



Distr. GENERAL

FCCC/AGBM/1997/8 19 November 1997

Original: ENGLISH

AD HOC GROUP ON THE BERLIN MANDATE

REPORT OF THE AD HOC GROUP ON THE BERLIN MANDATE ON THE WORK OF THE FIRST PART OF ITS EIGHTH SESSION, BONN, 22-31 OCTOBER 1997

CONTENTS

			Paragraphs	<u>Page</u>
I.	OPENING OF THE SESSION (Agenda item 1)		1 - 5	3
II.	ORGANIZATIONAL MATTERS (Agenda item 2)		6 - 13	4
	А.	Adoption of the agenda	6	4
	B.	Organization of the work of the session	7 - 11	4
	C.	Attendance	12	5
	D.	Documentation	13	6
III.	COMPLETION OF A PROTOCOL OR ANOTHER LEGAL INSTRUMENT			
	(Age	nda item 3)	14 - 20	6

GE.97-64956

		<u>Paragraph</u>	<u>Page</u>
IV.	REPORT TO THE THIRD SESSION OF THE CONFERENCE OF THE PARTIES AND RELATED MATTERS (Agenda item 4)	21 - 23	8
V.	REPORT ON THE SESSION (Agenda item 5)	24- 27	8
I.	List of documents before the Ad Hoc Group on the Berlin Mandate		10
н	at its eighth session		10

		П
II.	List of reports of the Ad Hoc Group on the Berlin Mandate finalized subsequent to the second session of the	
	Conference of the Parties	11

I. OPENING OF THE SESSION

(Agenda item 1)

1. The first part of the eighth session of the Ad Hoc Group on the Berlin Mandate (hereinafter referred to as "the AGBM") was held at the Beethovenhalle, Bonn, from 22 to 31 October 1997.

2. The Chairman of the AGBM, Ambassador Raúl Estrada-Oyuela (Argentina), opened the session on 22 October. He reminded delegations that only ten days remained for the AGBM to complete its work. All necessary analyses had been carried out and almost all proposals presented, although the AGBM was still awaiting a proposal from one key Party. What was needed now was a strong dose of political will to negotiate commitments. That political will, he observed, was not obvious everywhere. On the part of non-Annex I Parties, the Chairman noted that the President of Argentina, in a joint statement with the President of the United States of America, had declared Argentina's willingness to advance the process. Non-Annex I Parties had done a great deal in recent years to reduce subsidies, to adopt market policies and to reduce the rate of increase in emissions. Hence, he noted, it was not easy to understand statements which overlooked the real contributions made by developing countries. He concluded by stating that the aim of the session was, for all Parties, to go beyond their well-known positions. They had to find answers to the remaining differences.

3. The Executive Secretary endorsed the need for urgency, noting that the Kyoto deadline had begun to take effect. With the issue high on the agendas of national leaders, the international community could look forward to a result at Kyoto. No effort should be spared to ratchet that result up to the highest feasible level. Equity, however, should remain central to the Kyoto result. Climate change would weigh most heavily on the poor and vulnerable communities that were least able to adapt. He questioned whether, without deliberate measures to stimulate the transfer of climate-friendly technologies, such technologies would be available to developing countries. Such concerns added weight to arguments for developed country Parties to the Convention to take a decisive lead at Kyoto in abandoning "business-as-usual" and motivating economic actors to shift their activities to climate-friendly paths. A strong, clear and verifiable signal from Kyoto would be the best foundation for that global co-operative strategy without which the objective of the Convention would remain a mirage.

4. At the opening meeting, statements were made by representatives of 9 Parties, including one speaking on behalf of the Group of 77 and China, two speaking on behalf of the European Community and its member States, one speaking on behalf of the Alliance of Small Island States, and one speaking on behalf of the African Group.

5. At the same meeting statements were also made on behalf of one environmental and two business/industry non-governmental organizations (NGOs) and by an organization representing local governments.

II. ORGANIZATIONAL MATTERS

(Agenda item 2)

A. Adoption of the agenda

(Agenda item 2 (a))

6. At its 1st meeting, on 22 October, the AGBM considered the provisional agenda contained in document FCCC/AGBM/1997/6, and adopted the following agenda:

- 1. Opening of the session.
- 2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of the work of the session.
- 3. Completion of a protocol or another legal instrument.
- 4. Report to the third session of the Conference of the Parties and related matters.
- 5. Report on the session.

B. Organization of the work of the session

(Agenda item 2 (b))

7. At the 1st meeting of the AGBM, on 22 October, the Chairman recalled that services would be available for two parallel meetings, with interpretation, from 10 a.m. to 1 p.m. and from 3 p.m. to 6 p.m.

8. The Chairman emphasized that the aim of the session was to complete negotiations, based on his consolidated negotiating text (FCCC/AGBM/1997/7), in order to present a draft protocol or another legal instrument to the third session of the Conference of the Parties (COP 3). To that end, the AGBM agreed to the Chairman's proposal to convene informal consultations under agenda item 3, as follows:

(a) Quantified emission limitation and reduction objectives (QELROs), chaired by Mr. Luiz Gylvan Meira Filho (Brazil), and by Ambassador Bo Kjellén (Sweden);

(b) Policies and measures, chaired by Mr. Bakary Kante (Senegal);

(c) Continuing to advance the implementation of existing commitments in Article 4.1, chaired by Mr. Evans King (Trinidad and Tobago); and

(d) Elements related to institutions and mechanisms, chaired by Mr. Takao Shibata (Japan).

9. The Chairman proposed that the informal consultation groups should consider the articles of the consolidated negotiating text as follows:

(a) QELROs 1 (chaired by Mr. Meira Filho): Articles 3 (except as below), 4, 7, 10 and 11, Annexes B and C, and Attachment 1;

(b) QELROs 2 (chaired by Ambassador Kjellén): Articles 3.4, 3.13, 3.14, 5, 6, 8 and 9;

(c) Policies and measures: Article 2 and Annex A;

(d) Continuing to advance the implementation of existing commitments in Article 4.1 of the Convention: Articles 12 and 13; and

(e) Elements related to institutions and mechanisms: Preamble and Articles 1, and 14 to 26.

10. At the same meeting, the AGBM was informed that applications for observer status from three intergovernmental and 21 non-governmental organizations had been screened by the secretariat on the basis of the provisions of Article 7.6 of the Convention and in accordance with the procedures established by the COP for the admission of organizations (see document FCCC/SB/1997/INF.4). The AGBM agreed to admit these organizations as observers on a provisional basis, pending formal action on their accreditation by the COP at its third session.

11. At its 6th meeting, on 31 October, the AGBM agreed that, owing to the outstanding work remaining to be completed, it would not end its work on 31 October as planned. Instead it would suspend the eighth session and reconvene at the Kyoto International Conference Hall at 3.00 p.m. on 30 November, the afternoon before the commencement of the third session of the Conference of the Parties.

C. Attendance

12. The eighth session of the AGBM was attended by representatives of 127 Parties and by observers from six States not parties to the Convention. It was also attended by representatives of 8 United Nations offices and programmes, 7 specialized agencies, 5 intergovernmental organizations and 122 non-governmental organizations.¹

¹

For the full list of participants, see document FCCC/1997/INF.4.

D. Documentation

13. The documents before the AGBM at its eighth session are listed in annex I below.

III. COMPLETION OF A PROTOCOL OR ANOTHER LEGAL INSTRUMENT (Agenda item 3)

1. Proceedings

14. As agreed under agenda item 2 (b), a number of informal consultation groups were established to consider this agenda item (see para. 8 above). At its 2nd meeting, on 27 October, the AGBM took stock of the work of the informal consultation groups. Statements on the progress of the work of the groups were made by the Chairman of the informal consultation groups on QELROs 2 (speaking of the work of both informal consultation groups on QELROs), and the Chairmen of the informal consultation groups on policies and measures and on continuing to advance the implementation of existing commitments in Article 4.1. The Chairman of the AGBM delivered a report on the progress of the informal consultation group on elements related to institutions and mechanisms on behalf of the Chairman of that group.

15. Statements were made at this meeting by representatives of 7 Parties, including one speaking on behalf of the European Community and its member States and one speaking on behalf of the Alliance of Small Island States.

16. On 30 October, over the course of the 3rd, 4th and 5th meetings of the AGBM, the Chairmen of the informal consultation groups reported on progress made in their respective groups, which had met as follows:

- (a) QELROs 1: six times;
- (b) **QELROs 2:** five times;

(c) Continuing to advance the implementation of existing commitments in Article 4.1: four times;

- (d) Policies and measures: four times; and
- (e) Elements related to institutions and mechanisms: six times.

The AGBM held an exchange of views on the progress of the groups. At the 3rd meeting, statements were made on behalf of two business/industry NGOs, and an environmental NGO, in response to questions put to them by the Chairman.

2. Conclusions

17. At the 6th meeting of the AGBM, on 31 October, on the basis of proposals by the Chairman of the AGBM contained in documents FCCC/AGBM/1997/CRP.1/Rev.1 and Add.1, CRP.2, CRP.3 and CRP.4, the Group approved the texts therein for incorporation in the revised text under negotiation (see document FCCC/CP/1997/2). Statements were made by representatives of 24 Parties, including one speaking on behalf of the European Community and its member States, one speaking on behalf of the Group of 77 and China, and one speaking on behalf of the Alliance of Small Island States.

18. At its 6th meeting, on 31 October, the Chairman sought the advice of the Group in relation to a request from a Party that Parties listed in Annex I to the Convention provide information from national and international sources on the indicators to be listed in document FCCC/CP/1997/2, annex B, for the time frames indicated in the Berlin Mandate, as well as for the year 1995. Statements were made by representatives of nine Parties, and by the Executive Secretary. The AGBM approved the request and delegates at the AGBM agreed, given the timing of the request, to undertake to transmit the request to their governments, and to submit the information to the secretariat by 10 November 1997.

19. The Chairman of the AGBM had requested Mr. Antonio La Viña (Philippines) to chair an informal consultation on the treatment of sinks. At the 6th meeting, on 31 October, Mr. La Viña introduced a questionnaire to help clarify the main issues and to provide a common basis for the submission by Parties of comments relating to the treatment of sinks in the legal instrument. The AGBM requested interested Parties to submit comments to the secretariat by no later than 12 November 1997. The comments received from Parties would be compiled and issued as a miscellaneous document before the resumption of the eighth session of the AGBM. Subsequent to the session, it was decided that a further meeting of the informal group on the treatment of sinks will take place from 1.00 p.m. to 2.45 p.m. on 30 November at the Kyoto International Conference Hall.

20. At the same meeting the Chairman noted that the AGBM had thus far been working on texts which presumed that a protocol would result from the Group's work. However, proposals had also been received relating to an amendment to the Convention. He recalled that no decision had yet been made by the Group on whether to adopt a protocol or another legal instrument. The Chairman therefore undertook to prepare a draft text for an amendment to the Convention, based on the revised text under negotiation and taking into account the documents and proposals still on the table.

IV. REPORT TO THE THIRD SESSION OF THE CONFERENCE OF THE PARTIES AND RELATED MATTERS

(Agenda item 4)

21. At its 6th meeting, on 31 October, the AGBM agreed to transmit the revised text under negotiation (FCCC/CP/1997/2) to the Conference of the Parties at its third session. In so doing, the AGBM noted that the reports by the chairmen of the informal consultations conducted at the seventh session of the AGBM (FCCC/AGBM/1997/INF.1), the consolidated negotiating text by the Chairman (FCCC/AGBM/1997/7), the negotiating text by the Chairman (FCCC/AGBM/1997/3/Add.1 and Corr.1) and the original proposals from Parties contained in the relevant miscellaneous documents (FCCC/AGBM/1996/MISC.2 and Add.1-4 and FCCC/AGBM/1997/MISC.1 and Add.1-10) also remained on the table. The reports of the AGBM finalized subsequent to the second session of the Conference of the Parties (see annex II below) would also be before the Conference.

22. At the same meeting the Chairman observed that the protocol as drafted specified a number of issues for consideration at the first Meeting of the Parties. The AGBM took note of his intention to propose, in his oral report to the Conference of the Parties at its third session (see para. 23 below), that the Chairmen of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation make a joint proposal to the eighth sessions of those bodies on the allocation to them of preparatory work to enable the first session of the Meeting of the Parties after the entry into force of the protocol to accomplish the tasks assigned to it by the protocol.

23. Also at the 6th meeting, the Chairman of the AGBM undertook to make an oral report, on his own responsibility, to the Conference of the Parties at its third session. He noted that the report would cover procedural matters relating to the work of the Group, as well as certain matters of substance. Among the latter he expected to make reference to the preparatory work required for the first session of the Meeting of the Parties under the protocol as drafted, the methodologies to be used to estimate emissions by sources and removals by sinks as provided for in the new instrument, a proposal received from Brazil with the request that it be brought to the attention of the third session of the Conference of the Parties (see document FCCC/AGBM/1997/MISC.1/Add.3), the results of the work of the informal consultations on the treatment of sinks, and the matter of evolution as a point raised by some Parties but not considered fully by the Group.

V. REPORT ON THE SESSION (Agenda item 5)

24. At its 6th meeting, on 31 October, the AGBM approved the draft report on the work of its eighth session as contained in document FCCC/AGBM/1997/L.1. The Group requested the

Rapporteur, with the guidance of the Chairman and the assistance of the secretariat, to finalize the report on the first part of the eighth session.

25. Statements on the work of the session were made by representatives of nine Parties, including one speaking on behalf of the Group of 77 and China, one speaking on behalf of the European Community and its member States, one speaking on behalf of the African Group, and one speaking on behalf of the Alliance of Small Island States.

The Executive Secretary pointed out that flexibility was needed on the part of all Parties 26. to ensure success at Kyoto. He urged Parties to examine the texts adopted by the AGBM in terms of coherence, consistency and practicality. The secretariat would advise the Chairman on the texts in the light of those considerations, especially on institutional matters affecting the operations of the secretariat. He also noted that contributions to the core budget of the Convention had not yet been received from all Parties, including a number of Parties whose contributions made up a significant part of the budget. Insufficient contributions had been received to fund as planned the participation at COP 3 of delegates from all eligible Parties. That shortfall in resources was magnified by the decision of the AGBM to reconvene one day earlier than had been planned. He noted that the AGBM would resume its work in Kyoto with a minimum of formalities, in order to help the Group focus on matters of substance. All documentation produced by the Group so far would be available in English by 10 November, and in languages as soon thereafter as possible. He noted finally that, pursuant to the request of the Group of 77 and China, efforts would be made, within available resources, to offer interpretation facilities for their meetings.

27. The Chairman noted that he had introduced a draft protocol in which he had attempted to strike a balance between the differing positions held by Parties. Parties had, however, chosen to preserve and not to move beyond their negotiating positions. That meant that many important elements still remained unresolved by the Group, including agreement on the treatment of sinks, and differentiation. He pledged that, after evaluating the work of the session so far, he would continue to search for common ground and, doing all in his power to advance the process, would not hesitate to bring new ideas forward for consideration. After thanking all participants for their co-operation, and the secretariat, interpreters, and conference and documentation staff for their efforts, the Chairman declared the eighth session of the AGBM suspended until 30 November 1997.

<u>Annex I</u>

Documents before the Ad Hoc Group on the Berlin Mandate at its eighth session

Documents prepared for the session

FCCC/AGBM/1997/5	Report of the Ad Hoc Group on the Berlin Mandate on the work of its seventh session
FCCC/AGBM/1997/6	Provisional agenda and annotations
FCCC/AGBM/1997/7	Consolidated negotiating text by the Chairman
FCCC/AGBM/1997/INF.1	Reports by the chairmen of the informal consultations conducted at the seventh session of the Ad Hoc Group on the Berlin Mandate
FCCC/AGBM/1997/MISC.1/Add.6-10	Implementation of the Berlin Mandate: Additional proposals from Parties

Other documents for the session

FCCC/CP/1996/15 and Add.1	Report of the Conference of the Parties on its second session, held at Geneva from 8 to 19 July 1996
FCCC/AGBM/1996/MISC.2 and Add.1-4	Implementation of the Berlin Mandate: Proposals from Parties
FCCC/AGBM/1997/MISC.1	Implementation of the Berlin Mandate:
and Add.1-5	Proposals from Parties
FCCC/AGBM/1997/MISC.2	Implementation of the Berlin Mandate:
and Add.1-2	Comments from Parties

Annex II

List of reports of the Ad Hoc Group on the Berlin Mandate finalized subsequent to the second session of the Conference of the Parties

FCCC/AGBM/1996/8	Report of the Ad Hoc Group on the Berlin Mandate on the work of its fourth session
FCCC/AGBM/1996/11	Report of the Ad Hoc Group on the Berlin Mandate on the work of its fifth session
FCCC/AGBM/1997/3	Report of the Ad Hoc Group on the Berlin Mandate on the work of its sixth session
FCCC/AGBM/1997/5	Report of the Ad Hoc Group on the Berlin Mandate on the work of its seventh session

- - - - -