

**Report of**  
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**AOSIS Vice-President COP9 Bureau**  
**Ninth UN Framework Convention on Climate Change**  
**and Nineteenth Sessions of the Subsidiary Bodies of the UNFCCC**  
**1-12 December 2003**

**1. Introduction**

1.1 The Ninth Conference of the Parties (COP9) to the United Nations Framework Convention on Climate Change (UNFCCC) and the nineteenth sessions of the COP's Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) were held at the Fiera Milano in Milan, Italy, from 1 to 12 December 2004. Present were over 5,000 participants from Parties, Observers and the Media.

1.2 There was a notable decline in the number of AOSIS delegates as caused by the shortage of funding in the Secretariat. The situation is a serious concern, and was raised as urgently needing solution.

1.3 AOSIS delegations, nevertheless, maintained active participation in the Conference at the Ministerial roundtables and through contributions from respective delegations, and in leading consultations on several issues. AOSIS held morning caucuses everyday to coordinate their work. As in the past the AOSIS work in COP9 was appreciatively supported by assistance from delegations' own TA's, FIELD in London, SPREP, and CARICOM.

**2. General Overview**

2.1 As was expected COP9 was almost uneventful. Despite making progress in some areas, decision-making was slow characterized by the typical refusal of industrialised countries to implement commitments whilst demanding contributions from non-Annex I countries (major emitters), and the refusal of the latter (G77 & China) to accept additional obligations. Considering the seriousness of climate change issues, AOSIS took the approach it followed in COP8 to push for the moving forward of discussions particularly on the fulfillment of Annex I commitments, and leadership for future global commitments. The continuing stalemate between the two main sides influenced also by the OPEC stringent positions proved the task to be extremely difficult. This needs to be urgently addressed.

2.2 Whilst outcomes of specific agenda items are reported separately, several issues of particular importance need to be highlighted to the attention of AOSIS delegations: Kyoto Protocol, donors' approach, and AOSIS concerns in G77.

### **Kyoto Protocol**

2.3 The uncertainty over the entry into force of the Kyoto Protocol after Russia's failure to ratify before COP9 also dampened the spirits of many who had hoped COP9 would also be the first MOP for the Protocol. The release of media report that Russia was not ratifying during the height of COP9, reaffirmed the ongoing interplay of various political and economic forces to dissuade Russia from the Protocol. However, the Russian Representative clarified later that contrary to media reports, Russia had not changed its intentions to ratify the Kyoto Protocol explaining that the delay in ratifying the Protocol was more a matter of timing rather than of policy.

2.4 Notwithstanding, the majority of Parties at the Conference reiterated once again the strong call on Annex I countries like Russia and others who have not done so to urgently ratify the Protocol for its earliest entry into force.

**Comments:** *It is possible that Russian presidential elections in April might be the reason in the delay for Russia to ratify. But it is in AOSIS interests to seriously consider actions not only to persuade for Russia's earliest ratification perhaps by a combined mission or utilizing connections in UN and elsewhere, but also of seeking ways of re-engaging Australia and USA. AOSIS might also wish to take advantage of the ongoing review of the BPOA on SIDS to seriously consider options of addressing climate change beyond the Kyoto Protocol and current commitments including a process to encourage commitments from major industrialised developing countries to mitigation. This is in AOSIS interests.*

### **Reluctance on Funding**

2.5 The reluctance of major industrialized Parties to commit new and additional funding and resources was overtly evident, and indeed becoming an issue of serious concern. Throughout the negotiations Annex I Parties were adamant not only on mainstreaming climate change activities to national sustainable development and poverty reduction strategies of non-Annex I countries, but also on insisting that the climate change funds should only serve as basis to leverage resources from bilateral and multilateral. The adopted modalities for the Special Climate Change Fund and the LDCs Fund reflect this rather stringent and inconsiderate stance by Annex I Parties.

**Comments:** *Whilst the impact on resources of events around the world was appreciated, AOSIS pushed the view that this should not be taken as an excuse for Annex I Parties to ignore their commitments and responsibilities under the Convention (Art.4.2). AOSIS might wish to note that the language agreed both for the LDC and the Special Climate Change Funds in COP9 was a heavily compromised one following intense negotiations, and would need to be looked at carefully in implementation as more authority had now been invested in the GEF out of the Conference. AOSIS representations in GEF may wish to take note.*

### **Group of 77 and China**

2.6 The dominance of the G77 & China work in climate change by the OPEC countries was a cause of great concern to AOSIS. In nearly all issues, even when there was no agreed common position, there was an apparent attempt by OPEC countries to push their views as if of the G77&China, to the ignoring of positions of other groups such as the AOSIS. OPEC's possessive defense of 'costs of response measures' against 'adaptation to the adverse effects of climate change' (under Art 4.8 and 4.9) caused delays to progress and in some areas created difficulties in reaching substantive decisions. It also led to several G77/AOSIS clashes in plenary, and in consultations.

**Comments:** *A number of AOSIS delegations who are G77 members expressed great disappointment over the manner in which the AOSIS climate change concerns were treated in G77, and particularly of the dominance of the G77 by the concerns of one particular OPEC delegation. They asked that the matter be taken up formally in the AOSIS Plenary in New York with the view to taking it up to the G77. One delegation informed the group they were seeking considerations by their Government of withdrawing from the G77.*

### **Opening of the COP9**

2.7 In the absence of the COP8 President, Minister Baalu of India, I, as the AOSIS Vice-President in the Bureau, was elected to preside over the opening of the COP9.

### **AOSIS Representations in the COP Bodies**

2.8 Following consultations it was agreed that for COP9 the AOSIS would be represented in the COP bodies as follows:

- *COP9 Bureau*  
HE Mr Enele S Sopoaga second term (Tuvalu);
- *CDM Executive Board*  
HE Mr John Ashe (Antigua & Barbuda);  
Ms Desna Solofa (Samoa);
- *Expert Group on Technology Transfer*  
Mr Kishan Kumarsingh (Trinidad and Tobago)
- *LDCs Expert Group*  
Mr Lavasa Malua (Samoa)  
Mr Muhammed Ali (Maldives) (to be replaced by Mr Andrew Teem, Kiribati)

### ***Bureau Meetings***

2.8 The Bureau met several times during the course of the COP9 to monitor progress of the Conference and to update the appointment of Parties' representations in the COP bodies. Report on the Bureau meetings will be circulated separately.

(To be updated by Ian and Poni)

Parties took up and adopted decisions and conclusions on: the improved guidelines for non-Annex I national communications; several issues under the financial mechanism; "good practices" in policies and measures; research and systematic observation; cooperation with relevant international organizations; and methodological issues. Three ministerial high-level round table discussions were held on Wednesday and Thursday, 30-31 October, to discuss "Taking Stock," "Climate Change and Sustainable Development," and "Wrap Up." On the final day, Parties adopted the Delhi Declaration on Climate Change and Sustainable Development.

### 3. Key Issues for AOSIS in SBI/SBSTA and the COP:

3.1 A number of issues on the agendas of the SBI/SBSTA and the COP were of particular interest to the AOSIS. These included:

Implementation of UNFCCC Article 4.8 and 4.9

Sinks in the CDM

Cooperation with Relevant International Organizations:

Non-Annex I Communications

IPCC Third Assessment Report

Report of the Executive Board of the Clean Development Mechanism

Follow up to the World Summit on Sustainable Development

Delhi Declaration

3.2 Implementation of UNFCCC Article 4.8 and 4.9:

Parties discussed implementation issues under Article 4.8 and 4.9 (adverse effects), as well as the outcomes of a workshop on modelling held in Bonn in May 2002, and the terms of reference for workshops on insurance and risk assessment. Daniela Stoytcheva (Bulgaria) and myself were invited to Co-Chair informal discussions on this issue.

SBI Conclusions: The conclusions (FCCC/SBI/2002/L.17) note progress in the implementation of decision 5/CP.7; request the Secretariat to organize workshops on insurance; decide to consider the reports of the workshops at COP-9; and invite Parties to submit further views relating to progress in the implementation of decision 5/CP.7 by 15 April 2003.

Comment: AOSIS has played a significant role in developing the concept of insurance and we should continue to elaborate our views on this issue in an

authoritative manner. We should make all effort to ensure that AOSIS is represented and that sensible and suitable recommendations come out of this work. There are also clear linkages here to the preparations for Barbados plus 10. I will use my position as Vice-President to make sure that the FCCC Secretariat gives us adequate representation in this and other relevant workshops in the coming year.

### 3.3 Sinks in the CDM (Land Use, Land-use Change and Forestry (LULUCF) – Definitions and modalities for including afforestation and reforestation activities under Protocol Article 12 (CDM)

Parties addressed the item of LULUCF under the CDM in the SBSTA Plenary and in three meetings of a contact group, co-chaired by Thelma Krug (Brazil) and Karsten Sach (Germany). AOSIS presented viewpoints based on the submission prepared for the meeting.<sup>1</sup> This submission included viewpoints on definitions and modalities for applying non-permanence, additionality, leakage, uncertainties, socio-economic and environmental impacts. The G-77/China did not have a common viewpoint on this matter, however it would appear that the spokesperson on this issue (Brazil) holds very similar views to our own. We also have similar views to the EU, though there are some subtle differences.

SBSTA Conclusions: The conclusions (FCCC/SBSTA/2002/L.22), note, inter alia, an options paper on sinks under the CDM to be prepared by the Secretariat and a workshop to be held in February 2003. It is very important that we attend this workshop.

Comment: The detailed submission by AOSIS has placed us in a key position on this issue. We should continue to have a significant input into these discussions. We must ensure that all the sinks loopholes are properly addressed. The ongoing debate on how to account for harvested wood products is yet another example of some countries seeking to avoid actually taking action to reduce emissions. An enormous amount of energy goes into these procedural and technical debates, yet we must be present and make our voices heard.

### 3.4 Cooperation with Relevant International Organizations:

On Friday, 25 October, the Secretariat presented a scoping paper on cross-cutting thematic areas under the UNFCCC, the United Nations Convention to Combat Desertification (UNCCD) and Convention on Biodiversity (CBD). AOSIS was represented at these informal consultations and proposed text encouraging cooperation with the Ramsar Convention on Wetlands (based on a SBSTA 16 interest by Palau). This was opposed by Canada and Australia (it is unclear why).

SBSTA Conclusions and COP Draft Decision: SBSTA conclusions (FCCC/SBSTA/2002/L.18) note the terms of reference for a workshop. The draft

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<sup>1</sup> This submission did not appear as an official document until late in the meeting. A communication problem between UNDESA SIDs unit and the UNFCCC Secretariat appear to have occurred. This document has the designation UNFCCC/SBSTA/2002/MISC.22 add2

decision (FCCC/SBSTA2002/L.18/Add.1) requests SBSTA to enhance cooperation with subsidiary bodies of the UNCCD and CBD, and urges the Joint Liaison Group of the convention secretariats to enhance the coordination between the UNFCCC, UNCCD and CBD. The preamble to the decision notes the need for the Ramsar Convention to be invited to meetings of the Joint Liaison Group.

Comment: This is an important ongoing issue and we should work to elaborate modalities for creating more effective synergies between various multilateral environment agreements. We may wish to consider this in the context of the review of the Barbados Plan of Action.

### 3.5 Non-Annex I Communications: (Improvement of Guidelines for the Preparation of Non-Annex I National Communications):

On Wednesday, 23 October, the Secretariat introduced the proposed improved guidelines for non-Annex I national communications. Several LDCs highlighted their difficulties in developing national communications and called on the SBSTA to address financial support. AOSIS drew attention to possible negative implications of tying adaptation finance to the completion of national communications. AOSIS participated in the informal consultations on this issue in an attempt to get recognition of the fact that small island states and LDCs may have limited capacity to prepare second national communications based on the new guidelines. This point is recognised in the actual guidelines.

COP Conclusions: In the draft decision (FCCC/SBI/2002/L.26 and Add.1), Parties decide that:

non-Annex I Parties should use the guidelines contained in the annex for the preparation of second and, where appropriate, third national communications, except where Parties have initiated the process of preparing second national communications;

the guidelines should be used to provide guidance to an operating entity of the financial mechanism for funding the preparation of national communications; and COP-9 shall determine the frequency of submissions.

Comment: AOSIS needs to keep a close involvement of this issue, as it is apparent that some Annex I Parties see a link between the preparation on national communications and adaptation funding. We should work to ensure that these issues are considered separately.

Adaptation will require further in-depth consideration, since it is so very important to us. So-called “natural” disasters are also worsening, and we need to have the necessary preparations in place. The recent events in Solomon Islands also show that early warning systems are vital to the survival of islanders.

COP-8 did not leave us with the sense that there would be more assistance adaptation will be forthcoming. Instead it looks increasingly necessary to

continually make our case to the international community. For this reason we should be prepared to do our own projections and studies, and to seek the right technology, information and capacity training to undertake urgently needed adaptation strategies. We need to be careful that we are not buried in studies, reports and plans and fail to see actual adaptation projects on the ground. We need to have access to adequate and predictable sources of financial assistance so that there can be effective adaptation activities. As a possible way forward AOSIS may need to develop a “quick response adaptation initiative” so that we can access funding for adaptation projects for our most vulnerable circumstances.

### 3.6 IPCC Third Assessment Report (TAR)

AOSIS spoke in SBSTA plenary supporting the view that the IPCC TAR be used as a scientific reference point for all agenda items of SBSTA and the COP. This viewpoint was opposed by the US and G-77/China (spokesperson Saudi Arabia). The Chair of SBSTA did not hold a contact group on this matter, preferring to prepare his conclusions based on the plenary discussion.

**SBSTA Conclusions:** The conclusions (FCCC/SBSTA/2002/L.20) note that SBSTA considers the possible implications of the TAR for its work and would consider the TAR further at SBSTA-18.

**Comment:** This is an issue where AOSIS needs to be vigilant in its pursuit of the fact the IPCC TAR highlights the concern for small island states on the impacts of climate change. Wherever possible we should use the evidence in the TAR to substantiate our concerns. We should be prepared for SBSTA-18 to elaborate our views on this issue.

### 3.8. Report of the Executive Board of the Clean Development Mechanism

The Report on Guidance to the CDM Executive Board was presented to the COP Plenary on Friday, 25<sup>th</sup> October.

**COP Decision:** The decision (FCCC/2002/L.5 and Add.1) adopts, inter alia: the implementation of work plan tasks; financial and operational procedures; and the draft rules of procedure. The draft rules lay out the nomination, election and re-election of the board members and their alternates, meetings, and the role of the UNFCCC Secretariat.

**Comment:** The considerable workload that our esteemed AOSIS representatives of the CDM Executive Board are quite considerable. Once the Kyoto Protocol comes into force this workload will increase dramatically as projects and methodologies are submitted to the Executive Board for consideration. We should try and find means of helping out our colleagues in this regard.

### 3.9 Follow up to the World Summit on Sustainable Development:

In the opening COP Plenary on Wednesday, 23 October, UNFCCC Executive Secretary Joke Waller-Hunter reported on the outcomes of the World Summit on Sustainable Development (WSSD). She noted amongst other things the call to ratify the Kyoto Protocol and need for an increased share of renewable energy resource. AOSIS had informal consultations with representatives from the EU concerning a renewable energy initiative. I attended a lunchtime consultation with like-minded countries concerning a renewable energy initiative.

Outcome: The like-minded group discussed a renewable energy initiative. The Brazilian delegation indicated that they would facilitate a consultation on this initiative in Sao Paulo later in November. AOSIS was invited to this consultation and I attended a two-day meeting in Sao Paulo. We had a very preliminary exchange of views on the way forward.

Comment: Salvaging meaningful outcomes out of the WSSD and linking these to efforts under the UNFCCC will be a challenge. The renewable energy initiative is an important way forward. We should continue to participate in dialogues on this matter and I encourage all AOSIS members to come forward with ideas and initiatives that can be developed through this dialogue process. We are in a strategic position to steer renewable energy activities in our direction and we should not let this opportunity slip by.

### 3.10 Delhi Declaration:

The proposal to develop a declaration from the COP created considerable controversy. A number of countries which had ratified the Kyoto Protocol wanted to use the Declaration as a means of advancing dialogue on developing country commitments. A number of AOSIS members made intervention in this context.

Declaration Text: The Delhi Declaration on Climate Change and Sustainable Development (FCCC/CP/2002/L.6 Rev.1): recalls the UNFCCC ultimate objective; reaffirms development and poverty eradication as overriding priorities in developing countries; recognizes with concern the findings of the TAR and its ongoing consideration in the SBSTA; notes the need for both mitigation and adaptation measures; expresses concern at the vulnerability of developing countries, especially LDCs and small island developing States; and recognizes Africa as the region suffering most from the combined impacts of climate change and poverty.

The Declaration calls for Parties that have ratified the Protocol to urge others to ratify. It calls for policies and measures specific to each country's conditions, integration of climate change objectives into national sustainable development strategies, and implementation of UNFCCC commitments according to Parties' common but differentiated responsibilities, development priorities and circumstances. It stresses adaptation, the exchange of information, and consideration of developing country concerns arising from the adverse effects of climate change and implementation of response measures.



The Declaration further calls for development, dissemination and investment in innovative technologies, the strengthening of technology transfer, as well as improved energy access, diversification of energy supplies and an increase in the use of renewable energy. It also stresses the need for Annex I Parties to take the lead and further implement their commitments under the UNFCCC, including with regard to the provision of financial resources, technology transfer and capacity building.

Comment: As the Kyoto Protocol teeters on the brink of entering into force, a number of countries are now looking at means of broadening the commitments of countries. Most of the focus appears to be on how developing countries can take on binding commitments. Needless to say this is a very sensitive issue, particularly as the United States and Australia have indicated their lack of support for the Kyoto Protocol.

We have to bear in mind the principles of the Convention and the Protocol. Developed countries must do their share, and be prepared to do more. But AOSIS, and other developing countries must also be willing as parties to the Climate Change Convention to discuss the adequacy of Annex I commitments under Articles 4.2 (a) and (b) of the Convention. As we have stated before, there is clearly a Convention requirement that we do so. This must be driven by the most vulnerable, but should not lead to a fight with our fellow developing countries.

We know that we share the concerns of many developing countries about any attempt to transmit the primary responsibility for climate change mitigation efforts to developing countries. This is not how we wish to address the problem. We must reiterate that clearly industrialized countries have the primary responsibility for climate change mitigation, and should do more to take the lead and to demonstrate quality leadership on mitigation. There should be no abdication of responsibility.

AOSIS should have a careful discussion of what we would consider as viable targets for developing countries, and what form these should take. We should also establish a process for re-engaging the US and Australia into the Kyoto Protocol process.

#### 4. Climate Change in the UNGA

4.1 As in the past climate change was again a key issue item in the agenda of the 57<sup>th</sup> UN General Assembly in New York. The introduction of the item "Protection of Global Climate for Present and Future Generations" was made with presentations from the Executive Directors of the UNEP and UNFCCC respectively underscoring the seriousness of the adverse effects of climate change on the global environment.

Resolution A/RES/57/257: Negotiations on the resolution in the Second Committee of the General Assembly were difficult with delegations preferring to stick to procedural matters only including some of the Delhi Declaration elements. An issue of critical concern was the push especially by the USA against inclusion of funding for the Conferences of the Parties in the UN Budget and Work Programme. Only a procedural resolution was agreed and adopted.

Comment: As cited above, our Chairman spoke on behalf of AOSIS in plenary further underscoring the close linkage of climate change and sustainable development of small island developing States. These concerns were further defended in the resolution itself. However, it has to be noted that the resistance from certain developed countries, particularly the non-parties to the Kyoto Protocol, against mitigation and additional commitments to means of implementation was disappointingly prevalent. Major developing countries especially the OPEC were just as unsupportive of AOSIS climate change concerns.

This is a growing concern, and one on which the AOSIS should seriously give some thoughts on addressing in the future.

## 5. Conclusion:

Finally, let me reassure all AOSIS delegations that I will be sending regular reports on the work of the Bureau as well as any other relevant information that comes my way. It is through our AOSIS cooperation and solidarity that we can succeed, and I pledge to serve all of the Member States of AOSIS in this regard.

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