEF ANALYSIS OF COP 17 AND CMP 7

### **UBUNTU: THE MEANS AND THE ENDS FOR A NEW ERA IN CLIMATE NEGOTIATIONS?**

*"I am because you are." African Proverb*

Stirring a sense of history and leadership, the South African hosts challenged negotiators in Durban to embrace the spirit of *Ubuntu* or interdependence. Across time and space, the defining challenge was to transform the troubled past of the Kyoto Protocol and re-imagine a 21st century multilateral climate change regime where the gap between sufficient levels of mitigation and the competing demands of science and politics will be closed by a transparent commitment to equity. In parallel, entrenched boundaries and positions were shaken up and critical new alliances were forged to facilitate agreement on a balanced package that extends the Kyoto Protocol and initiates a process to design a successor agreement while building new institutions to focus on the implementation of both adaptation and mitigation.

The negotiations were driven by a series of interdependent linkages—some constructed to drive the negotiations forward, some integral to the field of climate change politics, and some based decisively on an understanding that 21st century global challenges need global solutions. This brief analysis examines some of the defining interdependencies that help tell the story of the Durban Climate Change Conference and the launch of a new phase of climate change negotiations.

### **FINDING MIDDLE GROUND**

*Honest differences are often a healthy sign of progress.*

*Mahatma Gandhi*

At the outset, expectations were modest with many countries feeling that “operationalizing” the Cancun agreements was all that could be achieved. Others wanted a balanced and interdependent package within a year that resolved the Kyoto Protocol question, moved to a new legally-binding treaty and operationalized the Green Climate Fund.

During the first week in Durban, delegates quietly began frank conversations, helping to outline respective political “red lines,” on a series of related and dependent elements, notably the fulfillment of outstanding business from Bali, Cancun and Copenhagen. The process was helped recently by a recovery in the negotiating dynamic and momentum wherein key participants began to appreciate both the positions being put forward by their counterparts and respect the domestic circumstances and constraints that inform them—with just a few notable exceptions from within the ALBA countries.

Although the line-by-line review of text remained painstakingly slow on dozens of issues, parties began to seek “mutual reassurances” on what the South African Presidency called the “bigger picture,” and, critically, how to reconcile the looming termination of the first Kyoto commitment period at the end of 2012 with the challenge of codifying the 2020 pledges that were made in Cancun in a new and inclusive instrument capable of reflecting the need to capture and support different kinds of effort in a common framework. Any new instrument must provide a common legal architecture while reflecting and supporting the variable efforts of countries at different points on the development spectrum, thus respecting while recasting

the Convention’s principle of common but differentiated responsibilities. In Durban early informal consultations helped to clarify the technicalities of the second commitment period under the Kyoto Protocol, especially the two-stage approach that defers the definition of quantified emission limitation and reduction objectives (QELROs) and their adoption as amendments to Annex B to the eighth session of the Kyoto Protocol Meeting of the Parties, proved very useful in keeping prospective participants on board.

The debate over how to manage the eight-year window between the end of 2012 and 2020 created space for the “roadmap” championed by Connie Hedegaard, EU Commissioner for Climate Action, and her colleagues in the EU. Ever since Copenhagen, the EU had indicated a readiness to raise their level of ambition to reduce greenhouse gas emissions by 30%, but not alone—and not unless other UNFCCC parties moved rapidly to launch negotiations for a new and inclusive legally binding agreement under the Convention for *all* emitters. This core demand drew legitimacy from Bali and helped frame the Durban negotiations. Indeed it is arguable that the EU drafted the script for the central plot in Durban by setting out their stall early in the process and offering to do the heavy lifting to save the Kyoto Protocol within the context of a roadmap that put up a challenge to other parties—developed and developing.

Parties addressed the risk of a gap between the first and second commitment periods but will submit their voluntary QELROs by 1 May 2012 in a “pledge and translate” exercise that, unlike Kyoto, will not be derived, for now, by an overall aggregate level of ambition. Parties’ unilateral pledges will be converted to QELROs without reference to an overall global mitigation target, not to mention one that is evidence-based. This helps to explain some of the skepticism among environmental NGOs regarding the prospect for the ambitious effort required to stay within the global temperature range of 1.5 to 2.0 degrees Celsius.

Progress on each element of the Durban Platform unlocked other elements. For example early in the second week, delegates made headway on the Green Climate Fund (GCF) as an operating entity of the financial mechanism of the Convention; a fund expected to mobilize US\$100 billion a year by 2020. Reports of early progress on the GCF—a priority deliverable for the South African hosts and the region, proved to be a major contributor in raising the stakes. A fragile sense of possibility emerged as Ministers arrived, although there were increasing concerns about the diplomatic management of the process by the South African Presidency.

Drawing on African traditions, COP President Maite Nkoana-Mashabane called for a series of Indabas, in a spirit of Ubuntu (interdependence) hoping the parties would find wisdom in “coming together to solve common challenges for the larger community.” They convened several Indabas, ranging from plenary hall reports, to technical sessions for negotiators to a table of 50+ Ministers in the final days. When these ministerial sessions ran their course and seemed to fail to take full advantage of the window that was opening for a deal, certain parties began to push the Presidency to take a more proactive approach to identifying and brokering outstanding issues. The Presidency responded and a number of helpful conference room papers

were distributed at the Indaba sessions, setting out different approaches to the second commitment period in table format together with elements of a “bigger picture.”

### NEW POLITICAL GEOMETRY

*Only free men can negotiate. Your freedom and mine cannot be separated. Nelson Mandela*

Critically, in a deeply complex mix of issues, with essential and constructed linkages across the package there was an onus on the Presidency to draw on all available talent and experience to line up the interdependent chain of deliverables with clarity and dexterity. Even as late as Thursday evening, anxiety was rising and, in the wee hours of Friday morning, a relatively closed high-level Indaba of 26 parties representing the major negotiating groups began to hammer out the final terms of a deal. This was also helped by a parallel set of ministerial-led facilitations and bilateral meetings to seek common ground.

It took a critical engagement between the EU, AOSIS and LDCs to really inject a sense of direction and pace into the negotiations as the countdown to the end of the Conference began. There was a palpable shift in the atmospherics after EU Commissioner Hedegaard joined with AOSIS and the LDCs in issuing a public statement backing the EU “roadmap” plan linking the second commitment period to the early launch of new negotiations under the Convention. As news of the Commissioner’s battle behind closed doors emerged, there was an extra spring in the step of European negotiators as Hedegaard’s brinkmanship in Durban drew stark comparisons with Copenhagen where the Europeans had found themselves isolated and out on a limb in their attempts to lead from the front and champion a second commitment period.

But gaining support of AOSIS and the LDCs was not enough. It was deemed essential that the EU assure China and India that they would simply be expected to turn their Cancun pledges into new legal arrangements. As one observer noted, the 2020 timeframe for any future instrument under the Convention was a source of some reassurance to BASIC countries that their Cancun pledges and their timeframes would be acceptable. The Presidency and the EU were able to lock in the relatively constructive role of countries such as Brazil. While China seemed content to allow India to do BASIC’s heavy lifting and profile the “equity” issue, an issue—alongside common but differentiated responsibilities—that has helped define the contest over contemporary rights to development and the debate over mitigation commitments.

Equity will come to the fore in the negotiation of a new instrument as the distribution and pace of mitigation responsibilities increasingly mirrors a debate on access to ecological space, driven by an ethical demand from the least developed and most vulnerable that the world must overcome a form of “atmospheric apartheid” wherein the glittering prizes of development have—to date—been heavily concentrated in the hands of the few. It’s a demand that also finds an echo in popular protests in response to the crisis-prone global financial system. An intriguing decision recognizing loss and damage also points to the future prominence of the equity debate.

The EU concession to BASIC countries on allowing any new instrument under the Convention to be implemented “from 2020” drew fire from its AOSIS allies and environmental NGOs, some

of whom have severely criticized the Durban Platform. While there was some compensation in the final package under the 2013-2015 Review to enhance mitigation ambition, they are still concerned that this will be too little too late.

With complex issues and strains on even the most natural alliances there was an onus on the Presidency to weigh in and offer reassurance as one party’s interdependence sometimes became another’s unacceptable price. At the outset some observers wondered how the South African Presidency would respond to the competing loyalties to BASIC and the African Union. On the one hand, and significantly, BASIC spoke in plenary for the first time ever as a united negotiating group. On the other, the Presidency inevitably sought to align the potential wins in Durban with their leadership role on the African continent. Determined that the Kyoto Protocol would not be “buried in African soil,” the African hosts sought to capitalize on the quid pro quo of a second commitment period and a renewed, science-led, determination to close the “mitigation gap” by pressing home their advantage in the form of closure on the Green Climate Fund, arrangements for the Adaptation Committee, and new technology capacity.

Although there was enough political ground to secure a deal, it was not until the final moments on the floor of the plenary that the ultimate deal fell into place. Described as a “defining moment,” a last-minute “huddle” on the plenary floor—perhaps the most authentic of all the Indabas—in the early hours of Sunday morning enabled the EU to reach a compromise with India on an option to describe the new UNFCCC instrument in acceptable legal terms. At the eleventh hour, they agreed to launch a process to develop a protocol, another legal instrument or an “agreed outcome with legal force” under the Convention applicable to all Parties. It is an issue that could come back to haunt the Europeans who might well discover with the passage of time just how big a compromise they made to India, if other countries choose to construct an “escape hatch” around the legal terminology that falls short of a new protocol.

### VIRTUAL INDABA

*The Internet is the town square for the global village. Bill Gates*

As climate change negotiators in Durban marked the 14th birthday of the Kyoto Protocol, the air in the conference rooms was thick with a sense of both the troubled history of climate politics and a historic opportunity for inter-generational change and redefined responsibilities. Veteran negotiators who invoked personal memories of their formative days negotiating the original Convention and/or Protocol knew that their audience reached far outside the room to a virtual global society wanting meaningful and immediate action. As one religious leader put it, “We’re here to bear witness for the planet.” The popularization and bandwagoning effect of climate change politics is one of the major transformations since Kyoto and this shift was all too evident, once again, when Ministers’ statements were instantaneously tweeted from inside the Indaba rooms out to the global village. Combined with the South African Presidency’s commitment to the Indaba format—designed to encourage a true participatory and open process of deliberation, the transparency of Durban had a number of unexpected consequences. Not least was the effect of depriving some ALBA negotiators of

an opportunity to repeat—with credibility—complaints about exclusion. In contrast, Ministers, negotiators and youth delegates found themselves sometimes competing for the same seat in the Indaba room.

Outside the official negotiating rooms, civil society held their own Indabas. Climate change COPs have evolved into a carnival-like forum for the latest trends in climate change with a dizzying array of events competing for attention and mindshare. From side events, displays of green technology, marches and colorful protests, to real time commentary over the internet through Twitter, Facebook and thousands of blogs, civil society Indabas are something that a transparent COP host has to manage. South Africa certainly understood the virtual social media huddle could render swift judgments to the champions of ambition and ridicule for those who did not measure up to the ambitions of the global environmental community. At one point the President convened a meeting at a critical endpoint in the negotiations with, apparently, little other purpose than to ensure that global civil society's expectations were raised and primed to maintain pressure on Ministers and their negotiators.

A high point in civil society's management of their presence—in the corridors of the International Conference Centre (ICC) at Durban and in the global media—was a moment that brought together South Africa's 20th century struggle with the new frontline in 21st century struggles for climate justice. With negotiators apparently on the brink of breakthrough or deadlock, a former ANC activist, now head of Greenpeace, led delegates in chants of anti-apartheid anthems seeking climate justice. Dozens of traditional and new media practitioners were on hand to produce an iconic image of the Greenpeace activist as he co-opted the trappings of the UN for a well-executed piece of agitprop and was led away by UN guards to be expelled from the ICC. This was a supreme example of the way in which climate politics have been transformed by the professional politics of media spectacle—on this occasion drawing on a deep tradition of South African activism twinned now with a new technological capacity that brings climate politics to every screen.

### **A NEW ERA IN CLIMATE NEGOTIATIONS**

While 21st century global challenges certainly need global solutions, it is important not to forget that climate change has very local impacts. One such story loomed over the Conference. UN Secretary-General Ban Ki-moon recalled a tragic encounter with a child in Kiribati who could not sleep soundly for fear that he would be stolen away in the night by a rising ocean. This story captures the urgency of the dilemma confronting negotiators—the call to respond to the most vulnerable states and their peoples facing the impacts of climate change. The story also speaks of an impatient generation of young people who care passionately about the issue because they will “live their lives in the future.” This is a future of networked interdependence that stands in stark contrast with the geopolitics of dependency that marked most of the 20th century and the era that gave rise to the Berlin Mandate and Kyoto Protocol.

These are the voices calling across generations for urgency and increased ambition on targets to ensure that temperatures will not rise more than 1.5 to 2 degrees Celsius. And these are the voices that recognize that the only bridge that will span the current gap in ambition is a global ethic of inclusion and

fairness built on foundations of transparency and accountability. These are the voices bearing witness in the corridors, engaging with delegations, disseminating every twist and turn in the negotiations in the unforgiving virtual public commons of the internet where negotiators are held to account in real time. These are the voices that have judged the Durban Platform harshly.

Negotiators, however, who embody the incremental expectations of the institutions they serve, judge themselves with more modest benchmarks. From their point of view, after the trauma of Copenhagen and the struggle to rescue the multilateral climate regime in Cancun, negotiators in Durban turned a corner and not only resuscitated the Kyoto Protocol but, in doing so, leaped to a decision that will see negotiations on a more inclusive 21st century climate regime with something approaching symmetrical reporting systems for country efforts on mitigation. The variable but symmetrical architecture of any new instrument will be important for countries such as the United States in convincing skeptical domestic publics that a truly universal effort is now in prospect. To paraphrase one US negotiator commenting at the conclusion of negotiations, the sales job just went from impossible to very hard.

There was a strong sense that elements of the Cancun-Durban packages, guided by a need to fulfill long overdue commitments from Bali, restored sufficient momentum for new negotiations that will need to be shaped by moving beyond the traditional lines dividing the developed and developing world. This transcendence was first signaled in Bali but only came into full view after Copenhagen. A fluid new set of coalitions is now taking shape, defined by shifting interests. However, those who look first to science to measure success were the least enthusiastic about the Durban Platform, for they know that—once again—the endemic incrementalism that has haunted climate negotiations since 1992 continues to force compromise on sufficient commitments on mitigation. The prospects for something different this time remain to be seen.

With the completion of several work programmes and the establishment of new bodies at the UNFCCC expected in 2012, there will be a rationalizing within the climate change governance system to create a greater focus on implementation and transparency. Countries must now define strategies to deliver a global and ambitious climate treaty in four years and citizens will turn their attention to build support for action in their domestic political and economic systems as the uncertain road opens up to what some in China call an emerging “ecological civilization.”

### **UPCOMING MEETINGS**

**Second Intersessional Meeting for UNCSO:** The second intersessional meeting for the UNCSO will be convened in December 2011. **dates:** 15-16 December 2011 **location:** UN Headquarters, New York **contact:** UNCSO Secretariat **email:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/>

**IRENA Assembly:** The second International Renewable Energy Agency (IRENA) Assembly is scheduled to take place in January 2012. **dates:** 14-15 January 2012 **location:** Abu Dhabi, United Arab Emirates **contact:** IRENA Secretariat **email:** [secretariat@irena.org](mailto:secretariat@irena.org) **www:** <http://www.irena.org/>

**Fifth World Future Energy Summit:** The fifth World Future Energy Summit will concentrate on energy innovation and policy implementation, technology development, finance and investment approaches, and existing and upcoming projects. The Summit will seek to set the scene for future energy discussions in 2012 with leading international speakers from government, industry, academia and finance, to share insights, expertise and cutting edge advances in technology. **dates:** 16-19 January 2012 **location:** Abu Dhabi, United Arab Emirates **contact:** Naji El Haddad **phone:** +971-2-409-0499 **email:** naji.haddad@reedexpo.ae **www:** <http://www.worldfutureenergysummit.com/>

**UNCSD Informal Consultations:** The UNCSD Preparatory Committee will hold a series of informal discussions and negotiations on the zero draft of the outcome document in January, February, March and April 2012. **dates:** 16-18 January 2012; 13-17 February 2012; 19-23 March 2012 and 30 April - 4 May 2012 **location:** UN Headquarters, New York **contact:** UNCSD Secretariat **email:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/rio20/>

**12th Special Session of the UNEP Governing Council/Global Ministerial Environment Forum:** The Governing Council of the UN Environment Programme (UNEP) decided in February 2011 to hold the 12th special session of the Governing Council/Global Ministerial Environment Forum (GCSS 12/GMEF) from 20-22 February 2012. During the meeting, UNEP will launch the GEO-5 Summary for Policy Makers. **dates:** 20-22 February 2012 **location:** Nairobi, Kenya **phone:** +254-20-762-3411 **fax:** +254-20-762-3929 **email:** sgc.sgb@unep.org **www:** <http://www.unep.org/gc/gcss-xii/>

**Global Energy Basel – Second Sustainable Infrastructure Financing Summit:** The annual Global Energy Basel conference brings together global leaders in industry, government and business to discuss: building and urban development; transportation, both mobility and city logistics; and sustainable energy supply, including renewable energy, demand side management and energy efficiency. **dates:** 21-22 February 2012 **location:** Basel, Switzerland **contact:** Global Energy Basel **phone:** +41-61-205-1080 **email:** info@globalenergybasel.com **www:** <http://globalenergybasel.com/>

**2012 Climate Leadership Conference:** The conference will bring together leaders from business, government and academic institutions, and the non-profit community interested in exchanging ideas and information on how to address climate change while simultaneously running their operations more competitively and sustainably. **dates:** 29 February – 1 March 2012 **location:** Fort Lauderdale, Florida, United States of America **email:** questions@ClimateLeadershipConference.org **www:** <http://climateleadershipconference.org/>

**CIF PPCR Pilot Countries Meeting:** The Climate Investment Funds (CIF) Pilot Program on Climate Resilience (PPCR) will hold a meeting to review progress and tasks ahead in implementing PPCR. The pilot programs and projects implemented under the PPCR are country-led, build on National Adaptation Programs of Action (NAPA) and other relevant country studies and strategies, and include countries in Africa, Asia, Latin America, the Caribbean and the South Pacific. **dates:** 13-15 March 2012 **location:** TBA **contact:** Climate

Investment Funds Administrative Unit **phone:** +1-202-458-1801 **email:** CIFAdminUnit@worldbank.org **www:** <http://www.climateinvestmentfunds.org/cif/>

**IPCC WGIII AR5 Second Expert Meeting on Scenarios:** Scenarios have a key role in the WGIII contribution to the AR5 as an integrative element. Authors from all relevant chapters will meet to coordinate and integrate the scenario activities across chapters. **dates:** 17-18 March 2012 **location:** Wellington, New Zealand **contact:** IPCC Secretariat **phone:** +41-22-730-8208 **fax:** +41-22-730-8025 **email:** IPCC-Sec@wmo.int **www:** <http://www.ipcc.ch/>

**Planet Under Pressure: New Knowledge toward Solutions:** This conference will focus on solutions to the global sustainability challenge. The conference will discuss solutions to move societies on to a sustainable pathway and provide scientific leadership towards the UNCSD. **dates:** 26-29 March 2012 **location:** London, United Kingdom **contact:** Jenny Wang **phone:** +86-10-8520-8796 **email:** Jen.wang@elsevier.com **www:** <http://www.planetunderpressure2012.net>

**Third Intersessional Meeting for UNCSD:** The final intersessional meeting for the UNCSD will be convened in March 2012. **dates:** 26-27 March 2012 **location:** UN Headquarters, New York **contact:** UNCSD Secretariat **email:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/rio20/>

**Climate Change Mitigation with Indigenous Peoples: Practices, Lessons Learned and Prospects:** The workshop aims to: reflect the range of perspectives concerning indigenous peoples/local communities and climate change responses (including mitigation) and outline a publication in a Special Issue of a peer-reviewed scientific journal. **dates:** 26-28 March 2012 **location:** Cairns, Queensland, Australia **contact:** United Nations University – Institute of Advanced Studies Traditional Knowledge Initiative **phone:** +61-8-8946-6792/7652 **fax:** +61-8-8946-7720 **email:** tki@ias.unu.edu **www:** [http://www.unutki.org/news.php?news\\_id=123&doc\\_id=6](http://www.unutki.org/news.php?news_id=123&doc_id=6)

**Sixth International Conference on Community Based Adaptation:** The conference aims to bring together stakeholders and practitioners to share and discuss knowledge of community-based adaptation planning and practices from different parts of the developing world, share best practices and disseminate lessons learned. **dates:** 16-22 April 2012 **location:** Hanoi, Viet Nam **contact:** Disaster Management Centre (DMC) **phone:** +84-4-3733 5805 **fax:** +84-4 37336647 **email:** dmc @ccfsc.gov.vn **www:** <http://aits.vn/aits/1/2/3/dmc/index.php>

**CIF Trust Fund Committee and Sub-Committee Meetings:** The Climate Investment Funds (CIF) Committee will meet to approve new projects and review implementation of the CIF. **dates:** 30 April - 4 May 2012 **location:** Washington DC, United States of America **contact:** Climate Investment Funds Administrative Unit **phone:** +1-202-458-1801 **email:** CIFAdminUnit@worldbank.org **www:** <http://www.climateinvestmentfunds.org/cif/>

**3rd World Congress on Cities and Adaptation to Climate Change:** The congress will be articulated around the themes of: urban risk; resilient urban design: water, food security and biodiversity; resilient urban renewable energy; resilient urban logistics; and financing the resilient city. **dates:** 12-15 May 2012

**location:** Bonn, Germany **contact:** ICLEI **phone:** +49-228-976-299-28 **fax:** +49-228-976-299-01 **email:** bonn2012@iclei.org **www:** <http://resilient-cities.iclei.org/>

**UNFCCC Subsidiary Bodies:** The 36th sessions of the SBSTA and SBI will take place in June. **dates:** 14-25 May 2012 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://unfccc.int>

**Climate Adaptation Futures: Second International Climate Change Adaptation Conference 2012:** Co-hosted and convened by the University of Arizona (US) and the Programme of Research on Climate Change Vulnerability, Impacts and Adaptation (PROVIA) of the UN Environment Programme (UNEP), this conference will focus on adaptation to climate variability and change. **dates:** 29-31 May 2012 **location:** Tucson, Arizona, United States of America **contact:** UA Institute of the Environment **phone:** +1-520-626-4345 **email:** adaptation2012@email.arizona.edu **www:** <http://www.adaptation.arizona.edu/adaptation2012>

**GEF 42nd Council Meeting:** The Global Environment Facility (GEF) Council is the main governing body of the GEF, and meets to develop, adopt, and evaluate GEF programmes. **dates:** 11-14 June 2012 **location:** Washington DC, United States of America **contact:** GEF Secretariat **phone:** +1-202-473-0508 **fax:** +1-202-522-3240/3245 **email:** secretariat@thegef.org **www:** <http://www.thegef.org/gef/node/4578>

**19th Session of the Commission for Environmental Cooperation (CEC) Council:** The US Environmental Protection Agency (EPA) will host the 19th Regular Session of the Commission for Environmental Cooperation (CEC) Council. The Council will examine project and issues in three thematic clusters: healthy communities and ecosystems; climate change - low-carbon economy; and greening the economy in North America. **dates:** 10-11 July 2012 **location:** New Orleans, Louisiana, United States of America **contact:** Nathalie Daoust, Council Secretary **phone:** +1-514-350-4310 **fax:** +1-514-350-4314 **email:** ndaoust@cec.org **www:** <http://www.cec.org/council2012>

**Third PrepCom for UNCSD:** The third meeting of the Preparatory Committee for the UNCSD will take place in Brazil just prior to the conference. **dates:** 13-15 June 2012 **location:** Rio de Janeiro, Brazil **contact:** UNCSD Secretariat **email:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/>

**UN Conference on Sustainable Development:** The UNCSD will mark the 20th anniversary of the UN Conference on Environment and Development (Earth Summit), which convened in Rio de Janeiro, Brazil in 1992. **dates:** 20-22 June 2012 **location:** Rio de Janeiro, Brazil **contact:** UNCSD Secretariat **email:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/>

**Third Symposium on the Ocean in a High/CO2 World:** This symposium will discuss the impacts of ocean acidification on marine organisms, ecosystems, and biogeochemical cycles. **dates:** 24-27 September 2012 **location:** Monterey, California, United States of America **contact:** Elizabeth Gross, Symposium Manager **email:** egross@scor-int.org **www:** <http://www.highco2-iii.org/>

**UNFCCC COP18:** The 18th session of the Conference of the Parties (COP 18) to the UN Framework Convention on Climate Change (UNFCCC) and the eighth Conference of the Parties serving as the Meeting of Parties to the Kyoto Protocol (COP/MOP 8), among other associated meetings, are scheduled to take place in Doha, Qatar. **dates:** 26 November - 7 December 2012 **location:** Doha, Qatar **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://unfccc.int>

## GLOSSARY

AAUs	Assigned Amount Units
ALBA	Bolivarian Alliance for the Peoples of Our America
AOSIS	Alliance of Small Island States
AWG-KP	<i>Ad Hoc</i> Working Group on Further Commitments for Annex I Parties Under the Kyoto Protocol
AWG-LCA	<i>Ad Hoc</i> Working Group on Long-term Cooperative Action under the Convention
CBDR	Common but differentiated responsibilities
CDM	Clean Development Mechanism
CER	Certified emission reduction
CGE	Consultative Group of Experts
CMP	Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol
COP	Conference of the Parties
CTC	Climate Technology Centre
CTCN	Climate Technology Centre and Network
EIG	Environmental Integrity Group
GCF	Green Climate Fund
GEF	Global Environment Facility
IAR	International Assessment and Review
ICA	International Consultation and Analysis
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
LDCs	Least developed countries
LEG	Least Developed Countries Expert Group
LULUCF	Land use, land-use change and forestry
MRV	Measuring, reporting and verification
NAMAs	Nationally appropriate mitigation actions
NAPA	National Adaptation Programme of Action
NWP	Nairobi Work Programme
QELROs	Quantified emission limitation and reduction objectives
REDD+	Reducing emissions from deforestation in developing countries, including conservation
SB	Subsidiary Body
SBI	UNFCCC Subsidiary Body on Implementation
SBSTA	UNFCCC Subsidiary Body on Scientific and Technical Advice
SIDS	Small island developing states
TEC	Technology Executive Committee
UNFCCC	United Nations Framework Convention on Climate Change



# Climate Change Policy & Practice

**Climate Change Policy & Practice (formerly called Climate-L.org) is a knowledge management project carried out by the International Institute for Sustainable Development Reporting Services (IISD RS) in collaboration with the UN System Chief Executives Board for Coordination.**

**This knowledgebase of UN and intergovernmental activities addressing the challenge of global climate change features:**

- **news on UN and intergovernmental activities related to international climate change policy, updated on a daily basis;**
- **an iCal of upcoming climate change events;**
- **guest articles by key figures of the climate community and UN leaders; and**
- **policy updates.**

**New posts to the knowledgebase are distributed through the Climate Change Daily Feed, which is distributed exclusively through our community listserve, CLIMATE-L.**

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