

THE UNFCCC PROCESS: QUICK GUIDE FOR DELEGATES

2 November 2011

1. THE BASICS

In 1994, the United Nations Framework Convention on Climate Change (UNFCCC) entered into force. The international treaty set an overall framework for intergovernmental efforts to tackle the challenges posed by climate change. As of May 2011, UNFCCC has 195 parties.

The COP

The highest decision-making authority of the Convention is the Conference of the Parties (COP), which is made up of all countries that are Parties to the Convention. The COP is responsible for keeping efforts to address climate change on track and meets every year.

The Kyoto Protocol and the CMP

The Kyoto Protocol is an international agreement under the Convention that sets binding targets for 37 industrialized countries and the European Community for reducing greenhouse gas emissions. These amount to an average reduction of five per cent against 1990 levels over the five-year period 2008-2012. The major distinction between the Protocol and the Convention is that while the Convention encouraged industrialised countries to stabilise GHG emissions, the Protocol commits signatories from developed countries to do so. The Kyoto Protocol was adopted in Kyoto, Japan, on 11 December 1997 and entered into force on 16 February 2005. A total of 192 Parties of the Convention have ratified the Protocol to date—the exceptions being the USA, Afghanistan and Andorra). Detailed rules for the implementation of the Protocol were adopted at COP 7 in Marrakesh in 2001, and are called the "Marrakesh Accords."

The Parties to the Kyoto Protocol meet each year in conjunction with the COP through the COP serving as the meeting of the parties to the KP, known as the "CMP".

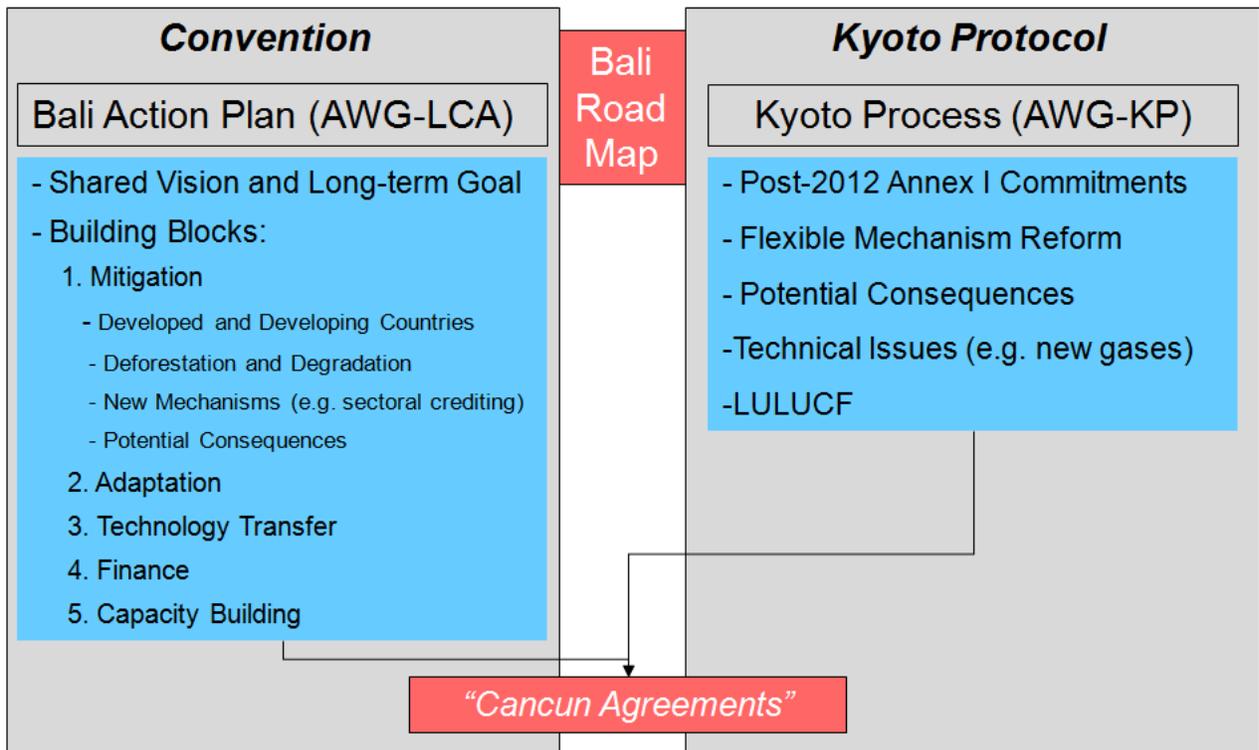
Main Negotiating Bodies

- The Subsidiary Body for Implementation (SBI): The SBI gives advice to the COP on all matters concerning the implementation of the Convention. A particularly important task in this respect is to examine the information in the national communications and emission inventories submitted by Parties in order to assess the Convention's overall effectiveness. The SBI reviews the financial assistance given to developing country Parties to help them implement their Convention commitments, and provides advice to the COP on guidance to the financial mechanism
- The Subsidiary Body for Science and Technological Advice (SBSTA): The SBSTA's tasks include promoting the development and transfer of environmentally-friendly technologies, conducting technical work to improve the guidelines for preparing national communications

and emission inventories, and carrying out methodological work in specific areas, such as the land use, land use change and sector, and adaptation and vulnerability.

- The Ad-hoc Working Groups on the Kyoto Protocol (AWG-KP) and Long-term Cooperative Action under the Convention (AWG-LCA) (See Figure 1): The first commitment period of the Kyoto Protocol ends in 2012, and so in 2005 the COP formed an Ad hoc Working Group (AWG-KP) to facilitate negotiations for further commitments. In addition, in 2007 the all parties to the Convention (not just those under the Kyoto Protocol) agreed to step up their actions to address climate change post-2012, and agreed the Bali Action Plan to guide them in negotiating their work. These wider discussions take place in a second group, the Ad hoc Working Group on Long-term Cooperative Action (AWG-LCA).

While distinct, the LCA and KP tracks are inter-linked in many ways. Together they form the “Bali Road Map”. Furthermore, a number of provisions of the Kyoto Protocol are also under discussion in the Bali Action Plan. For example, on mitigation, parties to the Kyoto Protocol are currently discussing the next round of commitments after 2012 in the Bali Action Plan discussions, when the first round of commitments will expire. The Cancun Agreements adopted at COP16/CMP6 extended the mandates of both the LCA and KP through to COP17/CMP7 in Durban.



2. COPENHAGEN AND CANCUN

In Copenhagen at COP15/CMP5, governments took note of the Copenhagen Accord—a document negotiated among many Parties at the highest political level. While this document was not adopted, governments spent much negotiating time in 2010 exploring how the political will from Copenhagen could be pinned down in firm decisions under the UNFCCC process in Cancun. The result of these negotiations was the Cancun Agreements—a set of three decisions adopted at COP16/CMP6 in December 2010. The Agreements are made up of:

- A comprehensive decision on all areas of the Bali Action Plan negotiated within the AWG-LCA (1/CP.16)
- A decision on the Kyoto Protocol deciding on a number of key details for the post-2012 period, such as base years and the role of the Clean Development Mechanism, but not deciding on the form or size of developed country targets post-2012 (1/CMP.6)
- A decision under the Kyoto Protocol track on accounting of Land Use, Land Use Change, and Forestry emissions in developed countries (2/CMP.6).

In taking these decisions in Cancun governments agreed to:

- establish clear objectives for reducing human-generated greenhouse gas emissions over time to keep the global average temperature rise below two degrees (Shared vision)
- encourage the participation of all countries in reducing these emissions, in accordance with each country's different responsibilities and capabilities to do so (Mitigation)
- ensure the international transparency of the actions which are taken by countries and ensure that global progress towards the long-term goal is reviewed in a timely way (Review)
- mobilize the development and transfer of clean technology to boost efforts to address climate change, getting it to the right place at the right time and for the best effect, including through a Technology Mechanism (Technology)
- mobilize and provide scaled-up funds in the short and long term to enable developing countries to take greater and effective action, including through the Green Climate Fund (Finance)
- assist the particularly vulnerable people in the world to adapt to the inevitable impacts of climate change through the Cancun Adaptation Framework (Adaptation)
- protect the world's forests, which are a major repository of carbon (REDD+ – reducing emissions from deforestation and forest degradation, including conservation)
- build up global capacity, especially in developing countries, to meet the overall challenge (capacity building)

- establish effective institutions and systems which will ensure these objectives are implemented successfully (capacity building).

3. THE ROAD TO DURBAN

The focus of negotiations in 2011 has been two-fold:

- Elaborate the details of Cancun Agreements, such as the Technology Mechanism, Standing Committee on Finance, and the Adaptation Committee
- Agree on the legal and political future of the Kyoto Protocol, and how mitigation actions from all countries can be captured in an agreed form.

There have been three sessions of the AWG-KP and AWG-LCA in 2011 (Bangkok, March 2011; Bonn, June 2011; Panama City, October 2011). In addition, the SBI and SBSTA met in Bonn in June 2011. These sessions have developed negotiating texts that will be considered in Durban. It is important to note that the various issues under negotiation are spread across the different negotiating groups. For example, the AWG-LCA forwarded a number of implementation issues to the SBI following Cancun. This means that the structure of the negotiations can alter during sessions.

In parallel to the main negotiations a Transitional Committee has been working to design the Green Climate Fund (GCF). This committee met for the final time in Cape Town in October 2011 and forwarded to the COP a draft governing instrument for the GCF for consideration and adoption.

At COP17 all four of the main negotiating bodies will meet over the two week conference. Issues across all areas of the negotiations will be considered and discussed, with the aim of presented a package of different decisions to the COP and CMP for adoption at the end of the conference. Key issues within these discussions will be the future of the Kyoto Protocol after 2012 (when its first commitment period expires) and the operationalisation of the different parts of the Cancun Agreements, particularly the review of developing country mitigation actions and the provision of long-term finance through Green Climate Fund.

4. OTHER BODIES AND STRUCTURES

While the focus of the UNFCCC process is the main negotiating bodies there are a number of other groups under the umbrella of the COP or the CMP that operate on particular issues related to implementation of existing mechanisms or as advisory bodies.

- **Technology Executive Committee:** The Technology Executive Committee (TEC) is the policy arm of the Technology Mechanism.
- **Least Developed Countries Expert Group:** The COP established a least developed countries expert group (LEG), to be nominated by Parties, with the objective of supporting the preparation and implementation strategy of national adaptation programmes of action (NAPAs).

- **Consultative Group of Experts** on National Communications from Parties not included in Annex I to the Convention (CGE): The COP established the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) with the objective of improving the process of preparation of national communications from non-Annex I Parties.
- **Executive Board** of the Clean Development Mechanism: supervises the Kyoto Protocol's Clean Development Mechanism under the authority and guidance of the CMP. The CDM-EB is the ultimate point of contact for CDM Project Participants for the registration of projects and the issuance of Certified Emissions Reductions.
- **Joint Implementation Supervisory Committee**: The Joint Implementation Supervisory Committee (JISC), under the authority and guidance of the CMP, supervises the verification procedure for submitted projects to confirm that the ensuing reductions of emissions by sources or enhancements of anthropogenic removals by sinks meet the relevant requirements of Article 6 and the JI these guidelines.
- **Compliance Committee**: The Compliance Committee aims to provide advice and assistance to Parties in order to promote compliance and determine consequences for Parties not meeting their commitments.
- **Adaptation Fund Board**: The Adaptation Fund is supervised and managed by the Adaptation Fund Board (AFB). The Adaptation Fund was established to finance concrete adaptation projects and programmes in developing country parties that are particularly vulnerable to the adverse effects of climate change. The Fund is filled by a 2% levy on CDM transactions.

5. THE FINANCIAL MECHANISM OF THE CONVENTION

The Convention's financial mechanism is intended to provide finance to developing countries to implement their commitments under the UNFCCC. There are currently a number of operating entities of the Financial Mechanism:

- The **GEF**: COP 2 adopted a memorandum of understanding with the GEF on their respective roles and responsibilities. In 1998, COP 4 entrusted the GEF with this role on an on-going basis, subject to review every four years. The GEF also hosts and manages the **LDCF and SCCF**—two special funds under the Convention.
- The **Adaptation Fund (AF)** under the Kyoto Protocol manages resources raised by a levy on the CDM (2% on CERs), as well as contributions from other sources.
- The **Green Climate Fund (GCF)**: at COP16 parties agreed to establish a new dedicated, independent multilateral fund for climate change to be designed in 2011. The adoption of the design provisions of the GCF is a key part of the negotiations at COP17 in Durban.

6. COUNTRY GROUPINGS AND OBSERVERS

The Convention divides countries into two main groups: those that are listed in its Annex I, known as Annex I Parties (41 industrialized countries who have historically contributed the most to climate change), and those that are not, known as non-Annex I Parties (largely developing countries). Some

Annex I Parties are also listed in the Convention's Annex II, and are known as Annex II Parties (largely developed countries).

Based on the tradition of the UN, Parties are organized into five regional groups, mainly for the purposes of electing members for different bodies, namely:

- Africa
- Asia
- Central and Eastern Europe
- Latin America and the Caribbean states
- Western Europe and Others Group (the "Others" include Australia, Canada, Iceland, New Zealand, Norway, Switzerland and the US, but not Japan, which is in the Asian Group).

The five regional groups, however, are not usually used to present the substantive interests of Parties and several other groupings are more important to the climate negotiations:

- Developing countries generally work through the ***Group of 77 and China*** to establish common negotiating positions. However, because the G-77 and China is a diverse group with differing interests some subgroups or individual countries also intervene in debates, as do groups within the G-77, such as the African UN regional Group, the Alliance of Small Island States and the group of Least Developed Countries.
- The 27 members of the ***European Union*** meet separately to agree on common positions for the negotiations. The country that holds the EU Presidency - a position that rotates every six months - then speaks for the EU and its 27 member states.
- The ***Umbrella Group*** is a loose coalition of non-EU developed countries, which formed following the adoption of the Kyoto Protocol. Although there is no formal list, the Group is usually made up of Australia, Canada, Iceland, Japan, Kazakhstan, New Zealand, Norway, the Russian Federation, Ukraine and the US.
- The ***Environmental Integrity Group*** (EIG) is a coalition, comprising Mexico, the Republic of Korea and Switzerland.

Several categories of observer organizations also attend sessions of the COP and its subsidiary bodies (however not the informal and some of the contact negotiating groups). These include representatives of United Nations secretariat units and bodies, such as UNDP, UNEP and UNCTAD, as well as its specialized agencies and related organizations, such as the GEF and WMO. Observer organizations also include intergovernmental organizations (IGOs), such as the OECD and its International Energy Agency (IEA), along with non-governmental organizations (NGOs).