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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

SUBSIDIARY BODY FOR IMPLEMENTATION

Twenty-fourth session

Bonn, 18–25 May 2006

Agenda item 6

Financial mechanism (Kyoto Protocol): Adaptation Fund

Views on the Adaptation Fund

Statements by Parties on agenda item 6

1. Statements were made by the representatives of the Philippines on behalf of the Group of 77 and China, Austria on behalf of the European Community and its member States, Norway and Switzerland on item 6 on the agenda of the twenty-fourth session of the Subsidiary Body for Implementation.
2. In accordance with the procedure for miscellaneous documents, these statements are attached and reproduced* in the language in which they were made and without formal editing.

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* This statement was made in association with Bulgaria, Romania, The former Yugoslav Republic of Macedonia, and Bosnia and Herzegovina.

PAPER NO. 1: STATEMENT BY THE PHILIPPINES
ON BEHALF OF THE GROUP 77 AND CHINA

We would like to put this under record and to reflect this in the minutes of the sessions.

It is the understanding of the SBI meeting that the options mentioned in the paragraph 3 of the draft conclusions as contained in document no. FCCC/SBI/2006/L.18 refers to all the options listed in page 9, paragraph 14, of the annex to this document, as follows:

The Global Environment Facility
The Multilateral Fund of the Montreal Protocol
The United Nations Development Programme
The United Nations Environment Programme
The Executive Board of the clean development mechanism

PAPER NO. 2: STATEMENT BY AUSTRIA ON BEHALF OF
THE EUROPEAN COMMUNITY AND ITS MEMBER STATES

Mr. Chairman,

With the conclusions we have reached today, the SBI has effectively postponed the implementation of the AF. The EU is disappointed about the decision taken.

The EU's objective for SB24 was to start work on operationalizing the Adaptation Fund, through the GEF as the financial mechanism, to achieve the greatest possible effect in supporting developing countries to adapt to the adverse effects of climate change. The AF should be developed as a model of a fund based on an international levy and other sources to fund adaptation.

Following this objective, Mr. Chairman, the EU aimed at discussing the arrangements for managing the AF and to clarify aspects of its governance, scope, eligibility and operating principles.

Also, the EU wanted to demonstrate that the existing arrangements between UNFCCC and GEF are the most efficient.

The EU had hoped that, based on the submissions made by Parties and the useful workshop in Edmonton, Parties would have been able to make more progress here in Bonn in reaching agreement on the AF. The EU regrets that this was not possible.

Specifically, the EU feels we are not using our and the institutions' resources efficiently if we request information on how to operationalize the AF from institutions other than the GEF. We have obviously reiterated that the CDM Executive Board, for example, has expertise only in mitigation and is not well placed to host the AF and it is from the formal point of view not the right body to deal with Adaptation. The EU will disagree with any attempt to use Secretariat resources in this way.

Finally Mr. Chairman, the EU will work actively with other Parties to clarify questions about the AF between now and COPMOP2, in order to reach agreement at that time. The EU is looking forward to a constructive debate to make concrete progress in Nairobi, and to operationalize the Adaptation Fund as quickly as possible.

In light of the decision taken this morning on our working methods, which the EU wholeheartedly supports, I would also like to point out, that it is common practice in UN bodies to allow statements made on behalf of a group of Parties, to slightly have more time to speak.

I urge you to include this statement in the minutes.

As a last remark, on the remark of Philippines that this is the understanding of the whole SBI we can not support because the SBI would be all of us and we have some difficulties with this understanding.

PAPER NO. 3: STATEMENT BY NORWAY

We cannot accept that the G77 has spoken on behalf of the SBI.

PAPER NO. 4: STATEMENT BY SWITZERLAND

We support the statement made by the EU.

It is not our understanding that the SBI has the understanding as read by the Philippines.
