

## AWG-LCA has initial discussion of Chair's facilitating text

Bonn, 2 June (Meena Raman and Hilary Chiew) – An initial round of discussions took place on Tuesday on the new “facilitating text” produced by the Chair of the Ad-hoc Working Group on Long-term Cooperative Action (AWG-LCA) under the UNFCCC.

While the text was welcomed by most Parties, there was a difference in emphasis by the various groupings and countries. Several developing countries mentioned that the text was not balanced, and that it requires balance and equitable treatment of issues. There is also a need to restructure the text, to be consistent with the Bali Action Plan.

Meanwhile, many developed countries, especially the Umbrella Group (comprising the US, Japan, Australia, Russia, Canada, New Zealand and others) indicated they were satisfied with the text, especially as it had incorporated the elements of the Copenhagen Accord.

At the opening session of the AWG-LCA on 1 June, the Chair, Margaret Mukhahana Sangarwe of Zimbabwe, introduced the new “text to facilitate negotiations among Parties” that she had prepared under her own responsibility.

The text was issued on 17 May and is about 40 pages, containing 9 chapters. The first chapter drew most attention during the opening session. It covers elements dealing with the shared vision for long-term cooperative action, adaptation, mitigation, finance, technology transfer and capacity-building.

The other chapters deal with further detail regarding adaptation, technology transfer, capacity-building, mechanism to record developing country mitigation actions, forest-related activities, economic and social consequences of response measures, various approaches to promote mitigation actions and agriculture. There is no separate chapter on financing.

The text draws on the report of the previous Chair of the AWG-LCA that was adopted by the Conference of Parties in Copenhagen, as well as work undertaken by the COP on the basis of that report and new submissions by Parties, in particular the controversial Copenhagen Accord which was not adopted by the COP but was only taken note of.

Speaking on behalf of the **Group of 77-China, Yemen** said the group welcomes the text and is prepared to engage in the discussions. “While appreciating your efforts, the Group also notes that there remains the need to have a balanced and equitable treatment of issues in the text to address some gaps and inconsistencies,” said Ambassador Abdullah M. Alsaidi, adding that the Group would assist the Chair in coming out with an improved and more concise text.

The Group, said Alsaidi, was prepared to contribute to the achievement of a common understanding of interlinkages on cross-cutting issues, including the institutional frameworks for financing and linkages with adaptation, mitigation including REDD-plus (reducing emissions from deforestation and degradation etc) and development and transfer of technologies; the issue of measuring, reporting and verification (MRV), for targets, actions and support; and on shared vision.

“We find that there needs to be some restructuring at a certain point in accordance with the Bali Action Plan. We also need to treat operational aspects separately, and this could be placed under a separate chapter on financing, for example, or the integration of related texts where needed. Crunch issues under the different chapters would need to be identified,” he added.

He stressed that the G77-China reaffirmed the centrality of the multilateral process within the UNFCCC framework and all related discussions in this regard should be transparent.

**Speaking on behalf of AOSIS (Alliance of Small Island States), Grenada** said that it was of great concern that the current pledges on emission reductions will cause the global temperature to increase by 4 degree Celsius. This represents a death sentence for many SIDS (Small Island Developing States), it said. Six months after Copenhagen, the finance has yet to materialise. Some developed countries continue to resist efforts to ensure that financial flows are done in a transparent manner, it added.

It said efforts must be guided by the Bali. Further, work can be concluded in Cancun and operative details can start immediately after and issues like finance and mitigation are placed on equal footing like the other building blocks of the Bali Action Plan.

It urged Parties to resist returning to initial proposals and suggested the elaboration of current and missing elements, which enjoyed broad support from Parties, adding that the textual output should be a revised negotiation text. AOSIS did not support a compilation text.

The **Democratic Republic of Congo**, speaking for the **African Group** said that the new text was imbalanced and did not reflect the Bali Action Plan. It said that it was ready to work with Chair's text as the basis that needs to be modified. Congo said that negotiations should not lead to a replacement of the Kyoto Protocol or amendments to the UNFCCC.

**Lesotho, representing the Least Developed Countries** said while the Chair's text provided a basis to facilitate negotiations for the AWG-LCA to reach conclusions with significant milestones in Cancun, the text must reflect equal consideration of adaptation and mitigation.

It said that the voluntary nature of NAMAs (Nationally Appropriate Mitigation Actions) and in particular, the discussion around the differentiation between Annex 1 and non-Annex-1 commitments should be further discussed. Preferential treatment for LDCs and SIDS needs to be defined further than the general provisions for flexibility. It also wanted to see the discussion on MRV, which it said is a determinant issue that will shape the robustness of the new climate system, to take place in an open and frank manner as it will go a long way in restoring trust among the negotiating Parties on the way to Cancun.

Representing the **European Union, Spain** said the bloc is determined to start negotiation on substance and move from procedural discussion to be

consistent with the 2 degree Celsius objective. It said the Chair's text can facilitate further negotiations as it contained key elements that are important for a number of Parties, including the Copenhagen Accord. There is still room for improvement since some central questions to the EU such as individual emission reduction targets and bunker fuels have not been reflected in the text.

It said that the Ministers of Finance of the European Union have reiterated their commitment on fast start financing of 2.4bil EUR annually over the 2010-2012 period and stressed that the move is especially relevant in a moment of difficult budgetary constraints.

**Australia, representing the Umbrella Group (which includes the US, Japan and Russia among others)** said it believed real and substantive progress can be made at Cancun and it would provide opportunity to take forward commitments outlined in the Copenhagen Accord.

It supported the idea of a single contact group which would deal with issues such as MRV, REDD, and finance in a balanced package and sub-groups could further develop a common understanding on the form and architecture.

**Bolivia** expressed concern that there was an imbalance in the content of the Chair's text. It said that it was important that the document integrates the fundamental issues raised in Bolivia's submission. It said that it did not see its proposals reflected quantitatively and qualitatively. One central issue was that of the concentration level of carbon dioxide in the atmosphere and Bolivia had called for the level to return to 300ppm by 2050. This it said was not reflected in the new text.

On the scale of financing, it said that the new text reflected the Copenhagen Accord's proposal of long-term financing to be US\$100bil but this did not meet the expectation of developing countries as it amounted to only US\$20 per person in the developing world. Bolivia had proposed a quantum of 6% of the GDP of developed countries for climate financing and this it said was not reflected in the new text. Other proposals that were not reflected included the preference for public sources of financing rather than that carbon market. It had also proposed a climate tribunal to address issues of climate injustices, as well as the issue of forced migration brought by climate change.

**Tuvalu** said the first chapter of the text should be consistent with the format of the Bali Action Plan. There was need for a separate chapter on the

mitigation commitments of developed countries and the mitigation actions of developing countries. It said that the Umbrella Group (comprising the US, Canada, Australia, New Zealand, Japan and others) lacked vision and ambition. It asked if their lack of concern will lead to another “COP flop” (referring to the Copenhagen failure to reach agreement).

Tuvalu said that it was not appropriate for the new text to consider the Copenhagen Accord. (In its submission to the AWG-LCA dated 30 April, Tuvalu had stated that the Accord was a fundamentally flawed document. Among other things, it said that the Accord effectively abandons the Kyoto Protocol and the pledges made under the Accord are totally inadequate and could potentially lead to a 3 degree C temperature increase. It said that the purpose of the Accord was to provide a document for domestic consumption by the legislature of one key developed country (referring to the US) and its utility for other purposes was questionable.)

**Saudi Arabia** said that the current text does not follow the agreed structure of the Bali Action Plan. In addition, it misses some important proposals and elements in different sections. Hence, Saudi Arabia considered the text as an initial one, to only guide and facilitate discussions, and hoped that the revision issued at this session will be more complete in covering the different proposals and follows the Bali Action Plan.

Stressing the need for comprehensiveness in approach in the discussions, Saudi Arabia said that while it agreed on the importance of ‘finance’ this, cannot overtake the equal importance of other elements of technology transfer, adaptation and mitigation and all their sub elements. It did not see an outcome on only some elements in Cancun as an option, as this negotiation is a continuation of the work under the Bali Action Plan, to which an agreed outcome is a comprehensive one covering all the building blocks. A comprehensive agreement is a package deal and not a selective outcome of some parts.

In relation to the first chapter, it said that the chapter goes beyond shared vision and addresses selected parts of finance and mitigation. This by itself introduces a selective approach to progress, it said. On crunch and cross-cutting issues, it said that this was a subjective matter and asked who decides what is “crunch” and what is not.

**Philippines** said there was need to ensure that the text was balanced in structure and elements as well as is fair and equitable.

**Cuba** speaking also for Ecuador, Nicaragua and Venezuela said that recent scientific reports showed that the pledges of developed countries could lead the world to a growth in emissions of 10-20% above current levels. The AWG-LCA needs to have an ambitious, fair and effective outcome, together with commitments by developed countries under the Kyoto Protocol for a second commitment period. Following the exchange of views by Parties, the revision of the text must address the structure of the Bali Action Plan and contributions from Parties that reflect the outcomes of the Cochabamba World Peoples Conference. It also hoped for balance in the text.

**Malaysia** said that the new text must reflect the shared vision integrating a set of global goals for finance, technology in addition to a goal for emission reductions. It must also provide for how the world’s atmospheric resources are to be shared equitably. There must also be provision to prevent the use of unilateral trade measures by developed countries. It also asked how a bottom-up approach in emission reductions can limit temperature rise to below 2 degree C, much less 1.5 degree C.

**China** said that all Parties want to ensure the full implementation of the Bali Action Plan. The Chair’s text can be a starting point for substantive negotiations. If the text is according to the Bali Action Plan framework, it could bring Parties to substantive negotiations and hence there was need for adjustments. On the “crunch issues”, the text should reflect various elements. Developed countries should not resort to trade restricting measures.

On the structure of the text, there should be a special chapter on finance and a separate chapter on developed country mitigation. The overall structure of the text was short of many things. Developed countries have the responsibility to reduce emissions substantially and to provide finance and technology transfer and capacity building.

Referring to the EU announcement on fast track funding and pledges for support by other developed countries, China said that such funding should be new and additional and the resources managed by bodies under the Convention. It was necessary for measures to allocate funding to be transparent without pressuring developing countries to accept certain conditions or positions. Developed countries should demonstrate their sincerity and should not hood-wink developing countries.

**Brazil** said that the text should help implement the Bali Action Plan and respect the principles and provisions of the Convention. It said that the

organisation of chapter 1 of the text sought to bring focus to difficult or cross-cutting issues without defining the structure of the final outcome. In this context, it saw financing as a cross-cutting issue. It welcomed focus on this but in terms of structure of the outcome, a specific chapter on finance was appropriate.

It was important to indicate that the shared vision is not specifically linked to any of the building blocks of the Bali Action Plan (viz. Mitigation, adaptation, finance and technology transfer), but has to do with all of the elements of the Bali Action Plan. Chapter 1 can create confusion. Maintaining the balance in all elements is critical for the work. Parties must advance all issues and the process cannot be selective in limiting to issues, which are low-hanging fruits or are easier topics.

**India** said that the AWG-LCA should strengthen the Bali Action Plan and not weaken it. Besides the shared vision issue, mitigation, adaptation, finance and technology transfer are key and the first and foremost priority of developing countries is poverty eradication. Nothing should be done to dilute this balance and there cannot be an erosion of the differences between developed and developing countries

India reiterated the key role of the transfer of environmentally sound technologies for adaptation and mitigation, which are affordable and can address the needs of developing countries with most appropriate and effective technologies. The inter-linkage between technology transfer and the financial mechanism must be firmed up. Further, unilateral trade measures in name of addressing climate change would tantamount to green protectionism, subjecting developing countries to the same level of mitigation as developed countries without finance.

**Pakistan** said that the text does help facilitate negotiations, while it was cognisant that substantive areas required adjustments and amendments. It also supported the need to bring the structure of the text to support the Bali Action Plan. It expressed serious concerns with the use of some new terminologies like vulnerable countries and autonomous actions, without regard to circumstances or emission levels. The notion of “most vulnerable” is an awkward innovation as there was need for scientific criteria for defining vulnerability.

**United States** thanked the Chair for her text, adding that much was missing, for example its own April submission did not appear to have been

included. It said that there was substantial political guidance in the next steps. All core issues must move as a package. It said that it was essential to agree on the issue of MRV and “international consultation and analysis”.

(The Copenhagen Accord provides that the information on the implementation of developing country actions will be through the national communications, with provisions for international consultations and analysis).

On the issue of the legal form of the outcome of the negotiations, the US supported a legally binding agreement so long as it is legally symmetrical with the same elements binding on all countries except the LDCs. It said that the views of all Parties should be reflected in the text and not rejected *ab initio*.

**Canada** said that the text provided a solid basis for negotiations to move forward. The Copenhagen Accord in the package of commitment on mitigation was a significant breakthrough. It said that the Accord recognised concerted global effort where mitigation by all major economies would help reduce emissions. It also stressed the need for robust guidelines on MRV and an effective system of consultation and analysis. It called for the implementation of the Accord in all its provisions for a new global agreement.

**The Chair** proposed the setting up of a single contact group, which she will chair. Following the discussions, she would issue a revision of the first chapter of her text which would be in a non paper and would ensure balanced consideration of all the elements in the Bali Action Plan.

Recognising that many informal initiatives outside the UNFCCC process had taken place since COP 15 at Copenhagen, the Chair in the opening session had also invited the relevant Parties to provide updates. Mexico, Germany, Ethiopia, and Norway reported on various initiatives that they had undertaken to convene meetings among selected Parties. Bolivia gave an account of the outcome of the World’s Peoples Conference on Climate Change and Mother Earth Rights which involved 35,000 participants from civil society and social movements.

Referring to these meetings outside the UNFCCC, Pakistan said that in the quest for informal interactions, there was need to ensure that such meetings do not undermine the legitimate forum of the UNFCCC and to ensure an inclusivity in approach.