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CONFERENCE OF THE PARTIES Ninth session Milan, 1–12 December 2003 Agenda item 13 (a)

CONCLUSION OF THE SESSION

ADOPTION OF THE REPORT OF THE CONFERENCE ON ITS NINTH SESSION

Draft report of the Conference of the Parties on its ninth session

Addendum

Rapporteur: Mr. Gonzalo Menéndez (Panama)

I. HIGH-LEVEL SEGMENT ATTENDED BY MINISTERS AND OTHER HEADS OF DELEGATION

A. Opening of the high-level segment

The high-level segment of the Conference at its ninth session was opened by the President at the 1. 4th meeting, on 10 December. In his opening statement, the President welcomed all delegates to the highlevel segment and, on behalf of all participants, expressed his gratitude to the Government of Italy for hosting the session in Milan. Referring to the city's cathedral and the more than four centuries needed to complete the structure, he said that Parties, in working to achieve the objective of the Convention and its Kyoto Protocol, faced a similarly complex task but had less time to accomplish it. Their continued commitment and leadership, which was confirmed by the presence of many ministers at this session, had already had an impact on climate policies and would continue to do so for years to come. As a result of the efforts undertaken, the Convention and its Kyoto Protocol had evolved into the only viable framework for preventing dangerous interference with the global climate, and genuine progress was being made in implementing it. Governments had begun translating national legislation into action, and non-State actors were working on a host of initiatives. However, in view of the unprecedented number of extreme weather events in recent years and the negative impacts that climate change was beginning to have, particularly in developing countries, the problem of global warming had gained new urgency. If, as projected, global crop yields decreased as a result of climate-related changes of physical and biological systems, an increase in hunger and poverty might be the result. The need to reduce the vulnerability and enhance the adaptability of developing countries was therefore ever more pressing. The magnitude and intricacy of the challenges resulting from climate change were daunting and might cause countries to

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dwell on their differences rather than attend to their common interests. It was therefore all the more important to increase international cooperation and build on the common ground that all Parties shared.

1. Statement by the Minister for Environment and Territory of Italy

2. Mr. Altero Matteoli, Minister for Environment and Territory, welcomed the delegates on behalf of the Government of Italy and Prime Minister Silvio Berlusconi, who was unable to attend. A letter to the delegates from the Prime Minister was made available during the meeting. The Minister confirmed the commitment of the Government of Italy to fulfil its obligations under the Convention and the Kyoto Protocol. Referring to the European Council's Lisbon strategy and subsequent conclusions, the Minister said that the European Union was taking action to reduce emissions of greenhouse gases and at the same time to strengthen the competitiveness of European economies. Measures and policies under the European Programme for Climate Change, together with those undertaken at the national level, would enable the European Union to effectively face the global challenge of climate change and fulfil its obligations. In this context, the Minister drew attention to recent directives relating to the Kyoto Protocol and the setting-up of a European emissions-trading scheme. The European Union Council of Ministers had also confirmed that, starting in 2005, the European Union would provide US\$ 369 million annually in contributions and funding to assist developing countries in activities relating to climate change, in accordance with the voluntary commitment made during the second part of the sixth session of the Conference in 2001.

3. In line with European policies, Italy followed a national strategy which integrated measures to increase the country's economic efficiency with those aimed at reducing greenhouse gas emissions. In addition, Italy was committed to using Kyoto Protocol mechanisms in order to create new opportunities for cooperation with developing countries and countries in Eastern Europe and Central Asia, with a view to strengthening adaptation programmes in areas most vulnerable to climate change. During this session the Government of Italy had decided to contribute funding to the transaction log for monitoring the validity of transactions under the Kyoto mechanisms, and to support projects which would allow developing countries to adapt to climate change through the use of renewable energy sources and agricultural and forestry activities. The Minister expressed the wish of the Government of Italy that the conclusions reached by this session of the Conference would strengthen the process launched by the Conference at its seventh session in Marrakesh. Key elements in achieving this goal were the commitment of industrialized countries to reduce their emissions; the acknowledgement of the importance of technology to meet the growing demand for energy in a sustainable way; the definition of the role of forestry programmes for carbon sequestration; and the launch of the Kyoto Protocol mechanisms on a global scale.

2. <u>Message by the Secretary-General of the United Nations¹</u>

4. The Secretary-General noted that for many years scientists had warned about the long-term impacts of ever-increasing emissions of greenhouse gases and that by the end of this century many regions of the world might be dramatically altered and many ecosystems might be under severe stress. The world might already be seeing some of the impacts of climate change, with developing countries being especially vulnerable. The heightened frequency and intensity of extreme weather events in recent years was consistent with the conclusion of the Intergovernmental Panel on Climate Change that the frequency and magnitude of many such events would increase with only a small rise in temperature. Given the growing concern that this trend was likely to continue, real progress in dealing with the causes

¹ The message was delivered by Mr. J. A. Ocampo, Under-Secretary-General for Economic and Social Affairs.

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and consequences of climate change was needed. In this context, he applauded the many nations that had ratified the Kyoto Protocol and were putting in place measures to meet their commitments even though the Protocol had yet to enter into force. He encouraged all Parties included in Annex I to the Convention that had not joined the Protocol to expedite ratification, and welcomed the efforts of some non-Annex I Parties to reduce their greenhouse gas emissions.

5. Noting with appreciation that non-State actors had also been very active and that there were increasing efforts to research and deploy innovative technologies, the Secretary-General emphasized that only concerted action by all involved would enable the international community to reach the Convention's ultimate objective. The Kyoto Protocol was an essential first step in that direction, and its entry into force was of the utmost importance. It was crucial to assess vulnerabilities and risks, and consider mitigation and adaptation to climate change. In view of the serious immediate consequences of global warming, he urged Parties to intensify their efforts to minimize the potentially devastating effects of climate change. Mitigation and adaptation to climate change would require sustained effort for decades to come. In conclusion, the Secretary-General reminded delegates that, while working towards the goals of the Convention and its Protocol, the international community must be equally determined to pursue the Millennium Development Goals and fight poverty in a way that would contribute to abating climate change.

3. Statement by the Executive Secretary

Welcoming the delegates to the high-level segment, the Executive Secretary said that this session 6. of the Conference of the Parties would be remembered for a number of achievements. These included the tightening of the link between climate change and sustainable development called for in the Delhi Ministerial Declaration adopted at the eighth session of the Conference; the operationalization of the clean development mechanism (CDM) in only two years, showing that it was possible to set up a sound institutional framework involving partnerships with the private sector and other stakeholders; substantial progress in developing the CDM afforestation and reforestation guidelines, the common reporting format and good practice guidance; and steps taken towards developing a new agenda for the work of the Subsidiary Body for Scientific and Technological Advice with equal attention accorded to mitigation and adaptation. With regard to the latter, the Executive Secretary emphasized that a sound methodological basis and sound monitoring of performance were essential for sound decision-making. Noting that conditions had been created to make national communications by developing countries a strategic tool for integrating climate change policies and programmes with planning for sustainable development, she emphasized that capacity-building was an essential component of virtually all decisions. In this regard, the present session had provided a major impetus to activities in climate observation systems.

7. On the other hand, the discussions at this session had brought to the fore the difficulties that Parties were facing in the implementation of some decisions taken in the past. It was therefore important to join hands and not lose the good will of so many who stand ready to deliver on the implementation or the further development of the Convention. The round-table discussions provided a unique opportunity for Parties to express their political commitment to global, multilateral action, despite the regrettable uncertainty on the timing of the entry into force of the Kyoto Protocol. These discussions could provide the vision for future action necessary to meet the objective of the Convention.

B. <u>Statements by observer organizations</u> (Agenda item 11)

1. <u>Statements by United Nations bodies and specialized agencies</u> (Agenda item 11 (a)) 8. At the 4th meeting, on 10 December, statements were made by the Under-Secretary-General and Executive Director of the United Nations Environment Programme (UNEP); the Under-Secretary-General for Economic and Social Affairs of the United Nations; the Chief Executive Officer and Chairman of the Global Environment Facility (GEF); a Vice-President of the World Bank; the Chairman of the Intergovernmental Panel on Climate Change (IPCC); and the Executive Secretary of the United Nations Convention to Combat Desertification (UNCCD). A written statement by the Executive Secretary of the Convention on Biological Diversity (CBD) was made available.

2. <u>Statements by intergovernmental organizations</u> (Agenda item 11 (b))

9. At the same meeting, statements were made by the Secretary-General of the Organization of the Petroleum Exporting Countries (OPEC); the Deputy Secretary-General of the Organisation for Economic Co-operation and Development (OECD); the Deputy Executive Director of the International Energy Agency (IEA); and the Director of the Institut international du froid (IIF).

3. <u>Statements by non-governmental organizations</u> (Agenda item 11 (c))

10. At the same meeting, statements were made by World Wildlife Fund (WWF) Russia; the Business Council for Sustainable Energy (BCSE) (on behalf of the United States Business Council for Sustainable Energy, the European Business Council for a Sustainable Energy Future, the United Kingdom Business Council for Sustainable Energy, and the Australian Business Council for Sustainable Energy); the Sixth International Indigenous Forum on Climate Change and the International Alliance of Indigenous–Tribal Peoples of the Tropical Forests; Klima-Bündis/Alianza del Clima e.V.; Ipukarea Society Inc. (on behalf of WWF South Pacific Programme Office); the International Chamber of Commerce; the Confederación Sindical de Comisiones Obreras – Confederación Europea de Sindicatos (on behalf of Global Unions and the International Confederation of Free Trade Unions (ICFTU)); Fondazione Lombardia per l'Ambiente (FLA) (on behalf of the Coordinating Body of Italian nongovernmental organizations); the International Institute for Sustainable Development (IISD) (on behalf of research and independent non-governmental organizations); and the World Council of Churches.

C. <u>Round-table discussions among ministers and other heads of delegation</u> (Agenda item 10)

11. At the 4th meeting, on 10 December, the President convened ministers and heads of delegation for the first of three round-table discussions. Recalling the proposal for organizing the round-table discussions made at the 3rd meeting, on 4 December, the President said that he had invited ministers from Annex I and non-Annex I Parties to assist him in co-chairing the round-table discussions, as follows:

(a) Climate change, adaptation, mitigation and sustainable development:
Ms. Yuriko Koike, Minister of the Environment of Japan, and Mr. Tadashi Lometo, Minister and Assistant to the President of Marshall Islands;

(b) Technology, including technology use and development, and transfer of technologies: Ms. Paula Dobriansky, Under Secretary for Global Affairs, Department of State of the United States of America, and Mr. Mohammed Valli Moosa, Minister of Environmental Affairs and Tourism of South Africa;

(c) Assessment of progress at the national, regional and international level to fulfil the promise and objective enshrined in the climate change agreements, including the scientific, information, and policy and financial aspects: Mr. Fernando Tudela Abad, Sub-Secretary of Environment of Mexico,

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and Mr. Jürgen Trittin, Federal Minister for the Environment, Nature Conservation and Nuclear Safety of Germany.

12. The President thanked the co-chairs for having agreed to take on the additional responsibility of co-chairing the round-table discussions. He recalled that a survey had been circulated to Parties asking them to indicate their first and second preferences in which round-table session they would like to make a contribution. More than 90 ministers and other heads of delegation had responded to this survey, which reflected the high importance Parties attached to these discussions. Based on this survey, they had received a letter from him informing them of the round-table discussion in which their contribution would be guaranteed. The President further explained that representatives of a number of Annex I and non-Annex I Parties had been invited to serve as lead-off speakers during each round-table discussion. The President recalled that his aim was to ensure an atmosphere of constructive, open and interactive dialogue. The President also recalled that at the end of each round-table discussion, he would invite co-chairs to make a brief summary of their impressions of the discussions. After the round-table discussion in the final report of the Conference.

[to be completed]

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