

**TWENTY-EIGHTH SESSIONS OF THE UNFCCC SUBSIDIARY BODIES, SECOND SESSION OF THE AD HOC WORKING GROUP UNDER THE CONVENTION, AND FIFTH SESSION OF THE AD HOC WORKING GROUP UNDER THE KYOTO PROTOCOL:
2-13 JUNE 2008**

During the first two weeks of June, delegates convened in Bonn, Germany, to participate in four meetings as part of ongoing negotiations under the UN Framework Convention on Climate Change (UNFCCC) and Kyoto Protocol. The second session of the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA 2), and the resumed fifth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP 5) took place from 2-12 June. The twenty-eighth sessions of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) of the UNFCCC were held from 4-13 June. Over 2000 people participated in the meetings, including 1314 government officials, 713 representatives of UN bodies and agencies, intergovernmental organizations and non-governmental organizations, and 34 media representatives.

The meetings were part of ongoing discussions to enhance international cooperation on climate change, including for the period after 2012, when the Kyoto Protocol's first "commitment period" expires. The AWG-LCA was established in 2007 at the 13th Conference of the Parties (COP 13) in Bali, Indonesia, and agreed on its 2008 work programme during its first meeting in April 2008. At its second session, the AWG-LCA shifted its focus towards more substantive topics, with three workshops to help delegates consider adaptation, finance, and technology. Parties also started discussions on a "shared vision for long-term cooperative action," climate change mitigation, and the AWG-LCA's work programme for 2009.

The AWG-KP, which was established in 2005 to consider Annex I parties' commitments under the Protocol after 2012, focused on the means for Annex I countries to reach emission reduction targets, with delegates addressing four specific issues: the flexible mechanisms; land use, land-use change and forestry

(LULUCF); greenhouse gases, sectors and source categories; and possible approaches targeting sectoral emissions. Parties also considered relevant methodological issues.

The SBI and SBSTA took up a range of issues, some related to their regular, ongoing work under UNFCCC and Kyoto Protocol, and some more closely connected to the post-2012 discussions. The SBI examined subjects such as capacity building, technology transfer and preparations for the second review of the Protocol under Article 9. SBSTA's agenda included items on technology transfer and reducing emissions from deforestation in developing countries.

The Bonn meetings had no major deadlines on substantive issues. However, it was the first time that the four subsidiary bodies – AWG-LCA, AWG-KP, SBI and SBSTA – had all met in parallel, presenting challenges in terms of the proliferation of issues and contact groups. Collectively, these meetings resulted in the adoption of 30 conclusions and 4 draft decisions that will be forwarded to the COP or COP/MOP in December 2008, in Poznan, Poland, for their consideration.

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This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Tomilola "Tomi" Akanle, Douglas Bushey, Kati Kulovesi, Miquel Muñoz, Ph.D., Chris Spence, and Yulia Yamineva. The Digital Editor is Leila Mead. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Bulletin* are the United Kingdom (through the Department for International Development – DFID), the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Danish Ministry of Foreign Affairs, the German Federal Ministry for Economic Cooperation and Development (BMU), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV) and the Italian Ministry for the Environment, Land and Sea. General Support for the *Bulletin* during 2008 is provided by the Norwegian Ministry of Foreign Affairs, the Government of Australia, the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, the Ministry of Environment of Sweden, the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, Swiss Federal Office for the Environment (FOEN), the Finnish Ministry for Foreign Affairs, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI) and the United Nations Environment Programme (UNEP). Funding for translation of the *Bulletin* into French has been provided by the International Organization of the Francophonie (IOF). Funding for the translation of the *Bulletin* into Spanish has been provided by the Ministry of Environment of Spain. The opinions expressed in the *Bulletin* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Bulletin* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11A, New York, NY 10022, USA.

A BRIEF HISTORY OF THE UNFCCC AND KYOTO PROTOCOL

Climate change is considered one of the most serious threats to sustainable development, with adverse impacts expected on the environment, human health, food security, economic activity, natural resources and physical infrastructure. Scientists agree that rising concentrations of anthropogenic greenhouse gases in the Earth's atmosphere are leading to changes in the climate. The Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC), completed in November 2007, finds with more than 90% probability that human action has contributed to recent climate change and emphasizes the already observed and projected impacts of climate change.

The international political response to climate change began with the adoption of the UNFCCC in 1992. The UNFCCC sets out a framework for action aimed at stabilizing atmospheric concentrations of greenhouse gases to avoid "dangerous anthropogenic interference" with the climate system. The UNFCCC entered into force on 21 March 1994, and now has 192 parties. These parties continue to adopt decisions, review progress and consider further action through meetings of the Conference of the Parties (COP), which are usually held annually. Since 1995, the COP has been supported in its work by the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI).

KYOTO PROTOCOL: In December 1997, delegates at COP 3 in Kyoto, Japan, agreed to a Protocol to the UNFCCC that commits developed countries and countries in transition to a market economy to achieve emission reduction targets. These countries, known under the UNFCCC as Annex I parties, agreed to reduce their overall emissions of six greenhouse gases by an average of 5.2% below 1990 levels between 2008-2012 (the first commitment period), with specific targets varying from country to country.

Following COP 3, parties began negotiating many of the rules and operational details governing how countries will reduce emissions and measure their emission reductions. The process was finalized in November 2001 at COP 7 in Marrakesh, Morocco, when delegates reached agreement on the Marrakesh Accords, which establish detailed rules on the Protocol's three flexible mechanisms, reporting, methodologies, and other elements of the treaty. The Kyoto Protocol entered into force on 16 February 2005, and now has 182 parties.

COP 11 AND COP/MOP 1: COP 11 and the first Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 1) took place in Montreal, Canada, from 28 November to 10 December 2005. At COP/MOP 1, parties took decisions on the outstanding operational details of the Kyoto Protocol, including formally adopting the Marrakesh Accords.

Delegates in Montreal also engaged in negotiations on long-term international cooperation on climate change, including possible processes to consider the post-2012 period. These negotiations resulted in a COP/MOP 1 decision to establish a new subsidiary body, the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP). In addition, COP 11 agreed to consider long-term cooperation also under the UNFCCC "without prejudice to any future negotiations, commitments, process, framework

or mandate under the Convention" through a series of four workshops constituting a "Dialogue" that would continue until COP 13.

AWG-KP AND CONVENTION DIALOGUE: Between COP 11 and COP 13 in December 2007, the newly-established AWG-KP and Convention Dialogue each convened four times. The AWG-KP focused on finalizing its work programme and analyzing mitigation potentials and ranges of emission reductions. At its meeting in Vienna, Austria, in August 2007, the AWG-KP discussed possible ranges of emission reductions for Annex I parties. Parties adopted conclusions referring to some of the key findings of IPCC Working Group III, including that global greenhouse gas emissions need to peak in the next 10-15 years and then be reduced to well below half of 2000 levels by the middle of the 21st century in order to stabilize atmospheric concentrations to the lowest level assessed by the IPCC. The AWG-KP's conclusions recognized that to achieve this level, Annex I parties as a group would be required to reduce emissions by a range of 25-40% below 1990 levels by 2020.

During its four workshops, the Convention Dialogue focused on development goals, adaptation, technology, and market-based opportunities. At the final workshop, held in Vienna in August 2007, delegates focused on bringing together ideas from the previous workshops and addressing overarching and cross-cutting issues, including financing. Parties also considered next steps after COP 13, with parties expressing a willingness to continue discussions under the Convention "track" beyond COP 13.

In addition to the AWG-KP and Convention Dialogue, post-2012 issues were also considered under the first review of the Protocol under Article 9, held at COP/MOP 2 in Nairobi, Kenya, in 2006, and in discussions on a proposal by the Russian Federation on procedures to approve voluntary commitments for developing countries.

BALI CLIMATE CONFERENCE: COP 13 and COP/MOP 3 took place from 3-15 December 2007, in Bali, Indonesia, alongside the resumed fourth session of the AWG-KP. The focus of the Bali conference was on post-2012 issues, and negotiators spent much of their time seeking agreement on a two-year process, or "Bali roadmap," to finalize a post-2012 regime by COP 15 in December 2009. This roadmap sets out "tracks" under the Convention and the Kyoto Protocol.

Under the Convention, negotiations on the follow up to the Convention Dialogue resulted in agreement on a Bali Action Plan that established the *Ad Hoc* Working Group on Long-term Cooperative Action under the Convention (AWG-LCA), with a view to launching a comprehensive process on long-term cooperative action, to be completed in 2009. The Bali Action Plan identifies four key elements: mitigation, adaptation, finance and technology. The Plan also contains a non-exhaustive list of issues to be considered under each of these areas and calls for addressing a "shared vision for long-term cooperative action."

Under the Kyoto Protocol, the AWG-KP agreed in Bali on a plan for its activities and meetings for 2008-2009. In addition, COP/MOP 3 considered preparations for a second review of the Protocol under Article 9, which will take place at COP/MOP 4 in December 2008. Delegates identified a number of issues to be

addressed during this review, including the Clean Development Mechanism (CDM), IPCC AR4, adaptation, effectiveness, implementation and compliance.

AWG-LCA 1 AND AWG-KP 5: The first session of the AWG-LCA and first part of the fifth session of the AWG-KP took place from 31 March to 4 April 2008 in Bangkok, Thailand. The main focus of AWG-LCA 1 was on developing its work programme for 2008. The work programme, adopted at the end of the meeting, aims to further discussions on all elements of the Bali Action Plan at every session of the AWG-LCA in a “coherent, integrated and transparent manner.” It establishes a detailed work programme, including a timetable for eight in-session workshops to be held during 2008.

The AWG-KP convened an in-session workshop on analyzing the means for Annex I parties to reach their emission reduction targets. In its conclusions, AWG-KP 5 indicated that the flexible mechanisms under the Protocol should continue in the post-2012 period, and be supplemental to domestic actions in Annex I countries.

REPORT OF THE MEETINGS

The second session of the *Ad Hoc* Working Group on Long-term Cooperative Action (AWG-LCA 2) under the UN Framework Convention on Climate Change began on Monday, 2 June. On the same day, the resumed fifth session of the *Ad Hoc* Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) also opened. On Wednesday, 4 June, the twenty-eighth sessions of the Subsidiary Bodies (SB 28) of the UNFCCC began. Parties also met in several in-session workshops and numerous contact groups and informal consultations.

Collectively, these meetings resulted in the adoption of 30 conclusions and 4 draft decisions that will be forwarded to the COP or COP/MOP for their consideration. This report summarizes the discussions and outcomes based on the agendas of the AWG-LCA, AWG-KP, SBSTA and SBI.

AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE CONVENTION (AWG-LCA)

AWG-LCA Chair Luiz Machado (Brazil) opened the meeting on Monday morning, 2 June, and highlighted the need to make progress on all items of the AWG-LCA’s 2008 work programme.

Parties then delivered opening statements. Antigua and Barbuda, for the Group of 77 and China (G-77/China), said developed countries should take the lead in combating climate change. He stressed that AWG-LCA should not replace other ongoing processes. On long-term cooperation, Slovenia, for the EU, said parties should agree on conclusions at this session. Bangladesh, for the Least Developed Countries (LDCs), said adaptation should receive priority attention and practical support.

Australia, for the Umbrella Group, said the work of the AWG-LCA should lead to an outcome at COP 15 with action from all parties, considering national circumstances. Japan underscored mitigation by all countries according to their capabilities, and sectoral approaches. India expressed concern with sectoral approaches. China said the core element of the Bali Action Plan

is developed countries undertaking more emission reduction commitments while providing finance and technology to developing countries. The US said the outcomes should reflect the rapid evolution of the world economy since 1992.

Parties then adopted the agenda and organization of work (FCCC/AWGLCA/2008/4) and Chair Machado introduced a scenario note on the session (FCCC/AWGLCA/2008/7).

ENABLING THE FULL, EFFECTIVE AND SUSTAINED IMPLEMENTATION OF THE CONVENTION THROUGH LONG-TERM COOPERATIVE ACTION

Delegates spent most of the meeting in discussions on this agenda item. With the AWG-LCA’s 2008 work programme finalized during its first session in April, AWG-LCA 2 focused more on substantive issues, particularly the key elements outlined in the Bali Action Plan (decision 1/CP.13), including a “shared vision for long-term cooperative action, mitigation, adaptation, technology, and financing issues.

These issues were first taken up at AWG-LCA 2 in plenary on 2 June, when parties outlined their general views on long-term cooperative action. This initial exchange was followed by three in-session workshops aimed to encourage an exchange of views on adaptation, technology, and financing. For more details on these workshops, see: <http://www.iisd.ca/vol12/enb12365e.html>, <http://www.iisd.ca/vol12/enb12366e.html>, and <http://www.iisd.ca/vol12/enb12368e.html>

Following the final AWG-LCA workshop on 5 June, this agenda item was taken up in a contact group, which met five times from 6-11 June, and considered each of the five key elements in the Bali Action Plan. The AWG-LCA adopted conclusions on these issues in its closing plenary on 12 June. The following section considers the discussions on each of the five key elements contained in the Bali Action Plan, and summarizes the conclusions.

A SHARED VISION FOR LONG-TERM

COOPERATIVE ACTION: This issue was addressed in an AWG-LCA contact group on 9 June. The Philippines, for the G-77/China, said a shared vision means developed countries taking the lead in reducing emissions and developing countries pursuing a clean development path avoiding past mistakes, with adaptation as an integral element. Switzerland, for the Environmental Integrity Group, said a shared vision should provide a framework for cooperation among all parties, and include a long-term climate objective and ways and means to reach it. South Africa, for the African Group, said an aspirational goal would be acceptable if underpinned by binding and ambitious targets for developed countries, including targets of 25-40% below 1990 levels by 2020, and at least 50% by 2050. China said a shared vision does not necessarily mean concrete targets or numerical goals, but is a statement of long-term objectives, goals and means. He said consideration of an aspirational goal must include discussions on burden sharing.

Barbados, for the Alliance of Small Island States (AOSIS), called for scientific studies on the implications for small island developing states (SIDS) of temperature increases at and above 2°C. The EU said a long-term goal based on 2°C requires reductions of at least 50% by 2050 compared to 1990 levels, which implies urgent short-term actions. He said all developed countries must take the lead, meaning binding targets within the

range of 25-40% reductions by 2020 compared to 1990 levels. New Zealand said a long-term goal is also being discussed in other international processes, and that such a goal should be non-binding, informed by science and periodically reviewed.

Bangladesh, for the LDCs, said a shared vision should include the right of developing countries to sustainable development and highlighted the need for adaptation policies, including risk reduction strategies. Malaysia and Pakistan suggested analyzing the implications of Annex I countries' different emissions targets for non-Annex I parties. Brazil suggested a long-term goal based on the principle of common but differentiated responsibilities, historical responsibility and the best available science. The US said a long-term goal should be global, realistic, consistent with recent changes in economic development, based on science and aspirational.

MITIGATION: This issue was first taken up in plenary on 2 June, in conjunction with other elements of the agenda item on long-term cooperative action. It was then discussed in a contact group on Monday afternoon, 9 June. The G-77/China said mitigation action by developed and developing countries must be different. The US and several others stressed the need for all countries to take nationally appropriate mitigation action. On measuring, reporting and verifying (MRV), the EU, Brazil and others underscored comparability of efforts and action by Annex I non-ratifiers of the Protocol. India, supported by China, explained that MRV in developing countries only applies to mitigation actions that are internationally enabled, and Brazil stressed that it is based on national criteria. Iceland and Japan underscored sectoral approaches, while China opposed introducing new issues and concepts. Norway, Iceland, Japan and Switzerland supported reducing emissions from deforestation and degradation (REDD). Malaysia and the Environmental Integrity Group emphasized the importance of technology, finance and capacity building.

ADAPTATION: This issue was considered at an in-session workshop on "advancing adaptation through finance and technology," from 2-3 June (for more details on this workshop, see: <http://www.iisd.ca/vol12/enb12365e.html> and <http://www.iisd.ca/vol12/enb12366e.html>).

On 6 June, a contact group chaired by AWG-LCA Chair Machado met to consider the issue. Parties emphasized the urgency and importance of adaptation, with the EU reiterating its proposal for a framework of action on adaptation, and AOSIS suggesting a committee on adaptation under the Convention. Bangladesh proposed preparing national adaptation action plans and financial needs assessments.

TECHNOLOGY DEVELOPMENT AND TRANSFER: This issue was addressed at an in-session workshop on 3 June (for more details of the workshop, see: <http://www.iisd.ca/vol12/enb12365e.html>).

On 6 June, AWG-LCA Chair Machado presented his summary of the workshop (FCCC/AWGLCA/2008/CRP.2), and on 7 June the AWG-LCA convened a contact group on technology. New Zealand underscored mitigation technologies for agriculture. The G-77/China highlighted equal treatment for mitigation and adaptation technologies, and emphasized the need to establish a technology transfer mechanism under the Convention. The EU supported institutional arrangements under the Convention

and suggested a new coordinating body. Ghana stressed MRV on technology transfer, suggesting reporting guidelines, annual communications by Annex I parties, and linkages to the Convention review mechanism. The African Group identified intellectual property rights as a major barrier and said adaptation does not attract private sector investment. Pakistan stressed compulsory licensing. AOSIS underscored early warning technologies.

FINANCIAL RESOURCES AND INVESTMENT: This issue was addressed at an in-session workshop held on 5 June (for a more details on this workshop, see: <http://www.iisd.ca/vol12/enb12368e.html>). It was then taken up by a contact group on 7 June. In the contact group, the G-77/China said funding should come from implementation of Annex I countries' commitments. The US said the private sector should become the main source of funding and the EU underlined the role of the carbon market, innovative financing, and leveraging private investments. India, the African Group, China and AOSIS stated that the private sector can play only a limited role. The African Group called for balanced consideration of financing for mitigation and adaptation.

AWG-LCA Conclusions: In its conclusions (FCCC/AWGLCA/2008/L.5), the AWG-LCA recalls an invitation to parties and observer organizations to provide additional information, views and proposals on paragraph one of the Bali Action Plan (the five key elements), and invites parties to submit specific textual proposals on paragraph one in order to focus consideration of the five elements by the AWG-LCA. It also requests the Secretariat to post submissions on the UNFCCC website when they are received and to compile submissions.

The AWG-LCA further requests the Secretariat to prepare: a technical paper on mitigation in the agricultural sector; a technical paper on innovative insurance tools; an update to the technical paper on investment and financial flows; and an information note on adaptation-related activities within the UN system.

2009 WORK PROGRAMME

This issue (FCCC/SBI/2008/4/Add.1-FCCC/AWGLCA/2008/5) was first introduced in plenary on Monday, 2 June, by Executive Secretary Yvo de Boer. AWG-LCA Vice-Chair Michael Zammit Cutajar then conducted bilateral consultations. Discussions focused on the number and duration of meetings, with many countries, particularly developing countries, expressing concern about their ability to attend and effectively participate in these meetings. Many developed countries expressed willingness to attend as many meetings as necessary, but were also concerned about the number and duration of the meetings.

AWG-LCA Conclusions: In its conclusions (FCCC/AWGLCA/2008/L.4), the AWG-LCA confirms that four sessions of the AWG-LCA will be held in 2009, the first in March/April, the second in June in conjunction with the 30th sessions of the Subsidiary Bodies, the third in August/September, and the fourth from 30 November to 11 December, in conjunction with the 15th session of the Conference of the Parties. The AWG-LCA also notes that a decision on whether a fifth session in 2009 is needed should be taken no later than COP 14 in Poznan. The AWG-LCA

agrees to leave it to the SBI to determine the venue and duration of these sessions (see Arrangements for Intergovernmental Meetings under the SBI, on page 16 below).

CLOSING PLENARY

The final AWG-LCA 2 plenary was held on Thursday afternoon, 12 June, when parties adopted the report of the session (FCCC/AWGLCA/2008/L.3).

In closing statements, Business and Industry underscored sectoral and market-based approaches and the removal of trade barriers. Environmental Non-Governmental Organizations highlighted the need to avoid climate change above 2°C and meet the Millennium Development Goals.

Slovenia, for the EU, along with Japan, Australia and others, underscored the need to accelerate the process. Antigua and Barbuda, for the G-77/China, said attempts to link the AWG-LCA to other processes threaten to dilute the AWG-LCA, and said work in future sessions must be based on the Convention's principles. Japan said discussions under the AWG-LCA need to be consistent with those under the AWG-KP. Thanking delegates, Chair Machado declared AWG-LCA 2 closed at 5:58 pm.

AD HOC WORKING GROUP UNDER THE KYOTO PROTOCOL (AWG-KP)

AWG-KP Chair Harald Dovland (Norway) opened the resumed fifth session of the AWG-KP on Monday morning, 2 June. Antigua and Barbuda, for the G-77/China, urged a focus on quantified emission reductions for Annex I parties. Algeria, for the African Group, urged ambitious Annex I targets in the range of 25-40% cuts by 2020 compared with 1990 levels, and Maldives, for the LDCs, urged deep cuts.

Australia, for the Umbrella Group, noted direct linkages between the AWG-KP and other UNFCCC processes, particularly the AWG-LCA and the second review of the Kyoto Protocol under Article 9. Tuvalu, for AOSIS, said Annex I parties' commitments should take the form of nationwide targets and 1990 should remain the base year for such targets.

Parties agreed to the organization of work and continued with the agenda adopted at the first part of AWG-KP 5 (FCCC/KP/AWG/2008/1).

ANALYSIS OF MEANS TO REACH EMISSION REDUCTION TARGETS AND IDENTIFICATION OF WAYS TO ENHANCE THEIR EFFECTIVENESS AND CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

The analysis of means to reach emission reduction targets was a key agenda item for the AWG-KP in Bonn. Consideration of this issue began during the first part of AWG-KP 5 in Bangkok and is scheduled to conclude at the first part of AWG-KP 6 in Accra in August 2008 (FCCC/KP/AWG/2005/5).

The item included four agenda sub-items on the flexible mechanisms, LULUCF, sectoral emissions, and greenhouse gases, sectors and source categories.

After its initial consideration in plenary on 2 June, the agenda item was subsequently taken up in an in-session roundtable from 2-3 June (for more details on this roundtable, see: <http://www.iisd.ca/vol12/enb12365e.html> and <http://www.iisd.ca/vol12/enb12366e.html>).

On 4 June, the AWG-KP plenary followed up on the roundtable with a discussion on work under this agenda item. AWG-KP Chair Dovland explained that the aim was to understand the "means," "tools," "rules," or "guidelines" that will be available for Annex I parties before setting the targets. Parties decided to establish three contact groups on the flexible mechanisms, LULUCF and "other issues," covering the two sub-items on greenhouse gases, sectors and sources, and on sectoral approaches, as well as a separate agenda item on methodological issues.

These contact groups resulted in agreement on draft conclusions on each agenda sub-item, as well as brief general conclusions dealing with linkages among these sub-items. The general conclusions are set out immediately below, followed by discussions and outcomes under each of the four agenda sub-items.

AWG-KP Conclusions: In its general conclusions on the means to reach emission reduction targets (FCCC/KP/AWG/2008/L.4), the AWG-KP, *inter alia*, agrees that its work on LULUCF activities under the project-based mechanisms must be informed by outcomes of its work on non-permanence and methodological issues related to LULUCF. The AWG-KP also notes work under the Bali Action Plan that could be a possible input.

EMISSIONS TRADING AND THE PROJECT-BASED MECHANISMS: Issues related to the flexible mechanisms were considered during the roundtable, and in a contact group and informal consultations co-chaired by Christiana Figures Olsen (Costa Rica) and Nuno Lacasta (Portugal) from 4-12 June.

Discussions focused on various proposals to improve the mechanisms. Parties started by listing possible improvements to the mechanisms with all ideas included on the "shopping list." They then classified the proposals as first and second commitment period issues, which were included in the AWG-KP conclusions as two separate annexes. Co-Chair Figures explained that the substance of the second commitment period issues would be considered by the AWG-KP 6 in Accra. On the first commitment period issues, the AWG-KP agreed to recommend that COP/MOP 4 consider the list and take appropriate action.

Tuvalu highlighted that many proposals would necessitate changes to the Marrakesh Accords and urged classifying them as second commitment period ones. The EU stressed that changing the rules on key issues at the beginning of the first commitment period would upset the carbon market.

Parties also engaged in detailed discussions on each of the three Kyoto mechanisms: CDM, joint implementation and emissions trading, as well as cross-cutting issues.

Clean Development Mechanism: Various proposals were made to expand the CDM's scope to include, *inter alia*, carbon capture and storage (CCS), nuclear activities, sectoral crediting and crediting based on nationally-appropriate mitigation actions. New Zealand, Climate Action Network (CAN) and others opposed the inclusion of nuclear energy, and Brazil and others objected to CCS.

Concerning LULUCF under the CDM, some developing countries, including African ones, supported expanding the scope of eligible activities, such as crediting for REDD. China, India, Brazil and others preferred maintaining the current scope

limited to afforestation and reforestation projects. Delegates agreed to replace specific proposals with a general reference to consideration of “other LULUCF activities.” They also agreed that their work on these issues needs to be informed by work concerning non-permanence by the AWG-KP LULUCF group.

Several countries also supported considering alternative accounting rules for afforestation and reforestation projects. Tuvalu, Brazil and others stressed these this should be considered by the LULUCF group. Delegates agreed to insert a footnote referring to the work on LULUCF by the AWG-KP.

Various proposals were listed concerning improving CDM governance and changing additionality requirements, with some proposals classified for possible consideration during the current commitment period and others to be considered in Accra. To improve accessibility to CDM projects, proposals were made concerning differentiated treatment of CDM host countries and certain project types. Delegates agreed to classify these proposals as ones relevant for the second commitment period and consider their substance in Accra.

Joint Implementation: Canada proposed considering modalities for parties to graduate from the CDM to joint implementation (JI). The list also contained several ideas, *inter alia*, to expand JI’s scope, improve its efficiency and consider alternative ways to assess additionality.

Emissions Trading: Parties discussed linking emissions trading schemes and mutual acceptance (fungibility) of credits. CAN highlighted that such issues should be negotiated bilaterally. New Zealand proposed decreasing the commitment period reserve while Tuvalu supported increasing it.

The AWG-KP adopted its conclusions on 12 June.

AWG-KP Conclusions: In its conclusions (FCCC/KP/AWG/2008/L.8), the AWG-KP, *inter alia*:

- agrees that its work on the mechanisms “should not prejudge or limit other work by other bodies” under the Convention and Protocol;
- agrees to continue its work on this issue, “within its mandate and according to its work programme,” with a view to adopting conclusions in Accra; and
- notes that a number of issues have been identified that may be considered for application during the current commitment period, and recommends that COP/MOP 4 may consider the Chair’s list and take appropriate action.

The conclusions also contain two annexes. Annex I compiles views on possible improvements to the mechanisms as a means for Annex I parties to reach their emission reduction targets, without prejudging any actions by the AWG-KP. Concerning the CDM, it lists, *inter alia*, ideas to:

- modify the scope of the CDM;
- enhance the supervisory role of the CDM Executive Board;
- differentiate the treatment of parties and project types;
- enhance the CDM’s contribution to sustainable development;
- increase demand for afforestation and reforestation projects;
- increase the co-benefits of CDM projects;
- restrict CDM to bilateral projects;
- consider alternatives to global warming potentials (GWPs); and
- increase technology transfer.

On JI, Annex I lists proposals to:

- develop modalities for parties to graduate from the CDM to JI;
- consider consistency of approaches to LULUCF projects;
- modify the scope of the JI to include deforestation and forest degradation, and crediting from nationally appropriate mitigation actions;
- enhance the supervisory role and efficiency of the JI Supervisory Committee;
- consider the roles of the Secretariat, Accredited Independent Entities and host party governments;
- consider alternative ways to ensure environmental integrity and additionality; and
- differentiate treatment of parties and project types, including defining eligible host parties through indicators.

On emissions trading, Annex I lists proposals, *inter alia*, to:

- introduce emissions trading based on sectoral targets and nationally appropriate mitigation actions, and link to voluntary schemes in non-Annex I countries;
 - link trading schemes, and consider broader mutual acceptance (fungibility) of units; and
 - modify the commitment period reserve.
- On cross-cutting issues, Annex I lists proposals to:
- review carry-over restrictions;
 - reduce the number of registry unit types;
 - extend the share of proceeds; and
 - introduce a mid-commitment period “true up” process.

Annex II lists proposals on the CDM and JI that the COP/MOP may consider for the first commitment period and take appropriate action, including to improve their effectiveness and efficiency, accessibility, and contribution to sustainable development. As a cross-cutting issue, the list mentions improving the procedure for inscribing commitments for Annex I parties in Protocol Annex B.

LAND USE, LAND-USE CHANGE AND FORESTRY:

Issues related to LULUCF were considered during the roundtable and in a contact group and informal consultations co-chaired by Bryan Smith (New Zealand), and Marcelo Rocha (Brazil) from 4-11 June. The AWG-KP plenary adopted conclusions on 12 June (FCCC/KP/AWG/2008/L.5).

During the roundtable, a range of ideas were put forward with Tuvalu and others arguing against substantial changes to Protocol Article 3.3 (afforestation and deforestation) and 3.4 (additional activities) and Australia and others proposing listing LULUCF sectors in Annex A of the Protocol, treating it like other major sectors. China stated that due to lack of negotiating time, rules for the second commitment period should be compatible with existing rules. India, supported by Brazil, questioned the focus on LULUCF issues, stressing the need to reduce Annex I fossil fuel emissions.

In the contact group and informal consultations, parties considered how to address the definitions, modalities, rules and guidelines for the treatment of LULUCF in the second commitment period with an aim to adopt conclusions during the first part of AWG-KP 6 in August. The main outcome of these discussions was a compilation of ideas for consideration annexed to the AWG-KP conclusions.

Some parties raised concerns about inclusion of the principles of decision 16/CMP.1. Parties eventually agreed to “take into account” the principles in place of agreeing that the principles continue to apply, although the G-77/China, Switzerland and others preferred the alternative. Responding to concerns raised by Brazil about adding new activities under Protocol Article 3.4 (additional activities), parties agreed to remove a reference to additional Article 3.4 activities. Brazil also supported adding text on agreement on definitions and guidelines, and delegates agreed to include definitions on the list.

AWG-KP Conclusions: In its conclusions (FCCC/KP/ AWG/2008/L.5), the AWG-KP acknowledged that further discussions should “take into account” the principles that govern the treatment of LULUCF, as set out in decision 16/CMP.1.

The conclusions also include an annex containing the Chair’s compilation of parties’ options and issues for consideration that “does not prejudice any actions” by the AWG-KP. The annex lists, *inter alia*,

- cross-cutting issues, including consistency, factoring out, symmetry in accounting of emissions and removals, and sustainable forest management;
- options for “few changes,” “more changes,” and “many changes” to activity-based approaches based on Articles 3.3 and 3.4 of the Protocol;
- a land-based approach on reporting under the Convention;
- harvested wood products;
- the potential applicability of, *inter alia*, land-use flexibility, temporary removal from the accounting of areas subjected to natural disturbances, and discounting factors; and
- potential new activities, including revegetation, forest degradation, and wetland management, restoration and degradation.

SECTORAL APPROACHES, AND GREENHOUSE GASES, SECTORS AND SOURCE CATEGORIES: These topics were considered during the roundtable, and a contact group and informal consultations on “other issues” chaired by AWG-KP Chair Dovland from 4-12 June. The AWG-KP’s closing plenary adopted conclusions on 12 June (FCCC/KP/ AWG/2008/L.6).

On greenhouse gases, sectors and source categories, work centered around broadening their coverage. Canada and others stressed that the implications of adding a new gas must be explored before its addition. New Zealand suggested that links to ozone depletion be considered. The EU supported adding new gases, especially ones with GWPs listed in AR4.

On sectors and source categories, discussions focused on emissions from aviation and maritime bunker fuels. Parties discussed possible actions under the UNFCCC, International Maritime Organization (IMO), and International Civil Aviation Organization (ICAO). Argentina, the EU, Norway and others supported controlling maritime and aviation emissions under the UNFCCC, while Singapore and others preferred addressing them through the IMO and ICAO. The EU stressed significant growth in these emissions and their importance to mitigating climate change.

Saudi Arabia, Kuwait and Qatar argued against addressing emissions from aviation and maritime bunker fuels, with Saudi Arabia stating that Article 2.2 of the Protocol would have to be

amended before discussion on this issue could take place. Tuvalu suggested considering financial instruments on aviation and bunker fuels as a source of revenue to fund REDD. Although the annex was designed to contain all ideas raised by parties, strong insistence by some parties led to the bracketing of this section in the final annex.

On sectoral approaches, several delegates identified the need for a common understanding. The EU outlined three meanings: bottom-up approaches as an analytical tool to set national targets; cooperative sectoral targets in developing countries without crediting; and sectoral crediting and trading.

The G-77/China stressed that sectoral approaches should not replace Annex I parties’ national targets, with New Zealand, Japan and others accepting that they should be complementary. Controversies emerged, however, between the EU and China and others over the mandate of the AWG-KP to consider sectoral approaches. Delegates eventually agreed to indicate that sectoral approaches “could be used by Annex I parties as a means to reach, but not replace, their emission reduction targets.” In the annex, they also indicate that sectoral approaches “within the mandate of the AWG-KP” should not, *inter alia*, “lead to commitments for non-Annex I parties.”

AWG-KP Conclusions: In its conclusions (FCCC/KP/ AWG/2008/L.6), the AWG-KP, *inter alia*: notes that approaches targeting sectoral emissions could be used by Annex I parties as a means to reach, but not replace, their targets; and agrees to continue working on these issues so that conclusions can be adopted at the first part of AWG-KP 6 in Accra.

The conclusions also include an annex containing the Chair’s compilation of parties’ views that “does not prejudice any actions” by the AWG-KP. On sectoral approaches, the annex indicates, *inter alia*, that:

- approaches targeting sectoral emissions in Annex I parties could assist Annex I parties in meeting their commitments and should lead to real climate benefits; and
- sectoral approaches “within the mandate of the AWG-KP and according to its work programme” should not replace Annex I national targets, lead to commitments for non-Annex I parties, and constitute arbitrary or unjustifiable discrimination or disguised restriction to international trade.

On greenhouse gases, sectors and source categories, the annex lists, *inter alia*:

- ensuring a comprehensive coverage of greenhouse gases, sectors and sources based on the AR4;
- ensuring environmental integrity;
- considering implications of adding new gases; and
- considering possible implications of broadening the coverage of sectors and source categories.

The annex also contains a bracketed section on emissions from aviation and maritime bunker fuels, mentioning, *inter alia*, Protocol Article 2.2 (bunker fuels) and the possible roles of IMO and ICAO.

CONSIDERATION OF RELEVANT METHODOLOGICAL ISSUES

In Bonn, the AWG-KP initiated work on relevant methodological issues, including the methodologies to be applied for estimating anthropogenic emissions and the GWPs of greenhouse gases. The issue was first raised in plenary on 3 June,

and was considered in a workshop on 7 June chaired AWG-KP Vice-Chair Mama Konate (Mali) (for more details on this workshop, see: <http://www.iisd.ca/vol12/enb12370e.html>).

The issue was also taken up in a contact group and informal consultations chaired by AWG-KP Chair Dovland from 6-11 June. In these consultations, some countries expressed interest in exploring the feasibility of using global temperature potentials (GTPs) instead of GWPs. Brazil highlighted the shortcoming of GWPs, while the EU and Norway supported their continued use. Canada noted the need for proven methodologies, stating that GTPs are not yet proven. The G-77/China suggested replacing references to GWP in the conclusions with "GWP/GTP." New Zealand, the EU, Norway, Canada, and Switzerland supported using the 2006 IPCC Guidelines for reporting during the second commitment period, but said further methodological work may be necessary. South Africa, for the G-77/China, stated that they are not ready to consider adoption of the 2006 IPCC Guidelines, but that a study on the implications of adopting the guidelines would be useful.

Delegates finalized agreement on the text, including an annex compiling views of parties, on 11 June, and the AWG-KP adopted conclusions on the matter on 12 June.

AWG-KP Conclusions: In its conclusions (FCCC/KP/AWG/2008/L.7), the AWG-KP, *inter alia*, takes note of the summary of views at the workshop on relevant methodological issues (FCCC/KP/AWG/2008/MISC.3), and agrees to continue its work so that conclusions can be adopted at the first part of AWG-KP 6 in Accra.

The conclusions also include an annex containing the Chair's compilation of views by parties that "does not prejudice any actions" by the AWG-KP.

The annex addresses general issues, including consistency and comparability of reporting between the commitment periods. It considers methodologies for estimating greenhouse gas emissions, including implications of applying the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. It also addresses GWPs, mentioning: the continuation of the approach based on a "basket of gases" using appropriate common metrics; consideration of the implications of updating GWPs and applying global temperature potentials (GTPs) as a new metric; and "based on the above implications," the consideration of appropriate common metrics, including GWPs and GTPs.

CLOSING PLENARY

AWG-KP 5's closing plenary took place on Thursday evening, 12 June. Delegates adopted the report of the session (FCCC/KP/AWG/2008/L.3) and heard closing statements.

AWG-KP Chair Harald Dovland reminded delegates that the AWG-KP is scheduled to adopt conclusions at AWG-KP 6 in Accra on the means to reach emission reductions. He expressed hope that the Chair's compilations of views would assist in this task, and stressed that a "tremendous amount of work and difficult negotiations" lie ahead and that the pace of progress will need to increase. He called for a "completely new spirit of cooperation" and urged parties to prepare well for the next session.

Slovenia, for the EU, predicted that further discussions will be difficult, and underscored the need to be innovative and open-minded to achieve an ambitious level of emission reductions.

Antigua and Barbuda, for the G-77/China, expressed concern over proposals reaching beyond the AWG-KP's legal mandate based on Protocol Article 3.9 (further commitments).

Climate Action Network said many proposals on the mechanisms, such as inclusion of nuclear energy and CCS, are not acceptable. He called for binding caps on Annex I aviation and maritime emissions, and for symmetrical accounting of LULUCF, criticizing rules that count sinks but not emissions.

AWG-KP Chair Dovland noted several calls for faster progress, stressed that only parties can deliver such progress, and thanked everyone for their work. He declared AWG-KP 5 closed at 7:05 pm.

SUBSIDIARY BODY FOR SCIENTIFIC AND TECHNOLOGICAL ADVICE

The twenty-eighth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA 28) was opened by Chair Helen Plume (New Zealand) on Wednesday, 4 June. Delegates adopted the agenda and organization of work (FCCC/SBSTA/2008/1).

NAIROBI WORK PROGRAMME ON ADAPTATION

The Nairobi Work Programme on impacts, vulnerability and adaptation to climate change (NWP), which was finalized at COP 12 in 2006, establishes a five-year programme of work on the scientific, technical and socioeconomic aspects of impacts, vulnerability and adaptation to climate change. In Bonn, parties were tasked with considering outputs from the first part of the five-year period, and identifying further actions for the second part.

The NWP was first taken up in Bonn by the SBSTA on 4 June, when the Secretariat introduced the relevant documents (FCCC/SBSTA/2008/2-5, FCCC/SBSTA/2008/MISC.3 and Add.1, 2). It was subsequently taken up in a workshop on modeling, scenarios and downscaling under the NWP, which took place on 7 June (for more details on the workshop, see: <http://www.iisd.ca/vol12/enb12370e.html>).

The NWP was also the subject of extensive discussions in a contact group and informal consultations co-chaired by Kishan Kumarsingh (Trinidad and Tobago) and Donald Lemmen (Canada) from 5-12 June.

Discussions in the contact group were structured around a draft paper prepared by SBSTA Chair Plume. Some participants described the discussion as constructive. Throughout the week parties stressed the need to ensure continuity of the Nairobi Work Programme and to maintain credibility by completing their work at this session. Many Annex I parties expressed concerns about discussing financing arrangements in the SBSTA, and about sending items to the SBI prematurely.

Several developing countries urged a more action-oriented approach while the US and Australia stressed the need to focus on the most critical points. India and others highlighted the importance of an expert group and noted connections with the SBI and AWG-LCA. The US stressed the importance of improving parties' oversight of calls for action and action pledges.

While the first part of the NWP focused on building connections with international organizations, parties stressed the role of regional centers and networks in the second half, requesting a workshop on regional centers and networks.

A proposal to request the Secretariat to produce a technical paper on mechanisms to manage risk from adverse effects of climate change was moved to the contact group on long-term cooperative action of the AWG-LCA.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.13/Rev.1), the SBSTA requests the Secretariat to prepare, before SBSTA 29, technical papers: on the implications of physical and socioeconomic trends in climate-related risks and extreme events for sustainable development; and on integrating practices, tools and systems for climate risk assessment and management and disaster risk reduction strategies into national policies and programmes.

The SBSTA also requests the Secretariat to organize, before SBSTA 30, technical workshops on increasing economic resilience to climate change and reducing reliance on vulnerable economic sectors, including through economic diversification; and on integrating practices, tools and systems for climate risk assessment and management and disaster risk reduction strategies into national policies and programmes.

Prior to its 31st session, the SBSTA requests the Secretariat to prepare a technical paper reviewing the existing literature on the potential costs and benefits of adaptation options, and organize a technical workshop to consider how to advance the integration of various approaches to adaptation planning, including scaling up of local and community-based adaptation.

The SBSTA also requests, before SBSTA 32, technical workshops on costs and benefits of adaptation options and on how regional centers and networks undertaking work relevant to climate change could collaborate. Finally, the SBSTA requests, before SBSTA 33, an informal meeting of representatives to consider the outcomes of the activities completed prior to this meeting.

TECHNOLOGY TRANSFER

This agenda item was first taken up in plenary on Wednesday, 4 June, and subsequently in a contact group, co-chaired by Carlos Fuller (Belize) and Kunihiko Shimada (Japan). The main issues under consideration were the terms of reference for a report on performance indicators for enhancing technology transfer (FCCC/SBSTA/2008/INF.2) and terms of reference for the Expert Group on Technology Transfer (EGTT) for identifying and analyzing financial resources for technology transfer. The group concluded its work quickly and conclusions were adopted by the SBSTA plenary on 13 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.4), the SBSTA, *inter alia*:

- endorses the EGTT's 2008-2009 "rolling work programme;"
- notes the heavy workload of the EGTT and invites the EGTT to adjust its programme of work if so requested by the subsidiary bodies;
- endorses the terms of reference for the EGTT to develop a set of performance indicators on the effectiveness of the implementation of the technology transfer framework;
- endorses the terms of reference for the EGTT for identifying and analyzing financial resources for technology transfer;

- welcomes progress in the update of the Technology Needs Assessments guidelines; and
- requests the Secretariat to organize to EGTT meetings prior to SBSTA 29.

REDUCING EMISSIONS FROM DEFORESTATION IN DEVELOPING COUNTRIES

This issue was first taken up by the SBSTA plenary on 4 June, when the Secretariat introduced the relevant documents (FCCC/SBSTA/2008/MISC.4 & Add.1-2). The issue was then considered in a contact group and informal consultations co-chaired by Audun Rosland (Norway), and Lilian Portillo (Paraguay) from 5-12 June.

The issue concerns a programme of work on methodological issues related to a range of policy approaches and positive incentives for REDD. Parties focused on identifying the main methodological issues for SBSTA's report to COP 14. Many participants described the discussions as "intense" but with a "cooperative spirit."

Two overarching concerns were maintaining a focus on technical and methodological, not political, issues, and drafting text that did not prejudice outcomes of future discussions. Capacity building and displacement of emissions under national and sub-national approaches were among the most contentious issues discussed. Throughout the consultations, many developed countries stressed the need to use language on "changes" instead of "reductions" in emissions. Brazil underscored the importance of agreeing on definitions early in the process and on focusing on anthropogenic emissions.

Discussions on estimation and monitoring centered around whether to include references to specific sources of guidelines and methodologies, particularly the existing IPCC Good Practice Guidance on LULUCF. Colombia and Cameroon stressed that discussions of methodologies cannot be separated from discussions of financial mechanisms.

The role of historical emissions was raised, with Australia, Gabon and others stating that deciding to base reference emissions levels on historical data at this point would prescribe outcomes and create problems with data needs. India, China and others stressed the importance of flexibility in selecting a starting date or period for reference emissions.

In discussions of means to deal with uncertainties, Canada, India, Thailand and others supported referring to a "principle of conservativeness." Parties disagreed as to whether this was a policy or technical issue, with the US insisting that it be excluded because it has not been defined.

On capacity building, many developing countries wanted a reference to facilitating technical support, while some developed countries insisted on "facilitating technical cooperation." The issue was resolved by referring to support and cooperation, "where appropriate."

On displaced emissions and national and/or sub-national approaches, the US, Colombia and others objected to text on exploring how sub-national approaches can be used in the development of national approaches, stating that this raises national approaches over sub-national ones. Parties disagreed on text about the implications of national and sub-national approaches, particularly on text referring to "intra-national displacement of emissions." Colombia supported equivalent

treatment of national and sub-national approaches, while Papua New Guinea insisted on addressing intra-national displacement from sub-national approaches but not national ones. The final text agrees to consider this intra-national displacement of emissions associated with national approaches, “if appropriate.”

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.12), the SBSTA identified the main methodological issues that could be included in its report to COP 14. These are contained in an annex, which lists, *inter alia*:

- means to establish reference emission levels, based on historical data, taking into account, *inter alia*, trends, starting dates and the length of the reference period, availability and reliability of historical data, and other specific national circumstances;
- means to identify and address displacement of emissions;
- implications of national and sub-national approaches;
- how sub-national approaches can be used to develop national approaches;
- identification of capacity-building needs to implement the considered methodologies;
- means to address non-permanence;
- any implications of methodological approaches for indigenous people and local communities;
- implications of different definitions of forest and relevant forest-related activities; and
- means to deal with uncertainties in estimates.

RESEARCH AND SYSTEMATIC OBSERVATION

This issue was taken up at SBSTA 28 in light of previous discussions at SBSTA 26, when parties had agreed to develop and maintain a dialogue with regional and international climate change research programmes and organizations, and to invite these groups to keep the SBSTA informed about relevant research activities.

At SBSTA 28, the agenda item was first taken up in plenary on 4 June (FCCC/SBSTA/2008/MISC.8 and Add.1). The following day, an informal SBSTA meeting was convened on “developments in research activities relevant to the needs of the Convention.” The event involved briefings by the IPCC and other relevant research organizations. For more information on this event, see: <http://www.unfccc.int/4422.php>

Parties also met in a contact group and informal consultations. No major disagreements emerged and the group, which was co-chaired by Sergio Castellari (Italy) and Arthur Rolle (Bahamas), agreed on a short text that was subsequently adopted by SBSTA on 13 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.5), the SBSTA expresses its appreciation for the briefings provided during the informal discussion on 5 June, and emphasizes the usefulness of further enhancing the dialogue with relevant organizations. The SBSTA also requests the Secretariat to prepare, prior to SBSTA 30 (June 2009), a list of relevant programmes and organizations. In addition, the SBSTA agrees that meetings under this dialogue at future SBSTA sessions should allow for further in-depth consideration of relevant, and requested relevant organizations to continue providing information at SBSTA 30 and subsequent sessions. In particular, the SBSTA encouraged further efforts to address issues emerging

from IPCC AR4, the Nairobi Work Programme on Impacts, Vulnerability and Adaptation, and decision 9/CP.11 (research needs of the Convention).

METHODOLOGICAL ISSUES UNDER THE CONVENTION SCIENTIFIC AND METHODOLOGICAL ASPECTS

OF THE PROPOSAL BY BRAZIL: Parties considered written reports on the scientific and methodological aspects of the proposal by Brazil, which seeks to explore historical contributions of emissions sources to climate change. This agenda item was taken up in plenary on 4 June, where the Secretariat introduced the relevant documents (FCCC/SBSTA/2008/MISCs.1 & 5). The issue was referred to informal consultations from 5-11 June, led by Washington Zhakata (Zimbabwe). The main issue to arise during consultations was that, while earlier versions of the text suggested that further work could be useful and encouraged parties to undertake this work, some developed countries did not support this language, and it was ultimately deleted.

The SBSTA plenary adopted conclusions on 13 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.7), the SBSTA, among other things:

- agreed that the work carried out has established robust methodologies to quantify historical contributions to climate change;
- noted that there are uncertainties in the underlying historical emissions data, in particular from land-use change and forestry;
- noted that results of the work may be relevant to the work of parties under other bodies and within other processes under the Convention and its Kyoto Protocol; and
- concluded its consideration of this issue.

EMISSIONS FROM INTERNATIONAL AVIATION AND MARITIME TRANSPORT:

This agenda item was first taken up in the SBSTA plenary on Wednesday, 4 June, with presentations by the International Maritime Organization (IMO) and International Civil Aviation Organization (ICAO) (FCCC/SBSTA/2008/MISC.9) on their work on the issue. Many non-Annex I parties expressed concern that IMO’s work on a binding instrument on shipping emissions is not guided by the principle of common but differentiated responsibilities. The EU, New Zealand, Singapore, Micronesia and others supported the IMO’s work. Kuwait expressed concerns about this issue being used to shift commitments from Annex I to non-Annex I parties. The US said the IMO’s decision stems from its own mandate, which precedes the Kyoto Protocol. In light of discussions under other bodies, SBSTA Chair Plume conducted informal consultations and the issue was considered again during the final SBSTA plenary on 13 June, when SBSTA agreed to postpone consideration of the issue until after COP 15.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.8), the SBSTA, *inter alia*: notes views by parties on work by the IMO and ICAO; agrees to continue to receive information from IMO and ICAO during the next three sessions; and agrees to further consider the issue at SBSTA 32.

METHODOLOGICAL ISSUES UNDER THE PROTOCOL

HCFC-22 / HFC-23: The establishment of new HCFC-22 facilities seeking to obtain Certified Emission Reductions under the CDM for the destruction of HFC-23 was addressed in informal SBSTA consultations facilitated by Jeffrey Spooner (Jamaica). The issue had been discussed at previous SBSTA sessions, with no final agreement. At SBSTA 28, brief consultations also failed to result in a substantive agreement, with parties adopting procedural conclusions on the matter.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.2), the SBSTA agrees to continue its consideration of this issue at its twenty-ninth session.

CARBON CAPTURE AND STORAGE UNDER THE CDM: This agenda item (FCCC/SBSTA/2008/INF.1) was first taken up in SBSTA plenary on Wednesday, 4 June.

Norway, Kuwait, Canada, the EU, Saudi Arabia, Japan and others, opposed by Brazil, Micronesia and others, supported inclusion of CCS projects under the CDM. The EU, supported by Japan, proposed a pilot phase approach. Gertraud Wollansky (Austria) and Mohammad Reazuddin (Bangladesh) conducted informal consultations.

The main issues under contention during these consultations were the inclusion of a reference to COP/MOP decision 1/CMP.2 (guidance to the CDM Executive Board) and whether to hold an in-session roundtable on the subject at SBSTA 29. Brazil and AOSIS opposed inclusion of reference to decision 1/CMP.2 and the roundtable, which Kuwait, Qatar, Norway and others supported.

No agreement was reached during informal consultations and the matter was brought back to the SBSTA plenary during its final session on 13 June. Parties restated their positions and one last round of informal consultations was held. However, disagreement persisted and SBSTA Chair Plume announced in plenary that in the absence of agreement, the matter would be automatically included on the SBSTA 29 agenda.

LULUCF GOOD PRACTICE UNDER PROTOCOL ARTICLE 3.3 AND 3.4: This issue was addressed briefly in plenary on 4 June, and then in informal SBSTA consultations co-facilitated by Anke Herold (European Community), and Nagmeldin Elhassan (Sudan). The consultations considered equations underpinning the tables for reporting supplementary information to annual greenhouse gas inventory information for activities under Protocol Article 3.3 and 3.4. After detailed and lengthy technical discussions, parties agreed on the equations, and the SBSTA adopted conclusions on 13 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.11), the SBSTA requests the Secretariat to integrate the formulas into the Common Reporting Format Reporter module.

MITIGATION

This agenda item (FCCC/SBSTA/2008/MISC.6) was first taken up in SBSTA plenary on Wednesday, 4 June. Japan, the EU, China, the US, Australia and others stressed the need to avoid duplication of work with the AWG-LCA. New Zealand, Uruguay and Argentina underscored mitigation options in the agricultural sector. Ermira Fida (Albania) conducted informal consultations on these issues. After agreement was reached under

the AWG-LCA to include a technical paper on mitigation from the agricultural sector, the group agreed to reconsider the matter after COP 15 in Copenhagen.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.9), the SBSTA recognizes that negotiations under the Bali Action Plan address mitigation and agree to consider the issue at SBSTA 33, taking into account the best available scientific information, particularly from the IPCC.

POLICIES AND MEASURES

The issue of policies and measures of Annex I parties had been considered at several previous SBSTA sessions, with little progress reported. At SBSTA 24, parties agreed to invite submissions by 1 March 2008 on the need for further events to facilitate the exchange of information and the sharing of experiences on policies and measures of Annex I parties (FCCC/SBSTA/2008/MISC.7).

At SBSTA 28, the issue was taken up briefly in plenary on 5 June, and SBSTA Chair Plume held informal consultations on the matter. The SBSTA closing plenary adopted brief conclusions on 13 June.

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.3), the SBSTA notes that parties have already addressed some aspects of this matter in the context of other SBSTA and SBI agenda items, and that the issue is also being considered by the AWG-KP and AWG-LCA. Recognizing that duplication of work should be avoided, the SBSTA therefore decides to conclude its consideration of the issue under this agenda item.

PROTOCOL ARTICLE 2.3

The SBSTA agenda item on Protocol Article 2.3 (adverse effects of policies and measures) has been the subject of dispute at previous SBSTA sessions, particularly over whether the issue should be considered along with Protocol Article 3.14 (adverse effects and response measures). As a result of this disagreement, discussion on the issue had been deferred to successive SBSTA sessions.

At SBSTA 28, the agenda item was first taken up in plenary on Wednesday, 5 June. The EU, Japan, Australia and others once again proposed joining this item with Protocol Article 3.14 under the SBI, while the G-77/China said the item should be considered separately, and proposed a SBSTA contact group. Gertraud Wollansky (Austria) and Kamel Djemouai (Algeria) conducted informal consultations on the two matters, with delegates ultimately agreeing to establish a joint SBSTA/SBI contact group at SB 29.

SBSTA Conclusions: There were no separate conclusions on this matter. However, the agreement is reflected in the report of the meeting (FCCC/SBSTA/2008.L.1).

COOPERATION WITH RELEVANT INTERNATIONAL ORGANIZATIONS

This issue was taken up briefly during the opening SBSTA plenary on 4 June, when UNFCCC Executive Secretary Yvo de Boer and representatives of other UN bodies commented on UN system-wide climate change activities and cooperation, including the IPCC's Fourth Assessment Report (FCCC/SBSTA/2008/MISC.2). SBSTA Chair Helen Plume subsequently prepared draft conclusions on the matter, which the SBSTA adopted on 13 June.

During the closing SBSTA plenary, Chair Plume also provided an overview of an in-session workshop on the IPCC AR4 held on 6 June. She noted that the workshop requested by SBSTA 27, included studies from representatives of the three IPCC working groups. For a more details on the workshop, see: <http://www.iisd.ca/vol12/enb12369e.html>

SBSTA Conclusions: In its conclusions (FCCC/SBSTA/2008/L.6), the SBSTA notes the statements by representatives of the IPCC and other intergovernmental organizations.

CLOSING PLENARY

In the closing plenary on Friday morning, 13 June, the SBSTA adopted 12 conclusions and its report of the session (FCCC/SBSTA/2008/L.1). Chair Plume thanked delegates for their hard work and looked forward to seeing delegates in Poznan, Poland, later this year. She declared the meeting closed at 12:13 pm.

SUBSIDIARY BODY FOR IMPLEMENTATION

The twenty-eighth session of the Subsidiary Body for Implementation (SBI 28) was opened by Chair Bagher Asadi (Iran) on Wednesday morning, 4 June.

In their opening remarks, a number of delegates commented on technology, adaptation and financial matters. Antigua and Barbuda, for the G-77/China, highlighted the agenda item on the fourth review of the financial mechanism and requested an update on operationalization of the Adaptation Fund. He expressed disappointment with the strategic programme of the Global Environment Facility (GEF) on investment for technology transfer.

Algeria, for the African Group, opposed suggestions to provide loan financing, as opposed to grants, to developing countries. Maldives, for the LDCs, complained of funding delays for implementing national adaptation programmes of action (NAPAs). Colombia highlighted extending the adaptation levy on the CDM to the other flexible mechanisms.

ORGANIZATIONAL MATTERS

Chair Asadi introduced the agenda and organization of work (FCCC/SBI/2008/1), and suggested leaving a sub-item on information contained in national communications from non-Annex I parties in abeyance until SBI 29 in December 2008.

This issue had been considered at SBI 26, when the Umbrella Group and the EU asked the SBI to consider information from non-Annex I parties, taking the view that SBI could make “better use of the valuable information that these documents contain and assist non-Annex I parties to further improve these documents” (FCCC/SBI/2006/MISC.12). However, the G-77/China questioned the inclusion of this agenda item during the opening plenary, and the issue was subsequently held in abeyance.

The Umbrella Group and the EU expressed disappointment that the matter would not be discussed at SBI 28. However, both agreed to Chair Asadi’s suggestion to hold the item in abeyance and to include it on the provisional agenda for SBI 29. Parties then adopted the agenda for SBI 28, as amended.

NON-ANNEX I COMMUNICATIONS

Three issues were listed under the draft agenda in relation to non-Annex I national communications: the work of the Consultative Group of Experts (CGE); information contained in non-Annex I communications; and the provision of financial and technical support. Two of these issues – on the CGE and financial and technical support – were considered briefly in plenary on 4 June, before being taken up in contact groups and informal consultations facilitated by Emily Ojoo-Massawa (Kenya) and Nicole Wilke (Germany). Details of these discussions and outcomes are in the section below. However, as explained above, the sub-item on information contained in non-Annex I national communications was held in abeyance.

CONSULTATIVE GROUP OF EXPERTS: Discussions focused on the review of the mandate and terms of reference of the CGE, as required by decision 3/CP.8 (CGE on non-Annex I communications). The CGE mandate expired at COP 13, and work on its review commenced at that meeting, but parties were unable to reach an agreement, even on a basis for discussions, with disagreements remaining on whether to base discussions on the old CGE mandate, or to work on a new and different one. At SBI 28, parties agreed that the old CGE mandate, contained in decision 3/CP.8, should form the basis for discussions of the review. Parties subsequently made proposals on elements to be included in the mandate, which were compiled and included within brackets in a draft COP decision. This bracketed text (FCCC/SBI/2008/L.9) will serve as the basis for discussions on the item at SBI 29. Most of the items not in brackets are elements taken from the old CGE mandate. Issues remaining to be decided include: the content of the mandate, including whether the CGE should be mandated to examine national communications; and the length and constitution of the mandate.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.9), the SBI decides to continue consideration of the issue at SBI 29 based on an annex containing a bracketed draft COP decision and terms of reference.

FINANCIAL AND TECHNICAL SUPPORT: The main issues discussed under this sub-item were access to funding for preparation of non-Annex I national communications and information on financial support provided by the GEF for the preparation of non-Annex I communications (FCCC/SBI/2008/INF.3/Rev.1). On access to funding, most developing countries reported difficulties with accessing GEF funding to prepare their national communications. They also expressed concern about the effect the GEF’s Resource Allocation Framework (RAF) has on access, availability, predictability and continuity of funding. Developing countries said it was unacceptable for the agreed full costs for the preparation of national communications to be met from allocations under the RAF, as this is not mandated by the COP and affects the amount of funding available to developing countries to implement other projects. On the information provided by the GEF, most parties were in agreement that the information was incomplete.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.10), the SBI recognizes that the information in document FCCC/SBI/2008/INF.3/Rev.1 is incomplete, and invites the GEF to provide information, which should be detailed and complete, to COP 14. Information requested from the GEF includes: GEF

activities relating to the preparation of national communications by non-Annex I parties, including information on the dates of approval of funding and disbursement of funds; the specific steps taken by the GEF to implement the guidance given in decision 7/CP.13 (additional guidance to the GEF); and information on the operational procedures to ensure the timely disbursement of funds to meet the agreed full costs of preparing national communications. The SBI also encourages non-Annex I parties who have received funding for the preparation of their second or third national communications, to submit them.

REPORTING AND REVIEW OF INFORMATION FROM ANNEX I PARTIES THAT ARE PARTIES TO THE KYOTO PROTOCOL

This issue focused on the review of initial reporting by Annex I parties to establish their assigned amounts under the Protocol and determine their eligibility to participate in the flexible mechanisms.

The issue was first taken up by SBI plenary on 4 June. The Secretariat introduced the relevant document (FCCC/SBI/2008/INF.2), highlighting that most Annex I Protocol parties are now eligible to participate in the flexible mechanisms.

SBI Chair Asadi drafted conclusions, which were adopted by the SBI on 13 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.5), the SBI, *inter alia*: recalls its conclusions from SBI 27 that the review process needs further strengthening; urges parties to ensure effective reporting and review processes under the Convention and Protocol; and invites submissions by 19 September 2008 on experiences and lessons learned from the review process.

FOURTH REVIEW OF THE FINANCIAL MECHANISM

The fourth review of the financial mechanism was first addressed in plenary on 5 June (FCCC/SBI/2008/MISC.3 and Add.1) and in informal consultations facilitated by Tina Guthrie (Canada) and Bubu Jallow (Gambia). The issue concerns the fourth review of the financial mechanism, initiated by COP 13, with a view to recommending a draft decision to COP 15.

Co-Chairs Guthrie and Jallow developed draft text of SBI conclusions and a draft COP decision for further consideration.

The role of the GEF as the current financial mechanism proved to be among the more contentious issues during SBI 28. While several Annex I countries suggested text highlighting the positive role of the GEF in catalyzing international investments, proposed text from the G-77/China stated that GEF funding is "grossly inadequate," requested the GEF to provide new and additional financial resources, and noted concerns with the RAF.

Disagreement persisted on a co-financing requirement for GEF projects, with the G-77/China suggesting a request to the GEF for information on the nature and objectives of co-financing to determine whether it constitutes additional burden for developing countries.

Discussions also took place on the role of the private sector and on a proposal for a paper on bilateral and multilateral financial initiatives focusing on the Convention's provision that this should not introduce new forms of conditionalities. Parties could not agree on most of these contentious issues. The text remains bracketed and will be revisited at SBI 29.

SBI Conclusions: In the conclusions (FCCC/SBI/2008/L.11), the SBI notes the submissions from parties; requests the Secretariat to provide, upon request, information to non-Annex I parties on the assessment of financing needs to implement mitigation and adaptation measures; and decides to continue consideration at its 29th session on the basis of the draft text contained in the annex. The bracketed draft decision annexed to the SBI conclusions addresses the assessment of funding to assist developing countries in fulfilling their commitments under the Convention, and the fourth review of the financial mechanism.

IMPLEMENTATION OF UNFCCC ARTICLE 4.8 AND 4.9 PROGRESS ON IMPLEMENTING DECISION 1/CP.10:

This agenda item (FCCC/SBI/2008/MISC.4) was first taken up in plenary on 4 June and then in contact groups and informal consultations chaired by Leon Charles (Grenada). The two main issues discussed were: an assessment of the implementation of Convention Article 4.8 (adverse effects and impacts of response measures), decision 5/CP.7 and decision 1/CP.10, to be conducted at COP 14; and the continuation of the implementation of adaptation pending and following the assessment.

In the contact group, SBI Chair Asadi presented text based on SBI 26 conclusions (FCCC/SBI/2008/L.16), Annex III of document FCCC/SBI/2007/15 (possible elements on adverse effects and impacts of response measures), as well as discussions at SBI 27 and a pre-session workshop held in Bonn from 29-30 May 2008. Initially, the EU, Russian Federation, AOSIS, LDCs and the G-77/China supported starting discussions based on this text. Subsequently, the EU opposed proceeding on this text, preferring to return to discussions on what the priority areas should be. The US, supported by Japan and others, expressed preference for basing discussions on Annex III of document FCCC/SBI/2007/15. The G-77/China was opposed to returning to general discussions or Annex III, stating that discussions at SBI 27 and the pre-session workshop had proceeded beyond these, and that the SBI Chair's text reflected these discussions. The G-77/China then presented alternative draft text, as did the Umbrella Group. Parties eventually decided to continue more general discussions to identify priority areas.

The second issue that arose during discussions involved actions to be carried out pending the assessment of implementation. Developing countries supported continuing implementing adaptation activities pending the assessment, while developed countries supported waiting for the assessment before deciding, based on the assessment, what further steps to take to implement adaptation. Parties ultimately agreed to invite relevant organizations and other stakeholders to participate in implementing possible adaptation activities, which were outlined in a list.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.12), the SBI agrees on a list of actions that could be carried out to further implement decision 1/CP.10, divided into actions on the adverse effects of climate change, and actions on the impact of the implementation of response measures. The SBI invites stakeholders to participate in implementing the identified activities. The SBI also agrees on terms of reference for the assessment of the implementation of Article 4.8 and decisions 5/CP.7 and 1/CP.10. The terms of reference include the scope, modalities, input and expected outcome of the assessment.

MATTERS RELATING TO THE LEAST DEVELOPED

COUNTRIES: On 4 June delegates heard a report from the Chair of the LDC Expert Group (LEG) on the 13th meeting of the LEG (FCCC/SBI/2008/6). The issue was subsequently taken up in a contact group chaired by Amjad Abdulla (Maldives). During the contact group, developing countries expressed their dissatisfaction with the lack of progress with implementing NAPAs, noting that although 34 NAPAs had been submitted, only one project was currently being implemented. The main issue for discussion was the 2008-2010 work programme of the LEG (FCCC/SBI/2008/6, Annex I). This issue proved straightforward, and the SBI plenary adopted conclusions on 13 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.2), the SBI endorses the work programme of the LEG for 2008-2010, welcomes the submission of 34 NAPAs and encourages parties who had not submitted their NAPAs to do so. It also looks forward to the report from the GEF to COP 14 on progress being made in the implementation of NAPAs under the LDC Fund.

TECHNOLOGY TRANSFER

Technology transfer was taken up by the SBI, SBSTA and the AWG-LCA. For more on discussions in those other groups, see pages 4 and 9.

The SBI agenda item on this issue (FCCC/SBI/2008/5 & 7, MISC.1, and INF.1) was first taken up in the SBI plenary on Wednesday, 4 June, when EGTT Chair Jukka Uosukainen (Finland) reported on the EGTT's work. It was subsequently considered in two contact groups. The main points of contention were the EGTT's work programme, the terms of reference for the review of the effectiveness of the implementation of Convention Articles 4.5 and 4.1(c) (technology transfer) (FCCC/SBI/2008/7), and a report of the GEF on a strategic programme to scale up the level of investment for technology transfer (FCCC/SBI/2008/5).

On the EGTT work programme, (FCCC/SB/2008/INF.1), a joint SBI/SBSTA contact group, co-chaired by Holger Liptow (Germany) and Carlos Fuller (Belize), was established. Discussions in this group included the EGTT's availability to requests from the SBI or SBSTA. This group produced three paragraphs of text that were subsequently included in the SBI and SBSTA conclusions.

Richard Hosier, GEF, reported in plenary on 4 June on a strategic programme to scale up technology transfer investment (FCCC/SBI/2008/5), noting that the GEF Council could not finalize a draft programme for consideration in Bonn. The EU and Japan welcomed the GEF's report, while the G-77/China said the report deviates from the Bali mandate. These matters were taken up in a contact group and informal consultations co-chaired by Philip Gwage (Uganda) and Holger Liptow (Germany).

In the contact group, China expressed disappointment with the GEF paper, and Ghana said the paper did not conform to the terms of reference given by the COP in decision 4/CP.13. Some parties suggested a follow-up paper by the GEF more accurately reflecting the guidance given by the COP. One of the main points of contention was how to react to input from the GEF that most parties considered did not meet their expectations.

On the terms of reference of the review, Canada, the US and Japan, opposed by Ghana, suggested using the EGTT's performance indicators. The proposed text was heavily bracketed. Noting lack of agreement, parties decided to begin again and discuss the structure of terms of reference. Those discussions will inform future draft terms of reference to be elaborated by the SBI Chair, although they are not reflected in any formal document.

SBI Conclusions: In its conclusions (FCCC/SBSTA/208/L.7), the SBI, *inter alia*:

- endorses the EGTT rolling programme of work;
- requests the SBI Chair to prepare draft terms of reference for the review and assessment of the effectiveness of the implementation of Convention Articles 4.5 and 4.1(c) (technology transfer), taking into consideration submissions by parties, relevant work by the EGTT and deliberations by parties at SBSTA 28;
- notes that the EGTT performance indicators should be used as one of the tools for the review;
- notes the report by the GEF on a strategic programme, encourages the GEF to consider the concerns of parties, and looks forward to a further GEF report at SBI 29 outlining a programme that fully addresses COP requests; and
- invites the GEF to consider the AWG-LCA and the EGTT's work on finance when further elaborating the strategic programme.

CAPACITY BUILDING FOR DEVELOPING COUNTRIES UNDER THE CONVENTION

Capacity building under the Convention (FCCC/SBI/2008/6) was first considered in plenary on 4 June. The main focus of this agenda item was the second comprehensive review of the implementation of the capacity-building framework (decision 2/CP.7), which was mandated by decision 2/CP.10 (capacity building for developing countries) for initial consideration at SBI 28 and completion at COP 15.

The issue of performance indicators to monitor the implementation of capacity building was discussed during contact groups and informal consultations co-chaired by Crispin d'Auvergne (Saint Lucia) and Helmut Hojesky (Austria). The group's task was primarily to develop the terms of reference for the review. The EU, supported by other Annex I parties, opposed the development and use of performance indicators for the review, stating that this could pre-empt the outcomes of a workshop to be held this summer, and a technical paper to be prepared by the Secretariat. The group agreed to wait for the outcomes of the workshop, technical paper and comprehensive review before deciding on further steps necessary to regularly monitor and evaluate capacity building, which could include the development and use of performance indicators. The group also agreed on the terms of reference for the review, which outline the objectives, principles, information sources and expected outcomes of the review.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.4), the SBI endorses the terms of reference for the second comprehensive review, requests parties to submit to the Secretariat information on their experiences in monitoring and evaluating capacity building at the national level by 15 August 2008, and requests any additional or updated information and

views by 13 February 2009; and recommends a draft COP decision. The draft COP decision (FCCC/SBI/2008/L.4/Add.1) requests SBI 30 to prepare a draft decision for adoption at COP 15, on the outcome of the comprehensive review and decides to take account of recommendations made by SBI 30 on further steps to regularly monitor and review the implementation of capacity building.

CAPACITY BUILDING FOR DEVELOPING COUNTRIES UNDER THE PROTOCOL

This issue (FCCC/SBI/2008/6) was first taken up in plenary on 4 June. Japan called attention to decision 2/CP.10, and said there was no mandate for a second comprehensive review of the capacity-building framework under the Kyoto Protocol.

The issue was subsequently taken up in contact groups and informal consultations co-chaired by Crispin d'Auvergne (Saint Lucia) and Helmut Hojesky (Austria), where the Secretariat provided clarification on the legal basis for the second comprehensive review of capacity building under the Protocol. According to the Secretariat, the combination of decisions 2/CP.7 (capacity building in developing countries), 29/CMP.1 (capacity building relating to the implementation of the Protocol in developing countries) and 6/CMP.2 (capacity building under the Kyoto Protocol) formed the legal basis of this review under the Protocol. The Secretariat also clarified that there was no basis for such a review separate and distinct from that contemplated under decision 2/CP.10. The parties accepted this clarification and agreed on text acknowledging that the second comprehensive review under the Convention is also applicable to capacity building under the Protocol. They agreed that there would not be a separate review under the Protocol, but that the comprehensive review under the Convention would include capacity-building activities under the Protocol.

SBI Conclusions: The SBI conclusions (FCCC/SBI/2008/L.8) under this agenda item are similar to those on capacity building under the Convention. However, they also request the Secretariat, when reviewing capacity building under the Convention, to include capacity-building activities carried out under the Protocol, and recommend a draft COP/MOP decision (FCCC/SBI/2008/L.8/Add.1). It requests SBI 30 to prepare a draft decision for adoption at COP/MOP 5, on the outcome of the comprehensive review and decides to take account of recommendations made by SBI 30 on further steps to regularly monitor and review the implementation of capacity building.

PROTOCOL ARTICLE 3.14

The SBI agenda item on Protocol Article 3.14 (adverse effects of climate change and impact of response measures) has been the subject of dispute at previous sessions, particularly over whether the issue should be considered along with SBSTA considerations of Protocol Article 2.3 (adverse effects of policies and measures). As a result of this disagreement, discussion on the issue had been deferred to successive SBI sessions.

At SBI 28, the agenda item was first taken up in plenary on 4 June. Saudi Arabia, for the G-77/China, emphasized the importance of the issue, while the EU and Japan stressed the need to avoid duplicating work under the SBSTA agenda item on Protocol Article 2.3

Most developing countries, particularly Saudi Arabia, opposed merging the two agenda items, calling for separate discussions of the two items. Saudi Arabia proposed discussion of the two items in two separate contact groups chaired by the same Co-Chairs. Annex I parties opposed this proposal, preferring to discuss the two items in the same contact group, to enable coherence and coordination. After informal consultations conducted by Gertraud Wollansky (Austria) and Kamel Djemouai (Algeria), negotiators accepted a proposal to discuss the two items in a joint SBI/SBSTA contact group, with each item remaining under its subsidiary body, but discussed together and with each afforded equal time.

In the closing SBI plenary on 13 June, SBI Chair Asadi gave a report of the informal consultations, stating that the parties have agreed to establish a joint SBI/SBSTA contact group to discuss Protocol Articles 3.14 and 2.3, and that the joint contact group will commence its work at SB 29. This agreement will be included in the report of the session (FCCC/SBI/2008/L.1).

COMPLIANCE

This issue was taken up by the SBI plenary on 4 June. The Secretariat introduced the relevant document (FCCC/KP/CMP/2005/2). Japan expressed opposition to Saudi Arabia's proposal to amend the Protocol to entail legally binding consequences for non-compliance, stressing uncertainties related to ratification and entry into force of amendments. He also stated that approaches to compliance should be facilitative rather than punitive.

The EU said the compliance mechanism is functioning effectively; stressed difficulties regarding entry into force of amendments; and said a compliance amendment should be considered in the context of wider post-2012 discussions.

SBI Chair Asadi said he would consult informally. On 13 June, the SBI plenary agreed to continue consideration of the issue at its next session without adopting formal conclusions.

PREPARATIONS FOR SECOND REVIEW OF THE PROTOCOL UNDER ARTICLE 9

This issue (FCCC/KP/SBI/2008/INF.1 and MISC.2 & Add.1-3) was considered by the SBI plenary on 4 June, and during informal consultations facilitated by Adrian Macey (New Zealand) and Ana Maria Kleymeyer (Argentina) from 6-13 June.

The first review of the Protocol under Article 9 took place at COP/MOP 2, where parties decided that the second review would take place at COP/MOP 4 (decision 7/CMP.2). At COP/MOP 3, parties considered the preparatory process and listed five issues "in particular" for consideration, namely: extending the share of proceeds to JI and emissions trading; procedural requirements for inscribing commitments for Annex I parties in Annex B; privileges and immunities; flexible mechanisms; and minimizing adverse impacts, including adverse impacts of climate change (decision 4/CMP.3, Article 9 review). In addition, a preparatory workshop was held in April 2008 in Bonn, Germany (FCCC/KP/SBI/INF.5).

In Bonn, discussions focused on scope of the review, and on differences between long- and short-term issues. Delegates also addressed submissions on various topics as well as a technical paper on extending the share of proceeds to JI and emissions trading and generating revenue for adaptation from Assigned

Amount Units (AAUs). The informal consultations were lengthy and in their closing statements, many parties referred to “deep divides.” This issue was the last to be resolved on Friday afternoon, 13 June, after all-night negotiations from 12-13 June.

In these discussions, the Umbrella Group, Switzerland and Ukraine called for a comprehensive review of the Protocol. Several non-Annex I countries, including China, Brazil, Saudi Arabia, India and Singapore, argued that the list of five issues in decision 4/CMP.3 is exhaustive. However, Japan, Canada, Australia and others stated the wording “in particular” means that other issues can be considered. South Africa proposed starting with the five issues in decision 4/CMP.3. Delegates agreed to recommend that the COP/MOP give attention, “in particular to issues listed in decision 4/CMP.3.” The conclusions also contain further recommendations on these issues, including inviting submissions on them.

On long- and short-term issues, delegates agreed to recommend that the COP/MOP address issues on which decisions could be adopted by COP/MOP 4, and identifies issues that require further consideration and refers them to the appropriate body.

Some of the final issues to be resolved concerned a technical paper on generating revenues for adaptation from AAUs, and by extending the share of proceeds. Some developing countries proposed that the paper should address generating revenue for adaptation by auctioning AAUs, while some developed countries opposed. Delegates agreed that the paper should consider “options related to” AAUs for funding adaptation in developing countries, as well as extending the share of proceeds to JI and emissions trading. In the closing plenary, South Africa and Tuvalu, for AOSIS, stressed the importance of this issue, with AOSIS identifying it as a step towards innovative funding for adaptation.

Another contentious paragraph related to other issues to be considered during the review. During the informal consultations, parties proposed several issues for consideration, and the final document includes a paragraph stating that COP/MOP 4 “may give attention to other issues.” The paragraph also lists several other issues, with the addition of adverse impacts of response measures being the last issue to be solved in these negotiations.

In the SBI closing plenary on 13 June, Australia stressed that the second Article 9 review is an integral part of the Bali roadmap and must be given priority in Poznan. With the EU, he called for more transparency in the negotiations, including a contact group instead of only informal consultations.

SBI Conclusions: In its conclusions (FCCC/KP/SBI/2008/L.14), the SBI, *inter alia*:

- recalls that the second review shall aim to further enhance the Protocol’s implementation and shall not prejudice action by the COP/MOP and lead to new commitments for any party;
- recalls that preparations need to be streamlined with other relevant activities to avoid duplication of work;
- recommends that the COP/MOP address issues “among those identified in preparing for the second review” on which decisions could be adopted by the COP/MOP 4, and identify issues that require further consideration and refer them to the appropriate body; and

- recommends that the COP/MOP give attention “in particular” to the issues listed in decision 4/CMP.3.

The SBI also recommends that COP/MOP 4 take appropriate action on extension of the share of proceeds to assist in meeting the costs of adaptation to JI and emissions trading, and procedural elements for inscribing commitments for Annex I parties in Annex B. The SBI recommends that COP/MOP 4 takes action on privileges and immunities and appropriate treaty arrangements, with a view to concluding work on this matter at COP/MOP 5. The SBI also mentions the consideration of additional short-term arrangements at SBI 29.

On the flexible mechanisms, the SBI notes that some elements have been considered by the AWG-KP, requests the Secretariat to compile an information note, and invites submissions from parties. On minimizing adverse effects, including adverse effects of climate change, the SBI notes that the issue is considered by the subsidiary bodies and recommends that the COP/MOP may wish to take action in view of that work.

The SBI also requests the Secretariat to prepare a technical paper on extending the share of proceeds to assist in meeting costs of adaptation to JI and emissions trading, and on options related to AAUs for funding adaptation in developing countries. It recommends that COP/MOP 4 “may give attention to other issues raised by parties,” including funding, insurance and technology transfer in relation to adaptation and adverse impacts of response measures, the compliance mechanism, entry-into-force requirements, LULUCF, and emissions from international aviation and maritime transport.

Finally, the SBI recognizes that issues related to Annex I reporting and the expert review process should be further considered by the COP/MOP, and requests the Secretariat to organize, subject to funding, a pre-session preparatory workshop on Article 9 review at least one month before COP/MOP 4.

ARRANGEMENTS FOR INTERGOVERNMENTAL MEETINGS

The agenda item on arrangements for intergovernmental meetings was first taken up by the SBI in plenary on 4 June (FCCC/SBI/2008/4 and Add.1). It was then considered in a contact group and during informal consultations chaired by Karen Nicole Smith (Barbados) and Maas Goote (Netherlands). The contact group concluded its work on 12 June, and the SBI adopted conclusions on the matter on 13 June.

The two main issues considered under this agenda item were arrangements for COP 14 and COP/MOP 4 in Poznan, Poland in December 2008, and arrangements for future sessional periods in 2009.

With regard to COP 14 and COP/MOP 4, two issues received particular attention: the heavy workload expected under the multiple bodies meeting in Poznan; and concerns about the high costs of accommodation and other logistical matters. Responding to questions about accommodation, the Polish delegation held a question-and-answer session on 11 June. However, the G-77/China and other parties continued to express unease on this issue, and this was reflected in the final SBI text.

On future sessional periods, delegates focused on suggestions for managing the heavy workload expected in 2009 in the lead up to COP 15 and COP/MOP 5 in Copenhagen. Parties agreed on

text recommending two further sessional periods in March/April and August/September 2009, in addition to the usual sessional periods in June and late November/December.

Parties also agreed to proposals by Australia and others for the March/April and August/September AWG-LCA and AWG-KP events to run from mid-week to mid-week so as to avoid having delegates spend too many weekends away from home – an approach Australia referred to as “family friendly.” There were also some discussions on where these additional sessional periods might take place. Parties proposed various formulations, with many supporting locations that minimized costs and logistical burdens.

In the closing SBI plenary on 13 June, parties urged resolution over concerns regarding arrangements for Poznan. Saudi Arabia noted overlap with the Islamic festival of Eid al-Adha. SBI Chair Asadi said the Bureau would take these concerns into account, and the SBI adopted its conclusions on this matter, without amendment.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.13), the SBI notes parties’ concerns about time management at COP 14 and COP/MOP 4 due to the workload. The SBI also notes concerns about the costs and availability of accommodation in Poznan, requests the Executive Secretary to provide an update to the Bureau and parties at AWG-LCA 3 and AWG-KP 5 in Accra, Ghana, and asks the Bureau to finalize this issue in Accra.

On arrangements for 2009, the SBI: recommends additional AWG-LCA and AWG-KP sessional periods for March/April and August/September; agrees that these meetings should, to the extent possible, be held in Bonn or cities with major UN or international organizations’ facilities; invites contributions to the Trust Fund for Participation in the UNFCCC Process to ensure the effective participation of developing country delegates; and asks the COP President and the Chairs of the Subsidiary Bodies to explore ways to focus on the Bali roadmap in 2009, including through shorter sessions of the SBI and SBSTA.

ADMINISTRATIVE, FINANCIAL AND INSTITUTIONAL MATTERS

BUDGET PERFORMANCE FOR THE BIENNIUM

2008-2009: In the opening SBI plenary on 4 June, the Secretariat introduced this agenda item (FCCC/SBI/2008/3 and INF.6), highlighting the US\$6 million shortfall due to the depreciating US dollar. Informal consultations were held by Wenhong Huang (China). Discussions on this proved relatively straightforward, with no major areas of disagreement reported, and conclusions were adopted by the SBI on 13 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.6) the SBI urges parties to make voluntary contributions to the budget to help cover the shortfall and requests the Executive Secretary to take into consideration ways to minimize the effects of exchange rate fluctuations when considering the next budget.

IMPLEMENTATION OF THE HEADQUARTERS

AGREEMENT: The item generated little discussion and the SBI plenary adopted conclusions drafted by the Chair Asadi on 13 June.

SBI Conclusions: In its conclusions (FCCC/SBI/2008/L.3), the SBI, *inter alia*, takes note of the statement made by the representative of the host government confirming that construction work for the new conference facilities and offices are scheduled to be completed by 2010 and 2011, respectively.

OTHER MATTERS

On 4 June during the opening plenary, the Philippines, for the G-77/China, raised the operationalization of the Adaptation Fund as an issue on which it was seeking further discussion. As a result of this, Adaptation Fund Chair Richard Muyungi (Tanzania) presented a summary of activities of the Fund, and SBI Chair Asadi held “Friends of the Chair” consultations. These consultations did not result in SBI conclusions on the matter and parties took note of Chair Muyungi’s presentation in the SBI’s report of the session.

CLOSING PLENARY

The SBI held its closing plenary on Friday afternoon, 13 June. UNFCCC Executive Secretary Yvo de Boer presented an overview of the financial implications of the outcomes from the SBI, SBSTA, AWG-LCA and AWG-KP in Bonn. He noted that the two additional AWG-KP and AWG-LCA sessions in 2009 will cost US\$4.5 million each if held in Bonn, and an estimated US\$5.8 million each if held elsewhere. He added that the costs of supporting developing country participation would cost US\$1.4 million per meeting, while the technical papers and information notes requested from the Secretariat would cost US\$1.36 million. In addition, the additional work under the NWP would amount to about US\$2 million. In total, the costs were approximately US\$15.16 million. He urged contributions to support this work.

The SBI then adopted the report of the session (FCCC/SBI/2008/L.1).

SBI Chair Asadi reflected on the two weeks of meetings, noting that he was generally pleased with the outcomes. Looking ahead to COP 14 and COP/MOP 4, he said delegates would need to be focused, because the event will include six processes – even more than in Bonn. He thanked his fellow Chairs, delegates and the Secretariat, and emphasized the need for multilateralism to find “common solutions to common enterprise.” He declared SBI closed at 5:34 pm.

A BRIEF ANALYSIS OF THE MEETINGS

According to Lao-tzu, “A journey of a thousand miles begins with a single step.” In the world of climate change negotiations, one of the steps along the journey inevitably goes through Bonn, and the 2008 Bonn meetings were merely part of a longer journey towards Copenhagen and beyond rather than a destination in themselves. This journey, charted by the Bali roadmap in late 2007, is not only long, but complex and packed with a wide array of substantive, procedural and logistical obstacles.

A key challenge for negotiators over the next 18 months is to manage this complexity, and the Bonn meetings demonstrated three factors that illustrate what negotiators are up against:

- Bonn was the first time when four subsidiary bodies – the AWG-LCA, AWG-KP, SBI and SBSTA – convened simultaneously, foreshadowing what is to come in Poznan, where six bodies will meet.

- Bonn was the first stage of the Bali roadmap where the substantive issues for negotiations on long-term cooperation under the Convention were put on the table. It also signaled a new stage in negotiations under the Protocol, giving a glimpse of just how complex future discussions will be.
- Bonn took place just two months after the AWG meetings in Bangkok, and only two months before the next AWG meetings in Accra. Delegations, rich and poor, are beginning to “feel the pinch” of the negotiating calendar and to dread the organizational and human strain of (at least) six subsidiary sessions in the next eighteen months.

This brief analysis examines this procedural, substantive and organizational complexity, reviewing events in Bonn and looking towards Copenhagen.

PROCEDURAL COMPLEXITY: AGENDA FORMATION AND PROLIFERATION

Agenda proliferation is a complaint as old as the Convention itself. Nevertheless, it is still relevant. In Bonn, the increase in the number of subsidiary bodies led to a situation where the same issues were discussed under different agendas. Parties have, in some cases, compounded the problem by seeking to place their issues on as many agendas as possible, so as to maximize the chances that they will eventually survive the inevitable trimming process. This has led to many issues, such as technology, mitigation, bunker fuels, CCS and the Kyoto mechanisms, being addressed in two or more subsidiary bodies under two or more agenda items. In Bonn, there were some attempts to streamline the agendas, although with only limited success. Until the post-2012 deal is agreed, parties will all be eager to keep their priorities “alive” as an “insurance” policy.

Procedural complexity also came in a more subtle form. Negotiations on long-term cooperation on climate change are being conducted under two tracks: a Convention track launched by the Bali Action Plan in 2007 and a parallel Kyoto track launched in 2005 to define further commitments for industrialized countries under the Protocol. The two tracks are in different evolutionary stages: while the AWG-LCA, born just six months ago, goes through what several delegates called its “infancy” of information exchange and the generation of new ideas (including various proposals on funding matters from Mexico, Switzerland, Norway and others), its older sibling under the Protocol is at a more advanced developmental phase. This is important because it makes progress all the more difficult in a process where timing is critical and parties often demand movement on their “priority issues” before compromising in other areas. It raises questions about how to make progress in one body that might be further down the negotiating track when some parties might, perhaps, be waiting to see progress in the other, newer body.

Under the AWG-KP, delegates have spent two years gathering ideas and views, and it was up to negotiators in Bonn to develop a complete list of items that might be included in a post-2012 framework. However, everyone wanted to make sure that their own priorities were included on this list. On the one hand, this approach makes sense, given that the list may become a basis of future negotiations on a post-2012 climate regime. On the other hand, the result was a long, rather unwieldy and sometimes contradictory “shopping list” or “wish list” of everything

parties were hoping to see. Even at this pre-negotiation stage, discussions proved to be quite difficult, with the airing of many proposals that would imply changes to the current rules in the Marrakesh Accords on LULUCF and the Kyoto mechanisms. The tensions, especially between industrialized countries and major developing countries, were sufficiently evident for the somewhat frustrated Chair Harald Dovland to call for a “completely new spirit of cooperation” in Accra. This will certainly be necessary given that, according to its work programme, the AWG-KP is scheduled to adopt conclusions on key issues such as the flexible mechanisms and LULUCF in Accra.

By contrast, the AWG-LCA seemed to provide fewer grounds for tension, because, although this was the first meeting to discuss substance, the process, unlike AWG-KP, is still in its formative stages, and a more formal “shopping list” has yet to be established. Thus, in Bonn, the focus was on exchanges of ideas and information through the use of workshops. But this situation is likely to change, perhaps as early as in Accra, as issue definition and negotiations get underway.

SIGNS OF SUBSTANTIVE COMPLEXITY

In Bonn, delegates were given a taste of the substantive complexity surrounding the issues they will be trying to finalize in Copenhagen. Whether it was such diverse issues as CCS, nuclear energy, or REDD, the Bonn meetings reinforced the strength of parties’ opinions on these topics – both for and against.

One noteworthy substantive issue raised in Bonn under the AWG-KP was the possibility of important changes being made in future to the Marrakesh Accords. Reopening the Accords has long been viewed as the “nuclear option” in climate negotiations, because it would imply going to the extreme of re-opening negotiations on key aspects of the implementation of the Kyoto Protocol. However, with some of the provisions – especially those related to LULUCF – expiring after the first commitment period, this is partly unavoidable. To what extent the Accords will be reopened on issues such as the mechanisms and accounting rules is sure to remain a hot topic in future AWG-KP negotiations. However, many of the ideas included in the AWG-KP’s “shopping lists” strongly point in that direction.

The signs also point to more difficult discussions ahead under the AWG-LCA, too, with contested areas such as sectoral approaches and REDD set to be taken up in Accra.

Preparations for the second review of the Kyoto Protocol under Article 9 were widely viewed as among the most contentious issues in Bonn. In accordance with the decision taken by COP/MOP 2 in Nairobi, the review is scheduled take place in Poznan. Especially for many industrialized countries, the review is a crucial element of the Bali roadmap and some hope that it may lead to broader negotiations than those focusing on Annex I further commitments under the AWG-KP, which is restricted by its mandate to a focus on Annex I parties under Protocol Article 3.9. In addition, several developing countries are stressing the importance of exploring options to enhance adaptation action under the Protocol. In Bonn, the main focus was on preparations for the review at COP/MOP 4 in Poznan, in the form of submissions, technical papers and a pre-Poznan workshop. Negotiations on the substantive scope of the review

and the processes for dealing with the various topics are likely to be some of the most complex ones delegates in Poznan will have to address.

COMPLEXITY AHEAD: DELEGATES ARE HUMAN

As delegates departed Bonn and started thinking about Accra, many commented on the amount of work at hand and the logistical and human implications. There are at least six sessions scheduled over the next 18 months – averaging at least one every three months. Additionally, there are the usual workshops, regional meetings, UNFCCC board and groups meetings, preparatory and coordination meetings, and the vast array of international non-UNFCCC climate-related events that require national representation. When the time to prepare for all these negotiations is factored in, it does not take an IPCC scientist to figure out that many parties will face difficulties coping with the UNFCCC workload, never mind dealing with their own national policy concerns. Even larger delegations are wondering about how they might cope, while some smaller delegations were clearly worried about the unprecedented workload.

Inevitably, difficulties will arise in terms of the traditional financial and organizational hurdles, not to mention the rising cost of air travel. But what about the human dimension? After all, delegates are human, with finite amounts of energy and patience. With about one sixth of the time over the next 18 months already locked in for climate negotiations (three out of eighteen months), previously unheard comments about “family friendly” scheduling and meeting facilities are coming to the fore in a process where delegates previously took pride in their “stamina” in handling the long hours. As one delegate joked, “immunity discussions should include the many divorces this Convention will cause over the next two years.” Possibly in preparation for the inevitable pressure and burn out among delegates, there were many new and younger faces in Bonn, as parties and observers took advantage of a perfect opportunity at a relatively “slow” meeting to train new people and build capacity.

WHY MANAGING COMPLEXITY MATTERS

In themselves, the Bonn meetings are not likely to feature prominently in the annals of history, or even those of the climate change negotiations. There was no real pressure, as no outcomes were mandated in Bonn, although some realized that a quarter of the time to complete the Bali roadmap has already slipped away.

However, Bonn may be remembered as the meeting where the majority of participants realized the full scale of the substantive, procedural, and logistical challenges before them. If some seemed dispirited by the workload ahead, few delegates would dispute the need to face these challenges. The SBSTA workshop on the IPCC during the first week of the Bonn talks served as a timely reminder about just how important it is to seek a post-2012 agreement, however complex the process has become. Particularly ominous among the presentations were those on the scale of the global emissions reductions required, even in the next few years. With such compelling evidence, the need to manage such complexity seems a small price to pay for the potential prize of achieving a meaningful agreement on climate change.

UPCOMING MEETINGS

ICAO WORKSHOP: AVIATION AND CARBON

MARKETS: This workshop, organized by the International Civil Aviation Organization (ICAO), will take place from 18-19 June 2008 in Montreal, Canada. It will bring together financial, industry and environment experts to explore possible ways of including international civil aviation in a global carbon market. For more information, contact: Environmental Unit, Air Transport Bureau, ICAO; tel: +1-514-954-8219, ext. 6321; fax: +1-514-954-6744; e-mail: envworkshop@icao.int; internet: <http://www.icao.int/2008wacm/>

UNFCCC WORKSHOP ON METHODOLOGICAL ISSUES RELATING TO REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION IN DEVELOPING COUNTRIES:

This workshop, which is taking place in response to UNFCCC COP 13 decision 2/CP.13, is part of a programme of work on methodological issues related to “a range of policy approaches and positive incentives for reducing emissions from deforestation and forest degradation in developing countries.” The workshop will be held from 25-27 June 2008, at the United Nations University headquarters in Tokyo, Japan. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: http://unfccc.int/methods_and_science/lulucf/items/4289.php

G8 SUMMIT: The Group of Eight Summit will be held from 7-9 July 2008 in Hokkaido, Japan. For more information, contact: Japanese Ministry of Foreign Affairs, tel: +81-3-3580-3311; internet: <http://www.mofa.go.jp/policy/economy/summit/2008/index.html>

INTERNATIONAL CONFERENCE ON “FINANCING FOR CLIMATE CHANGE – CHALLENGES AND WAY FORWARD”:

This conference will convene from 15-17 August 2008 in Dhaka, Bangladesh. Arranged by a Bangladesh-based think tank, Unnayan Onneshan, this conference will focus on financial mechanisms for supporting mitigation activities to combat climate change. For more information, contact: Nazmul Huq, Unnayan Onneshan; tel: +880-2-815-8274; fax: +880-2-815-9135; e-mail: nazmul.huq@unnayan.org; internet: <http://www.unnayan.org>

THIRD SESSION OF THE AD HOC WORKING GROUP ON LONG-TERM COOPERATIVE ACTION UNDER THE UNFCCC AND SIXTH SESSION OF THE AWG UNDER THE KYOTO PROTOCOL:

The third meeting of the *Ad Hoc* Working Group on Long-Term Cooperative Action under the Convention (AWG-LCA) and sixth session of the AWG on Further Commitments for Annex I Parties under the Protocol (AWG-KP) are taking place in Accra, Ghana, from 21-27 August 2008. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int>

29TH SESSION OF THE INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC-29):

IPCC-29 is scheduled to take place in Geneva, Switzerland, from 1-4 September 2008. The meeting will celebrate the IPCC’s 20th anniversary. For more information, contact: IPCC Secretariat; tel: +41-22-730-8208; fax: +41-22-730-8025/13; e-mail: IPCC-Sec@wmo.int; internet: <http://www.ipcc.ch/>

WORKSHOP ON HARVESTED WOOD PRODUCTS IN THE CONTEXT OF CLIMATE CHANGE POLICIES: This workshop will be held from 9-10 September 2008, in Geneva, Switzerland. Organized by the UN Economic Commission for Europe (ECE), Ministerial Conference on the Protection of Forests in Europe (MCPFE) and the Government of Switzerland, the event will aim to: provide information on carbon storage and the substitution effects of harvested wood products (HWP); present core principles of HWP accounting and national experiences; and consider the opportunities and impacts of HWP accounting for different stakeholders. Outcomes of the workshop will be presented at several subsequent events, including UNFCCC COP 14 in Poznan, Poland, in December 2008. For more information, contact: Sebastian Hetsch, UNECE/FAO Timber Section; tel: +41-22-917-4170; fax: +41-22-917-0041; e-mail: sebastian.hetsch@unece.org; internet: <http://www.unece.org/trade/timber/workshops/2008/hwp/>

TWENTIETH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL (MOP-20): This meeting is scheduled to take place from 16-20 November 2008, in Doha, Qatar, in conjunction with the eighth Conference of the Parties to the Vienna Convention. For more information, contact: Ozone Secretariat; tel: +254-20-762-3850/1; fax: +254-20-762-4691; e-mail: ozoneinfo@unep.org; internet: <http://www.unep.org/ozone/>

FOURTEENTH CONFERENCE OF THE PARTIES TO THE UNFCCC (COP 14) AND FOURTH MEETING OF THE PARTIES TO THE KYOTO PROTOCOL (COP/MOP 4): UNFCCC COP 14 and Kyoto Protocol COP/MOP 4 are scheduled to take place from 1-12 December 2008 in Poznan, Poland. These meetings will coincide with the 29th meetings of the UNFCCC's subsidiary bodies and the fourth meeting of the *Ad Hoc* Working Group on Long-Term Cooperative Action (AWG-LCA) and resumed sixth session of the AWG on Further Commitments for Annex I Parties under the Protocol (AWG-KP). For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: <http://unfccc.int>

GLOSSARY

AAU	Assigned Amount Unit
AOSIS	Alliance of Small Island States
AR4	IPCC Fourth Assessment Report
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
CCS	Carbon Capture and Storage
CDM	Clean Development Mechanism
CGE	Consultative Group of Experts on Non-Annex I National Communications
COP	Conference of the Parties
COP/MOP	Conference of the Parties serving as the Meeting of the Parties
EGTT	Expert Group on Technology Transfer
GEF	Global Environment Facility
ICAO	International Civil Aviation Authority
IMO	International Maritime Organization
IPCC	Intergovernmental Panel on Climate Change
JI	Joint Implementation
LDCs	Least Developed Countries
LULUCF	Land use, land-use change and forestry
MRV	Measuring, reporting and verifying
NAPA	National Adaptation Programme of Action
RAF	Resource Allocation Framework
REDD	Reducing emissions from deforestation and degradation in developing countries
SB	UNFCCC Subsidiary Body
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SIDS	Small Island Developing States
UNFCCC	United Nations Framework Convention on Climate Change