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## **DOHA HIGHLIGHTS: THURSDAY, 29 NOVEMBER 2012**

On Thursday, delegates convened in contact groups, informal consultations and other meetings of the Convention and Protocol bodies throughout the day.

## CONTACT GROUPS AND INFORMAL CONSULTATIONS **COP: CONTACT GROUP ON FINANCE:** This meeting

was co-chaired by Kamel Djemouai (Algeria) and Gregory Andrews (Australia). Co-Chair Djemouai explained that work during the session would be conducted in a balanced manner, and aim to address all the sub-items under the agenda item equally. He invited parties to articulate the scope of a draft decision on each of the sub-items.

**Long-term Finance:** Referring to the report of the workshop on the work programme on long-term finance, JAPAN stated that it would be inappropriate to deem international shipping and aviation a source of long-term global climate finance. With CHINA, he also opposed establishing a high-level expert group, comprising the UNFCCC Secretariat, ICAO and IMO, to examine options for ensuring that revenues from international aviation and shipping can be used for climate finance.

The PHILIPPINES noted that the workshop report reflected recommendations by the co-chairs on the basis of their understanding of what had been discussed. She also observed that there is no common understanding of what constitutes climate change financing.

Describing the report as "wide reaching," the EU observed that it was important to recognize that no single source can address the aims of climate finance. He added that it would be useful to continue technical work on mobilizing and deploying financial resources more effectively, with work on revenues from bunker fuels being an important aspect, as well as the need for a comprehensive carbon pricing policy.

KENYA and UGANDA called for a clear definition of climate finance. BANGLADESH highlighted the absence of differentiation between climate finance and official development assistance.

SAUDI ARABIA observed that proposed international taxation methods would negatively impact developing countries and pointed to incompatibility of market-based mechanisms with WTO rules.

Barbados, for AOSIS, with COLOMBIA, for Chile, Peru, Costa Rica and Guatemala, and others, supported the Chair's recommendation on the need for a political process covering the scaling up and mobilization of climate finance, as well as for intensified and more structured work in processes under the Convention, focusing on sources and options for mobilizing climate finance in the short-, medium- and long-term. The US

and NEW ZEALAND questioned the value of a political process at this stage, given that the previous commitments to fast-start finance made in Copenhagen and Cancun were achieved. Parties agreed to submit proposals by Saturday, with a view to prepare draft text.

**Standing Committee report:** The PHILIPPINES drew attention to related discussions under the AWG-LCA, and suggested convening a joint meeting between the COP contact group and the AWG-LCA. The EU drew attention to the need to discuss interlinkages with the SBI, and underscored the need to avoid overlaps. Parties agreed to submit proposals by Friday, with a view to prepare draft text.

GCF report and guidance: The Philippines, for the G-77/ CHINA, supported providing guidance to the GCF on issues such as what the Fund will do, and how to consider funding for projects. Parties agreed to submit proposals on this issue by

**Arrangements between the GCF and the COP:** Parties disagreed on which body should be responsible for drafting the arrangements between the GCF and the COP. The US and JAPAN stated that the key elements of the arrangements were already agreed upon and the GCF had independent juridical authority operating under the guidance of the COP and was therefore capable of drafting the arrangements. Barbados, for AOSIS, cautioned against reopening issues that are in the GCF Governing Instrument. He suggested a process to develop the arrangements involving representatives from both the COP and the GCF Board. SOUTH AFRICA said the GCF Governing Instrument already includes elements that would allow the work on arrangements to be concluded in Doha. SAUDI ARABIA, supported by KENYA and Zambia, for the LDCs, stated that "arrangements between" two entities do not imply an equal relationship and expressed concern about the GCF drafting its own accountability relationship, suggesting that the Standing Committee should undertake this task. COLOMBIA, on behalf of Peru and Guatemala, proposed that representatives of the COP, possibly through the Standing Committee and the GCF Board work on drafting the arrangements to complete work by COP 19. The EU supported developing the arrangements in a cooperative manner and suggested a draft proposal be submitted for consideration by relevant bodies and approval by COP 19. Parties agreed to submit proposals by Friday.

CMP: CDM: This contact group was co-chaired by Kunihiko Shimada (Japan) and Giza Gaspar Martins (Angola). Co-Chair Shimada informed parties that the co-chairs had prepared a list of issues for discussion, divided into matters relating to: general matters and governance; methodologies and additionality; registration and issuance; and regional distribution. He then invited parties to comment on the list and/or add to the list.

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Parties identified issues to be added to the list, including: extending the share of proceeds levy for the Adaptation Fund to all the flexibility mechanisms; creating regional collaboration centers in Africa and defining the mandate of such centers; improving the methodologies, procedures and guidelines of the CDM Programme of Activities; forecasting the CDM work plan for 2013; and encouraging further work on issues relating to carbon capture and storage (CCS) under the CDM.

Co-Chair Shimada invited all parties to submit proposals and requested parties that have made suggestions to submit written proposals on how to address their suggestions. The Co-Chairs will produce a draft text based on these comments and suggestions for consideration by parties. Informal consultations will continue.

ADP: Roundtable on Workstream 2: Ways to bridge the ambition gap: Parties focused on: how the Convention can strengthen, encourage and support international and national actions that are additional and supplementary to pledges; and what international cooperative initiatives have the potential to deliver sizeable emission reductions towards closing the ambition gap, and how these can be supported and scaled up.

Nauru, on behalf of AOSIS, called for a comprehensive roadmap by 2013 to identify the most cost-effective way to reduce emissions as quickly as possible. The Gambia, for the LDCs, stressed the need to identify and prioritize options with high mitigation potential.

The US emphasized the need to invite the private sector and others to provide views on emission reduction opportunities, and encouraged incentives for businesses in order to promote sustainability and emission reductions, noting that money will be "at the heart of what we do."

Uganda, for the AFRICAN GROUP, called for more work on compliance and reporting, and encouraged parties to move to the upper range of their pledges. CHILE stressed the need to create development opportunities for all and encouraged a dynamic interpretation of the CBDR principle. The EU stressed focusing on actual mitigation actions that are additional to those already in place. He called for transparency on complementary international cooperative initiatives.

On numbers and inclusive actions, BOLIVIA expressed concern over lack of clarity on sectoral participation and transnational sectoral commitments that raise sovereignty questions.

CHINA emphasized that the ADP is only one part of the Durban package and that it includes results in the AWG-KP and AWG-LCA. MARSHALL ISLANDS urged parties to identify mitigation potential and specific implementation barriers, instead of simply outlining existing mitigation efforts. SOUTH AFRICA said all additional actions that are supplementary to pledges could be recognized, as long as such actions are subject to the Convention principles and environmental integrity.

The PHILIPPINES stressed that supplementary actions cannot substitute mandated actions under the Convention and Protocol. INDONESIA stressed the need for a common accounting system for bilateral, national and sub-national mitigation efforts. UGANDA questioned the possibility of achieving a meaningful outcome under the ADP without goodwill and political commitment.

**AWG-KP: Numbers/Text**: In the afternoon informal consultations, parties focused on eligibility to participate in the flexibility mechanisms in the second commitment period. Parties presented their textual proposals, following which parties commented on them or sought clarification on issues. Informal consultations will continue.

## **Issues Relating to the Second Commitment Period:**

During the afternoon informal consultations, new draft text was introduced, containing a draft CMP decision on amendments to the Kyoto Protocol pursuant to Article 3.9. Parties discussed the text paragraph-by-paragraph. Consultations will continue.

**AWG-LCA: Adaptation:** During informal consultations, AWG-LCA Chair Tayeb, explained that his text is an overview based on parties' views, submissions and previous work by the group in Bonn and Bangkok.

A number of developing countries welcomed some suggestions included in the AWG-LCA text on adaptation, but highlighted elements that had not been proposed before, such as a work programme on economic diversification, expressing concern that this proposal could overlap with other ongoing discussions, including the Forum on Response Measures.

Many parties acknowledged the progress on adaptation issues since the adoption of the Bali Action Plan, including the establishment of institutions and processes. Some developing countries pointed to outstanding elements under the Bali mandate, including: national-level institutions and regional centers; linking adaptation to other instruments under the Convention; and means of implementation. One developed country suggested working on a closing decision that acknowledges the relevance of adaptation.

A developing country questioned the status of the AWG-LCA Chair's text. She reminded parties that the process should be party-driven and invited those interested to work informally on a proposal for a decision. Discussions will continue.

SBI/SBSTA: Response Measures Forum: The forum was co-chaired by Richard Muyungi (Tanzania) and Tomasz Chruszczow (Poland). Parties focused discussions on the implementation of the relevant decisions on response measures under the Convention and Protocol. Divergent views were expressed, *inter alia*, on the need for a review of all elements of the decisions, particularly decision 1/CP.10 (Buenos Aires programme of work on adaptation and response measures). The US, supported by AUSTRALIA and the EU, suggested "closing" discussion of decision 1/CP.10 since those matters, such as adaptation, are being discussed in other bodies. SAUDI ARABIA, with the UNITED ARAB EMIRATES, maintained that there has not been sufficient progress on the operational requirements for response measures and suggested an item-byitem review of the relevant aspects of the decisions. Argentina, on behalf of the G-77/CHINA, cited gaps in the implementation of Protocol Article 3.14 (adverse effects). The EU said reporting on adverse impacts is a "learning process," citing recent improvements in their national communications.

**SBSTA: REDD+:** During the informal consultations, the co-chairs introduced a non-paper on elements of a possible draft decision on modalities for national forest monitoring systems and MRV. The non-paper contains streamlined text from parties' submissions and views, and results of previous work by the group. Parties discussed elements in the non-paper. Discussions will continue.

## IN THE CORRIDORS

"How old will I be when we finally get an agreement?" lamented one youth delegate, reflecting on the persisting slow progress in discussions. "A sense of urgency is seriously missing from these negotiations," he added. Tensions, however, were evident, particularly in the discussion on response measures under the AWG-LCA. A seasoned negotiator commented that "old wounds are now being reopened" with another remarking, "the distance between us remains quite expansive." It was clear that parties' views remain poles apart on whether the issues mandated by the Bali mandate had already been addressed, with many developing countries stressing elements to be included in decisions. However, one developed country party pointed out that "taking decisions merely to remind ourselves of decisions we have taken is not very helpful."

Meanwhile, a number of youth events were held in honor of "Youth Day" with many reflecting on the world they are going to inherit if progress continues at a "snail's pace," wondering if their protest to "thank delegates for their progress" was premature.