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Peering over the Ledge and Stepping Back (Again):

The Bonn Climate Change Conference May 2012

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Getting from What to How

There was a significant optimism at the outcomes of the 17th Conference of the Parties (COP 17) in Durban. Parties felt they finally had a coherent path forward for negotiations, keeping the Kyoto Protocol intact, and developing a long-term framework for all Parties to work together to address global climate change. While the Durban Platform did provide some clarity as to what Parties were striving to achieve in response to climate change, it was left to the Bonn spring negotiating session to determine the more procedural question of how.

Keeping in mind that the Parties are already in the fifth year of negotiating the two-year mandate of the Bali Action Plan (BAP), initializing the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) with a goal of reaching a resolution by 2015 is no small task. In Bonn, Parties took the first steps toward initializing the ADP and continued to strive for resolution on the BAP with a year-end deadline to do so.

This brief covers some of the key outcomes and implications going forward. Negotiators quickly became embroiled in political posturing and procedural arguments, threatening to negate the progress made in Durban. As in the past, however, after pushing the system to the brink, they pulled back again and came to a solution, allowing the ADP and the rest of the United Nations Framework Convention on Climate Change (UNFCCC) process to move forward.



Key Outcomes

- The ADP reached an agreement on who would chair the negotiating body over the next three years, after two weeks of tense negotiations. Discussion also took place on the agenda, with an agreement to expand the scope of negotiations beyond just enhancing mitigation.
- The Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) is determining what needs to be
 accomplished in order for its work to conclude this year. As part of the Durban agreement, the AWG-LCA will
 conclude its work at COP 18, but many Parties are unclear as to exactly what this means and what will become
 of unresolved issues.
 - Will unresolved issues be transferred to the ADP, to the permanent subsidiary bodies of the UNFCCC, to some other body—or will the AWG-LCA continue? In Bonn, there was no clear indication of which issues will be given priority, and what happens if issues remain unresolved at Doha.
- The Ad Hoc Working Group on Further Commitments for Annex I Parties Under the Kyoto Protocol (AWG-KP), negotiating the implementation of the second Kyoto commitment period (KP2), ended up spending a great deal of time discussing the length of the commitment period.
 - o The European Union (EU) and other Annex I Parties would like an eight-year period to coincide with Copenhagen pledges and the initiation of an ADP-based agreement.
 - Developing countries much prefer a five-year period to avoid "locking in" what they see as a low level of effort and to allow for increased ambition following the release of the next Intergovernmental Panel on Climate Change report.
- Overall, the session was rife with political overtones.
 - ° The argument over **who would chair the ADP** was heavily politicized. Some countries want long-term influence over the negotiating body, and differences of opinion within G-77/China, as well as between Annex I and non-Annex I, have become increasingly evident. An election of co-chairs was avoided, but only narrowly. Given the UNFCCC has a history of always having achieved consensus on key issues, an election of co-chairs would have been an unprecedented and undesirable outcome.
 - Obscussions on **financing** also became political. The EU expressed the idea of reaching its financing commitment through the **EU Emissions Trading Scheme (EU-ETS)** aviation compliance charges. The announcement that the EU's climate financing could be connected to the already contentious aviation issue further politicizes the financing discussions and could create pressure on Parties to comply. It could also potentially mean that some of these same countries (i.e., China and India) may be asked to contribute to the climate financing support they are seeking themselves.
- Rifts within the G-77/China negotiating bloc also became more evident. The split of the Alliance of Small Island States (AOSIS) and some least-developed countries from this group (and their partnership with the EU) in Durban was a catalyst for reaching the COP's final outcomes. In Bonn, G77/China expressed differences again as the Brazil, South Africa, India, China (BASIC) group grapples with the potential for increased mitigation responsibilities, while many developing country Parties push for enhanced mitigation from "all Parties." The fact that BASIC, AOSIS and the Africa Group (concerned its values are underrepresented) all have their "own" co-chair in the ADP is indicative of growing developing country division, in addition to traditional Annex I/Non-Annex I divisions.

- Canada's <u>presentation</u> of its mitigation plans in week one was the central highlight for the delegation. There was not the same degree of overt criticism for Canada at Bonn compared to some previous sessions. The detailed greenhouse gas sector regulation and financing focus of their presentation may have helped. Reduced criticism may also be because Parties have had time for the Kyoto withdrawal to sink in. There are still negative feelings about the move, but now that Japan and Russia have clearly expressed they are not participating in KP2 (although they are not withdrawing fully as Canada did), Canada is not unique in not participating in KP2. There is also a view by some negotiators that Canada plays a much smaller role than it once did. With a smaller profile and less active role, there is perhaps less attention drawn to Canada and therefore less criticism.
- Many observers expressed disappointment over how the session progressed, but anyone believing that there
 would be a wave of cooperation and concession on major issues after Durban would have been exceedingly
 optimistic given the experience of previous years and the posturing (particularly on the issue of common but
 differentiated responsibility) leading into Bonn. With that in mind, while the array of negative adjectives were
 apt descriptors, the terms "expected," "unsurprising" and "predictable" could just have easily been used.

While the spring session has traditionally been tense, negotiators have always seemed to find a last-minute solution, and did so again in Bonn. There is hope that the ADP, with its balanced co-chair representation and agreement on expanding the agenda, is a viable path for a long-term agreement among all Parties.

Looking Ahead

There are rumblings about what can be achieved at COP 18, and many have low expectations. The view among some Parties that the first year of the ADP is more about agenda and work-plan setting than negotiating substantive issues means substantive movement on the ADP could be difficult in Doha.

Despite low ADP expectations, the second commitment period of Kyoto is set to begin January 1, 2013, and the AWG-LCA is expected to finish its work in Doha—so there will be no shortage of fireworks at COP 18, as **both AWG bodies still have many key structural issues that are unresolved**. The fact that we still do not know what awaits at the end of the five-year journey of the BAP is also a bit disconcerting for the ADP and its three-year mandate.

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