

Oral report of the Chair of the AWG-KP to the
President's Informal Stock-taking Plenary
Durban, South Africa
3 December 2011

Thank you Madam President,

This week Parties have engaged in intensive work in the AWG-KP. I have undertaken informal consultations on issues and options relating to:

- Quantified commitments by Annex I Parties, including the numbers, the form and the length of the second commitment period, and
- The mechanisms under the Kyoto Protocol.

This was not a discussion of text but looking at clusters of issues seen as a whole and in plain language. This was found useful by many Parties and has allowed us to crystallize some of the core CP2 issues, which I will mention in a moment.

Elsewhere, work has advanced well on LULUCF rules. Parties are close to having clean options here. Also, technical work has advanced on other parts of our text.

Turning to the core CP2 issues which I realize are of high interest. What we had was essentially a conversation between non-Annex I Parties and those Annex I Parties who are open to a second commitment period.

There is a considerable amount of common ground here:

- Common ground that **we in the AWG-KP are working towards a second commitment period;**
- Common ground that the **end point is QELROs** - quantified commitments by Annex I Parties;
- Common ground on the need to **ensure continuity – no gap in mitigation** action by Annex I or in the **rules;**
- The need to have **certainty about the mitigation action and the rules;**
- And the need for ensuring **adequate ambition.**

So it is helpful I think that we have these understandings on which the common ground can be built.

Let me move to the core issues and firstly on the form of the second commitment period, the challenge here I see is ratification.

- Ratification to ensure entry into force by January 2013 is not achievable. For most or possibly all Annex I Parties, **provisional application** does not seem possible either. Are there other alternatives?
 - One idea discussed was a **two-stage process** which would ensure immediate continuity after 1 January 2013 through a decision, and then the package of amendments - or the amendment - could be ratified as a second stage perhaps in the context of progress under the Convention.

- Another possible alternative discussed was to have a **decision-only outcome**, without an amendment to the Protocol.
- And finally, the idea of a **declaration** – for example unilateral declarations by Parties.

All these have in common ensuring no gap, and ensuring continuity. I would note that the last two alternatives - a decision only outcome and a declaration - would not involve amendment to the Protocol and ratification. Some Parties felt these could be workable. Most Parties saw full ratification as essential and therefore thought that these two options would not be workable.

The discussion was not meant to determine a preferred option; it was clarification of possible choices and this has been achieved.

The second core issue is QELROs and the twin challenge here is that of finalization, and ambition.

- On finalization it appeared that Annex I Parties consider they will need time.
 - Indications from Annex I Parties were that for various reasons, including the need to go through internal processes, the need to assess the rules implications or comparability, they would need some time after Durban, assuming the Kyoto Protocol rules were agreed here, to finalize QELROs.
 - This might imply that **at Durban they would have targets together with a clear process and timeline to convert them to QELROs.**
 - However, many Parties felt that it was essential that QELROs were finalized here in Durban.
 - The divergence remains significant but I think there is potential for agreement - the key underlying issue here is certainty.

On the question of ambition, and this is partly centred on the discussion on the length of the second commitment period, the key concern here was to avoid locking in low ambition.

So that's what I have to say on the core issues. **There are other challenges in the remainder of our text and our work.** There is a need to finish technical work and have policy choices ready for Ministers.

It would be helpful for Parties to have a hard look at what they really need. I consider that there is a lot still in the 'nice to have' rather than 'must have' category and delaying too long a process of compromise here makes a deal more difficult. My sense is that quite a lot more is achievable by negotiators and by engagement amongst the Parties.

And of course as Chair, I and my Vice-Chair and the secretariat team are at the disposal of Parties.

A final word on the big picture on CP2 and the work of the AWG-KP:

- Yes I think a deal is achievable; but not in isolation;
- We are exploring as far as we can in the KP the possibilities. And I would like to express my thanks to Parties for their willingness to discuss options that take them out of their comfort zone;
- Our KP outcome will need to be set in the wider context of the overall Durban outcome since Parties have made it clear that they will not take decisions on the KP without seeing the whole package.

Thank you, Madame President.