



Summary of UNFCCC Negotiations Bonn, Germany, 6-17 June 2011

The first full negotiating session under the United Nations Framework Convention on Climate Change (UNFCCC) since the adoption of the Cancun Agreements last December took place earlier this month. The four main negotiating bodies were convened, including the Ad Hoc Working Group on the Kyoto Protocol (AWG-KP) and the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA), as well as the two permanent Subsidiary Bodies of UNFCCC – the Subsidiary Body on Implementation (SBI) and the Subsidiary Body for Technical and Scientific Advice (SBSTA). Informal workshops were held addressing observer participation, research, and mitigation in developed and developing countries. Over 3,500 participants came to Bonn, representing governments, intergovernmental and non-governmental organizations, academia, the private sector and the media.

This report provides a summary and analysis of the UNFCCC Bonn session. It reviews the main political issues and assesses the status of negotiations. A more detailed series of tables are presented in Annex 1 around the following themes:

- Mitigation for Developed Countries
- Mitigation for Developing Countries
- Adaptation
- Technology Development and Transfer
- Reducing Emissions from Deforestation & Forest Degradation (REDD)
- Capacity Building
- Finance
- Green Climate Fund
- Other issues under SBI
- Others issues under SBSTA
- Loss and Damage

Rebuilding Momentum

After little progress in the April Bangkok session, many parties were anxious to move forward in June. The hard-fought battle over the AWG agendas in Bangkok allowed the AWG-LCA and the AWG-KP to move into smaller negotiating groups quickly in Bonn. The Subsidiary Bodies, however, which were meeting for the first time since Cancun, repeated the experience of the AWGs in Bangkok and stalled for much of the first week over their respective agendas. Parties disagreed on agenda items passed to the Subsidiary Bodies from the Cancun Agreements (e.g., monitoring, reporting and verification (MRV)), as well as new items proposed by parties since the Bangkok negotiations, notably the impacts of climate change on water and agriculture. The impact of response measures also was debated, with parties agreeing to hold an SBI/SBSTA joint forum on the topic.¹

¹ Response measures are concerned with the economic impacts in developing countries as a result of mitigation actions undertaken in developed countries, especially with respect to fossil fuel demand. OPEC countries have argued that global GHG emission reductions will lead to a drop in demand for fossil fuels, and thus a decline in OPEC GDP, for which they demand compensation.

Fruitful, but Slow Discussions

Despite setbacks over adoption of agendas, parties managed to work well in all four negotiating bodies. They were able to focus in on some of the operational and institutional arrangements of the mechanisms established in Cancun and indicate how they thought these elements might come together at COP 17/CMP 7 in Durban.

There was progress on adaptation and technology. Adaptation discussions centred on the governance, composition, and role of the Adaptation Committee. Parties discussed how the committee, which will promote the implementation of enhanced action on adaptation in a coherent manner, will perform its functions and how it will link to other adaptation initiatives such as the Nairobi Work Programme. In technology, parties further discussed how the Technology Mechanism will facilitate the implementation of actions on for technology development and transfer. Parties worked toward defining the centre and network to support the goals of the mechanism and engage stakeholders.

On mitigation by developing country parties, parties discussed the establishment of a registry for nationally-appropriate mitigation actions (NAMAs). The registry will record actions submitted by countries and facilitate matching of finance, technology and capacity building to support these actions. On mitigation by developed country parties, parties discussed the need for more ambitious commitments by developed countries and how these commitments will be accounted and reviewed. In the REDD discussions, parties addressed financing options for the implementation of REDD+ activities.

On finance, parties held discussions on the Standing Committee that was established in the Cancun Agreement to keep a broad overview of climate change financial flows and improve coherence and coordination of climate finance. Parties debated whether it should provide advisory or oversight functions. Further, parties continue to keep a close watch on the developments on the design of the Green Climate Fund taking place in the Transitional Committee meetings.

The Road to Durban Passes through Kyoto

With Durban quickly approaching, parties expressed the need to clarify what the package of decisions should contain for COP 17/CMP 7. Many developing countries called for Durban to solidify a 2nd commitment period of the Kyoto Protocol, while many developed country parties argued that any progress on the Kyoto Protocol must be matched by progress toward a framework that includes mitigation actions by all major emitters. It is clear that this issue will continue to be at the centre of the discussions up to, and in, Durban.

Japan, Russia, and Canada reiterated that they would not sign up to a 2nd commitment period of the Kyoto Protocol. Other developed countries stated that they would like further clarity on the technical rules of a 2nd commitment period before signing on. This was challenged by developing countries who maintain that developed countries should express a political commitment for a 2nd commitment period before establishing the technical rules. Some developing countries also suggested that any developed country that stated that they would not join the 2nd commitment period should not be a part of the discussions on the future of Kyoto (i.e., Japan, Russia, Canada, and the US).

With the 1st commitment period of the Kyoto Protocol set to expire at the end of 2012, many parties expressed concern about a potential gap between the first and second commitment periods. A number of market mechanisms, as well as the Adaptation Fund, operate under the Kyoto Protocol and parties

voiced the need to provide a stable foundation for them. No conclusion was reached on the most effective ways to address the gap, but it is clear that options must be put on the table by Durban.

Pressure will continue to increase on this issue. And, with four negotiating tracks operating at once, overlaps and linkages are beginning to emerge. For example, commitments by Annex I parties under the Kyoto Protocol are linked by many countries to the actions undertaken by developing countries under the Convention. However, many technical and implementation issues that will frame those commitments and actions – including GHG reporting and MRV – are being discussed within the Subsidiary Bodies. It will be critical for parties to identify and address these issues so discussions across all four tracks can come together for a balanced package in Durban.

Upcoming meetings

In Bonn, the government of South Africa held their first consultation with parties on their expectations for the package of decisions to be adopted in Durban. These discussions will continue throughout the remainder of this year alongside meetings of the Transitional Committee of the Green Climate Fund and UNFCCC sessions. Planned meetings include:

- 2-4 July: Ministerial meeting in Berlin, Germany, hosted by South Africa and Germany. The meeting will bring together government representatives at the ministerial level to discuss high-level political issues related to the negotiations.
- 13 - 14 July: 3rd meeting of the Green Climate Fund Transitional Committee, in Tokyo, Japan
- 25-26 July: Meeting of negotiators in Auckland, New Zealand, hosted by South Africa and New Zealand
- 5-9 September: Ministerial meeting (TBC), with meeting of negotiators and stakeholders. Hosted by South Africa.
- 26 Sep-7 October: UNFCCC negotiating session (location TBC – Bangkok or Panama)
- 23-26 November: Pre-COP ministerial meeting and meeting with negotiators and stakeholders
- 28 November - 9 December: COP 17/CMP 7 in Durban, South Africa

UNDP in Bonn

UNDP was both active and visible in Bonn, hosting events, undertaking outreach activities via the UNDP booth, and conducting bilateral meetings. Member of the delegation participated as panellists in over 15 side events, including the Nairobi Work Programme, UN-REDD, Africa Adaptation Programme, Gender and Climate Change, and NEEDS. For a detailed description of the events, please see Annex 2.

UNDP's official UNFCCC event, *Low-Emissions, Climate-Resilient Development in Eastern Europe and Economies in Transition*, was held on 9 June. It brought together representatives from Kazakhstan and Moldova, as well as representatives from UNDP's Boots on the Ground Programme and the Special Unit for South-South Cooperation. Participants discussed their experiences with low-emission development strategies and technology transfer, and shared practical lessons learned and the support available to countries.

UNDP publications featured prominently at the UNDP booth, as well as at side events. Documents on climate finance, investment & financial flows, low-emission, climate-resilient development, vulnerability analyses, gender, REDD, and other topics were distributed. Copies of "Himalayan Meltdown," a documentary on glaciers in the Himalayas, were also in high demand.

Annex 1: Issue-by-Issue Analysis

Mitigation for Developed Countries

Ambitious mitigation action and financing from developed countries is the cornerstone of international climate change action, as illustrated by the commitment period and targets for GHG reductions within the Kyoto Protocol. However, the Protocol's targets expire in 2012, and, moreover, the US—the world's second largest emitter—is not a party to the treaty. Some developed country parties to the Kyoto Protocol - Japan, Russia and Canada – have stated that they will not join a 2nd commitment period while others – Australia and New Zealand – see a 2nd commitment period as a transition toward a global treaty. Questions over how to include the US in a binding agreement, as well major emerging economies, continue to be debated.

Areas of Agreement	<ul style="list-style-type: none"> • Greater ambition is needed from countries in order to limit global temperature increase • Developed countries will provide information on mitigation commitments and the provision of financial, technical and capacity building support to developing countries in enhanced National Communications • Developed countries will provide updates on progress in achieving reductions in biennial reports • A process of International Assessment and Review (IAR) will be established to examine emissions and removals by developed countries
Remaining Disagreement	<ul style="list-style-type: none"> • The scale and form of developed country commitments (% reductions, baseline years) • The role of the offset mechanisms and Land Use, Land-Use Change and Forestry (LULUCF) towards commitments • Guidelines for enhanced National Communications and biennial reporting • IAR process and guidelines • Compliance mechanisms
Implications for Development	Developed country mitigation must be the driving force behind a global climate regime, creating a market for carbon credits and promoting development of low-carbon technologies. Clear and binding ambition from developed countries is essential to addressing climate change.
UNDP Response	UNDP sees a need for greater ambition from developed countries to avoid a threat to international development from climate change.

Mitigation for Developing Countries

<p>Areas of Agreement</p>	<ul style="list-style-type: none"> • Developing countries will develop low emission development strategies that include Nationally-Appropriate Mitigation Actions (NAMAs) • Developed countries will provide financing, capacity building and technology for <i>some</i> NAMAs, although the means for which is unclear • Supported NAMAs will be internationally recorded in a NAMA registry, and their implementation monitored, reviewed, and verified (MRV) • Unsupported NAMAs will be subject to domestic MRV and reported through new, enhanced National Communications every four years. In addition, developing countries are required to submit biennial reports that include greenhouse gas inventories information on mitigation actions, needs and support received • A process of International Consultation and Analysis (ICA) will be developed for biennial reports • LDCs and SIDS will be exempt from undertaking <i>unsupported</i> NAMAs
<p>Remaining Disagreement</p>	<ul style="list-style-type: none"> • The specific definition, content, and requirements for NAMAs • The functions and structure of the NAMA registry • Scope and content of enhanced National Communications, • Content of biennial reporting: should reports only include unsupported NAMAs? • Facilitation of support for NAMAs • Guidelines for MRV for supported NAMAs • Process and guidelines for ICA – should it have both technical and public consultation components?
<p>Implications for Development</p>	<ul style="list-style-type: none"> • The main sources of global emissions are all closely linked to the MDGs (29% electricity and heat; 14% agriculture, 12% land use change and forestry) • Reducing emissions should be undertaken in the context of national priorities for poverty reduction and the MDGs. NAMAs must be developed in a way that effectively capture and follow these priorities. • NAMAs will require informed investment choices, national policies, and regulatory systems
<p>UNDP Response</p>	<p>UNDP has a central role to play in:</p> <ol style="list-style-type: none"> 1. supporting countries to develop LECRDS and NAMAs 2. supporting the development of necessary policy and regulatory frameworks around LECRDS 3. supporting governments in the coordination of finance for LECRDS through national climate change trust fund management, drawing on UNDP's experience in managing MDTFs (existing example in Cambodia) 4. supporting the MRV of NAMAs at the national level, including through GHG inventories and engaging the private sector in reporting information 5. over the past 13 years, UNDP has supported over 100 countries in developing National Communications, and in building capacities to conduct national greenhouse gas inventories and vulnerability assessments.

Adaptation

<p>Areas of Agreement</p>	<ul style="list-style-type: none"> • Adaptation Framework that includes support to adaptation planning, programmes and projects, vulnerability assessments, strengthening institutional capacities, disaster risk reduction, and knowledge and information • Adaptation Committee to promote the implementation of enhanced action on adaptation in a coherent manner • National Adaptation Plans (NAPs) for least developed countries and other developing countries to identify medium and long-term adaptation needs and implementing strategies to address those needs.² • Established regional centres and networks, as well as an international centre • Linkages to funding mechanisms of the UNFCCC, including the Green Climate Fund
<p>Remaining Disagreement</p>	<ul style="list-style-type: none"> • Composition, modalities and procedures for the Adaptation Committee, including linkages to other institutions, NAPs, and the Green Climate Fund • Key question remains on vulnerability – how to define which countries are the most vulnerable? • Mechanisms and institutional arrangements of the Adaptation Framework • NAP methodology – parties will organize an expert meeting on process of LDCs to develop and implement NAPs and on level of support for both developing countries and LDCs. (Submissions are invited by 15 August on the process and guidelines.) • Work programme for loss and damage
<p>Implications for development</p>	<ul style="list-style-type: none"> • Without effective adaptation, climate change threatens to undo decades of development. It is therefore critical to “climate proof” development assistance and strengthen the capacity of national institutions to incorporate adaptive capacity and building resilience into development and budget planning in an iterative manner • With smart planning, adaptation now offers an opportunity to improve climate resilience through MDG achievement and poverty reduction.
<p>UNDP response (in principle and at the current stage)</p>	<ul style="list-style-type: none"> • UNDP can use its extensive adaptation portfolio to demonstrate its role as a key player in the area of cross-sectoral, multi-stakeholder and institutional partnerships for climate resilient development. • UNDP can support countries building capacity for accessing adaptation finance, including through national implementing agencies under direct access provisions in the Adaptation Fund • UNDP can use its own network of country offices and regional service centres to support and foster South-South linkages in a future adaptation network, with HQ able to support knowledge management. • UNDP could use its expertise to facilitate lessons learned and South-South and cross-regional knowledge sharing. • <i>Examples and Resources:</i> Adaptation Learning Mechanism, the Africa Adaptation Programme, and Community-based Adaptation

² NAPs are considered separate from National Adaptation Programmes of Action (NAPAs). While NAPs focus on medium and long-term adaptation needs, NAPAs focus on urgent and immediate adaptation actions.

Technology Development and Transfer

<p>Areas of Agreement</p>	<ul style="list-style-type: none"> • Establishment of a Technology Mechanism under the Convention. The mechanism will have three components: a Technology Executive Committee (TEC); a Climate Technology Centre and a Climate Technology Network (CTCN). • In 2011, the CTCN will be designed, as well as the criteria for selecting the host of the CTCN. • There is broad agreement that the host of the CTCN will be an existing institution. Parties agreed that there should be a sense of urgency to undertake requests for proposals for the CTCN. • As yet, no organizations are making specific bids to act as host to the CTCN, however several organizations, including UNDP, were approached by the Chair of the Technology Group to discuss possible hosting roles.
<p>Remaining Disagreement</p>	<ul style="list-style-type: none"> • The selection process and criteria for choosing a host for the CTCN, including criteria for selection and the role of the subsidiary body in the section. • The functions the functions of the center and network (from the Cancun Agreements) and governance structure of the technology mechanism and the link to the Green Climate Fund. • Many parties support a small, efficient and flexible host institution. Some countries also preferred an option that does not involve creating a new governing body, but in which the CTCN has a Director-General and a small team housed within an existing UN organization, with strategic guidance provided by the TEC. • The relationship to the financing mechanism of the UNFCCC. • Whether the CTCN will be thematic or international or regional. • The timeline the Chair has set out solicits proposals from interested parties by Durban. The analysis of the proposals would take place in March of next year, and the final decision in June. This is considered overly ambitious by some parties as the RFP still needs to be agreed.
<p>UNDP response (in principle and at the current stage)</p>	<ul style="list-style-type: none"> • UNDP has been approached to express interest in hosting the CTCN, however Parties and the Chair do not want to see UN agencies presenting competing bids, therefore coordination with UNEP, and others, on this issue will be key. • UNDP has been asked to provide insights and content when possible, in particular on: costs of hosting / undertaking similar initiatives e.g. Montreal Protocol, inputs on functions, case studies, inputs on possible financing channels e.g. the GEF etc. • Some developing countries proposing that national focal points coordinate tech related activities (e.g. South Africa), but others feel this is problematic. • The Technology Needs Assessment (TNAs) will continue to be relevant for developing countries, especially in Africa, so the next steps on this are regional workshops, UNDP to enhance the tools, GEF to continue funding TNA work and there may be more opportunities to link TNAs to LEDS work more generally.

REDD in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+)

<p>Areas of Agreement</p>	<ul style="list-style-type: none"> • Parties reached consensus on REDD+ as part of the Cancun Agreements, pledging to work toward defining the scope, elements, approach, scale and safeguards for REDD+, as well as the need to further define financing options and remaining methodological issues. • By COP 17, parties under the LCA are requested to explore financing options for the full implementation of REDD+ results-based actions. Parties agreed that public financing should play a greater role in the readiness phase, but that a basket of alternative financing options should be considered for the third phase. • By COP 17, parties under the SBSTA are requested to develop modalities relating to reference levels and forest monitoring systems; develop guidance relating to safeguards; and develop modalities for MRV anthropogenic forest-related emissions by sources and removals by sinks, forest carbon stocks and forest area changes resulting from the implementation of REDD + activities. • Parties agreed to work on definitions of forests, reference levels, and monitoring
<p>Remaining Disagreement</p>	<ul style="list-style-type: none"> • Role of the carbon markets on financing for REDD+ • Scope of REDD+ • Some argue that REDD+ is progressing too fast compared to other areas in the UNFCCC. Others state that REDD+ must keep urgently progressing • Developing countries will not want too detailed guidelines from SBSTA and stringent reporting requirements and this will be opposed by developed countries
<p>Implications for development</p>	<ul style="list-style-type: none"> • The critical link between forestry and livelihoods makes REDD+ a major opportunity to support development and poverty reduction efforts. • Financing available for REDD+ offers an opportunity for those who depend on forests to build more sustainable livelihoods. • For forested developing countries, REDD+ offers the primary opportunity to benefit from climate mitigation financing and catalyse the transformation toward low-emission, climate-resilient development.
<p>UNDP response</p>	<ul style="list-style-type: none"> • UNDP is a neutral and supportive partner, with technical expertise for developing guidance on safeguards, including governance, stakeholder consultation and Free and Prior Informed Consent (FPIC). • Neutral position regarding carbon markets, but acknowledging the importance of having sufficient and predictable funding for REDD+ • As part of the UN-REDD Programme, UNDP has lessons learnt on REDD+ readiness • Multilateral organizations providing REDD+ finance support to countries may be required to demonstrate their own competence (i.e. apply) of safeguards. UNDP has developed social and environmental standards that have recently been recognized as being “substantially equivalent” to the World Bank’s safeguards. This “common approach” on social and environmental standards could have application to UNDP’s broader work on climate finance.

Capacity Building

Capacity building is a cross cutting issue that is essential to ensuring effective mitigation and adaptation. Within the negotiations, there is a disagreement among parties over whether there should be a specific source of funding and technical support or instead whether this issue should be mainstreamed in all other areas. It is critical that capacity building is effectively represented in a post-2012 climate regime and that sufficient funding is allocated to this area.

Areas of Agreement	<ul style="list-style-type: none"> ● Capacity building is a necessary element to any climate change agreement ● Capacity building must be supported with technical and financial assistance ● Reporting mechanisms for capacity building should be effective and not increase the burden on developing countries
Remaining Disagreement	<ul style="list-style-type: none"> ● Whether to create a capacity building institution/expert group that provides coordination, as well as monitoring and reporting on capacity building activities ● The use of performance indicators (and/or potentially reporting through the National Communications) for the review of capacity building in developing countries ● The modalities for financial support for capacity building activities – whether one window/fund should provide support or whether capacity building should be mainstreamed into mitigation, adaptation windows/funds, etc. ● The role of the private sector in capacity building ● Modalities for monitoring and review
Implications for Development	<ul style="list-style-type: none"> ● It is clear that an immense gap exists between the ambitions being discussed in the negotiating text and the actual capacity of countries to implement and access resources to finance actions to fight climate change and promote development. Capacity development is critical to ensure that developing countries—especially the most vulnerable—can make informed investment and technological decisions with respect to climate change.
UNDP Response	<ul style="list-style-type: none"> ● Regardless of the form of institutional arrangements decided in the negotiations, UNDP must show itself as <i>the</i> organisation in this work area. ● UNDP can provide technical and secretariat services to a potential capacity building institution/expert group ● UNDP’s national presence is a major vehicle for capacity building—especially through national trust funds. It is critical that this role is articulated to governments ● UNDP developed a publication on indicators for capacity building and hosted a side event in August 2010. This work has helped parties to have a deeper understanding for how capacity building can be measured. The work was praised by UNFCCC and parties.

Finance

Finance is a cross-cutting issue within the climate change negotiations and covers a number of different elements. Following adoption of the Cancun Agreements, governments are designing the Standing Committee on finance under the Convention. In parallel—and outside the formal negotiations—a Transitional Committee is designing the Green Climate Fund. There are also long-running finance issues within the negotiations, including working on financial needs assessments in developing countries, fast start finance, and long-term finance.

Areas of Agreement	<ul style="list-style-type: none"> • There was agreement that international organisations should continue to support assessments of investments and financial flows needed to address climate change in developing countries, following work by UNFCCC Secretariat and UNDP.
Remaining Disagreement	<ul style="list-style-type: none"> • <i>On the design of the Standing Committee</i>, there is some convergence that the committee should provide a coordination function. However, the extent to which the committee should be giving guidance to funds remains contentious. There also remains ambiguity about the composition of the Standing Committee, as the Cancun Agreements do not give guidance on this issue. • <i>On fast start finance</i>, governments are not clear on whether the AWG-LCA should be tasked with reviewing pledges and delivery to date. Developed countries argue that this is not necessary and can be covered in their national communications. • <i>On long-term finance</i>, there is little further clarity on how to progress discussions on sourcing following the AGF report. Developing countries are keen to keep discussions alive within the UNFCCC process. • <i>On the Green Climate Fund</i>, the Transitional Committee continues to hold regular meetings and work on the scope, governance, and operations of the Fund. (see specific update below).
Implications for Development	<ul style="list-style-type: none"> • Outcomes from the finance negotiations are critical to the effective implementation of the Convention. • This requires a ramping up of finance volumes in a coordinated manner. A clearly defined role for the standing committee is essential in this regard.
UNDP Response	<ul style="list-style-type: none"> • It is essential for climate finance to continue to be scaled up and in a coordinated manner. This is essential for empowering and capacitating all developing countries to catalyse and transform investments at the national level. • Finance must be driven by developing country priorities • The Standing Committee offers a valuable opportunity to rationalise and bring coherence to climate finance • The Green Climate Fund must be transformational in nature: this means focussing on developing country needs, providing a wide range of financing instruments and access modalities, and focussing on building capacity at the national level to blend and leverage finance in the long-term to address climate change.

Green Climate Fund

The Transitional Committee (TC) for the design of the Green Climate Fund (GCF) has held its first meeting as well as a technical workshop (on 28-29 April and 30 May-1 June respectively). Momentum within the TC is picking up toward its second meeting on 13-14 July in Tokyo.

The TC is arranged into four workstreams:

- Workstream 1 (scope and principles): Barbados and Spain
- Workstream 2 (governance): DRC and Switzerland
- Workstream 3 (operations): Pakistan and Australia
- Workstream 4 (M&E): Bangladesh and Sweden

Each of these workstreams is in the process of soliciting submissions from TC members and observers with a view to compiling documents for discussion and negotiation at subsequent TC meetings. At this stage, there is a broad picture emerging of the thematic scope and general principles of the GCF, although these remain at a largely generic level. There is recognition that the GCF must include all the main thematic areas under the Bali Action Plan and must be country-driven, transformational, and catalyse finance at the international and national levels.

On governance issues, there remains much work to be done. Submissions on the Board, independent Secretariat, and Trustee continue to be submitted to the workstream co-facilitators. It is likely that political guidance will be needed on a number of these issues.

On operational issues, there appears to be some general convergence on various technical issues, such as the financing instruments and access modalities that the GCF could include. On both counts a suite of different instruments and modalities are on the table, including both multilateral access and significantly scaled up direct access. There is also an active discussion on how in-country institutional arrangements could be strengthened through the GCF.

At the upcoming second meeting of the TC, members will try and focus on key central questions that, once answered, can guide the more technical issues. These questions include the legal status of the GCF, its institutional model, and its funding windows.

UNDP has been active in participating in the TC process. The organization has made two submissions, the first on workstreams I and III and the second on II and IV (these have been circulated on RR- and EE-Net). UNDP is among the most active organizations in this regard. Overall, UNDP's submissions advocate for a Green Climate Fund that is transformational, both in terms of its activities and its own structures. This means a Fund that is structured in a new manner, able to promote major reorientations in production and consumption at the national level and deliver large volumes of finance to developing countries to further their national plans (LEDS, NAMAs, etc). This means that the GCF must have a clear focus on developing country needs and a major role in promoting enabling environments at the national level to support all developing countries catalyse and leverage public and private finance. It must be efficient, equitable, and effective.

Other Issues in the Subsidiary Body for Implementation

As one of the two permanent Subsidiary Bodies under the UNFCCC, the Subsidiary Body for Implementation (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.

Negotiations under the SBI began late during the first week of the June session, as there were lengthy informal discussions on the adoption of the agenda. Below are a number of updates on key issues under the SBI that were not discussed in the thematic analyses above.

Issue Updates	<ul style="list-style-type: none">• On Article 6 of the Convention (education, training and public awareness), it was decided to organize a workshop in LDCs by June 2012. The New Delhi work programme will be reviewed – with a view to strengthening the bottom up approach; encouraging active participation of women, youth, and media; incorporating gender aspects; and strengthening adaptation issues in education and communication campaigns. Developing countries will be supported to elaborate national strategies and plans on article 6.• On finance within the SBI, discussion focused on the NEEDS assessments supported by the UNFCCC Secretariat, as well as complementary work undertaken by UNDP. Parties requested such organizations to continue their work on estimating the financial and investments needs to address climate change in developing countries. Parties also requested developed country parties to provide financing support for these activities.• On observers' participation in the process, the need to engage broad range of stakeholders was recognised. It was agreed that the existing means of engagement could be further enhanced (the issue on participation of observers in contact and informal groups was deleted from the final version).• On matters relating to least developed countries, contributions to the LDC Fund were noted and new contributions encouraged. There was appreciation to the work of LDC Expert Group (LEG) and support for its 2011-12 work programme. The Istanbul Programme of Action for LDCs will be linked to the work of LEG.
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Other Issues in the Subsidiary Body for Scientific and Technical Advice

As one of the two permanent Subsidiary Bodies under the UNFCCC, the Subsidiary Body for Scientific and Technical Advice (SBSTA) provides information on a number of technical issues related to the UNFCCC. Key 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.

Negotiations under the SBSTA began late during the first week, as there were lengthy informal discussions on the adoption of the agenda. Below are a number of updates on key issues under the SBSTA that were not discussed in the thematic analyses above.

Issue Updates	<ul style="list-style-type: none"> • On the Nairobi Work Programme (NWP), most parties were satisfied with the current state of work and discussed the NWP's review, the provision of information to the SBI based on activities, and definition of activities for a future work programme. Parties will continue to discuss how the NWP relates to the Adaptation Committee. Parties also requested the UNFCCC Secretariat to undertake a survey on priority needs for products from the NWP, develop a technical paper on water and adaptation, and organize a joint SBSTA/SBI workshop to consider outcomes of the NWP. • On response measures, parties agreed to hold a joint SBI/SBSTA forum where parties could share views on the scope and modalities of work. Parties agreed to hold another forum in Durban to continue the discussions. While some parties welcome the broad discussions, others stressed the need to streamline and balance the forum with existing discussions on response measures in the other negotiating tracks. Submissions on a work programme on response measures are invited by 19 September. • Discussions on aviation and maritime emissions saw a division between developed and developing countries as to how the issue should move forward. Many developing countries urged the use of the principle of "common but differentiated responsibilities" and that any market mechanism may increase costs and affect trade. Developed countries supported an IMO/ICAO proposal to develop revenue streams for addressing climate change in these sectors. • Negotiations on common metrics to calculate the CO₂ equivalence of greenhouse gases centred on a push by some developing countries to use a different global warming potential, while other parties supported existing IPCC methodologies.
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Loss and Damage

<p>Main issues /conclusions recommendations</p>	<ul style="list-style-type: none"> • To establish a work programme in accordance with the Cancun Agreements to address loss and damage associated with climate change and its impact; • The need to strengthen international cooperation and expertise in order to understand and reduce loss and damage with adverse effects of climate change, extreme weather events and slow onsets. • Agrees thematic areas are as follows: Assessing risk of loss and damage; approaches to address loss and damage; Role of the convention enhancing implementation of a loss and damage programme • SBI invites parties and relevant organizations to submit further views and information on the thematic areas to the UNFCCC secretariat by 15 August 2011 • SBI requests the UNFCCC Secretariat to explore possibility to convene expert meeting if possible. • SBI continues to elaborate on the details on the broad thematic areas. In order to generate knowledge for making recommendations on L&D to the COP at its 18th session in 2012, the following elements shall be considered: a) Possible development of a climate risk insurance facility to address impacts associated with severe weather events; b) Options for risk management and reduction; risk sharing and transfer mechanisms such as insurance, including options for micro-insurance; and resilience building, including through economic diversification; c) Approaches for addressing rehabilitation measures associated with slow onset events; and d) Engagement of stakeholders with relevant specialized expertise
<p>Issues / way forward</p>	<ul style="list-style-type: none"> • Negotiations on the loss and damage work programme have stalled due to increased discussions on response measures. • It is well understood that the issue on loss and damage will be discussed at COP17 in Durban. A meeting is being planned in Panama at the end of September 2011 to continue discussions ahead of Durban. • UNDP Barbados and the OECS will plan to facilitate a loss and damage workshop in Brussels with interested parties, and if possible a workshop in the Caribbean region prior to Durban. • UNDP Barbados and the OECS will have a phase III study on loss and damage, and concept and TOR will be presented to interested parties for possible cooperation.

Annex 2: Side Events Featuring UNDP

Women Delegates Fund Capacity Building Seminar, 5 June

Finland, WEDO and **UNDP** hosted a training seminar on the UNFCCC negotiations for women delegates from developing countries. Cassie Flynn, on behalf of UNDP, presented on the status of the negotiations and discussed an analysis of the main issues to be discussed at the Bonn session.

Africa Adaptation Programme reception, 6 June

This informal social gathering was designed to create an environment where negotiators from countries participating in the Africa Adaptation Programme (AAP) could become more acquainted with AAP experts, **UNDP** staff, and members of the Japanese delegation. Over 30 African negotiators from both AAP and non-AAP countries participated. Introductory messages were given by Mr. Masaki Noke, Deputy Director General of International Cooperation at the Japan MOFA, by Mr David Payton, from UNDP/EEG, and by Joseph Instiful and Jose Levy from AAP/UNDP. Mr. David Payton, on behalf of UNDP, welcomed the participants, and thanked the government of Japan for their generous support to the AAP programme and their commitment to climate change adaptation issues in spite of the recent environmental disasters in Japan. Jose Levy then highlighted the major aspects of the programme, with emphasis on (i) its strategic nature, (ii) the target audience, namely decision makers and (iii) the need to link the programme to low emission, carbon resilient development strategies.

Japan's Support to Vulnerable Countries in collaboration with International Organizations: in the past, present and future, 7 June

This side event featured Japan's work in vulnerable countries, including support provided through the Africa Adaptation Programme. Japan presented the follow up to TICAD ministerial meeting held in May 2011 in Dakar, with emphasis on commitments from the government. Representatives from Senegal (host country to the TICAD), the World Bank and **UNDP** made short comments on the process. Mr. Payton reiterated the commitment of UNDP to work closely with Japan in implementation of on-going and future programmes related to climate change. Mr. Payton made a presentation on the AAP and stressed the importance of such a programme in aspects related to coordination and evidence based decision making as well as the comparative advantages of UNDP as an implementing agency, committed to supporting vulnerable countries. Japan presented their "Takeoff" strategy towards green growth in Africa, providing examples of possible programmes under the three "Ls": (i) Lighting Africa (lighting areas not yet electrified in Africa), (ii) Linking Africa (Strengthen Links between Cities and Peripheral Areas) and (iii) Lifting Africa (Cultivate Supporting Industries around the Resource Industries).

The UN-REDD Programme and Ecuador's side event at the UN's Climate Change Conference (UNFCCC) focused on new tools and country progress in addressing REDD+ safeguards, 7 June

The joint UN-REDD Programme and Ecuador side featured presentations from the UN-REDD Programme, Ecuador, Viet Nam, the Climate Community and Biodiversity Alliance (CCBA) and Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education), more than 120 participants from 30 countries and various governmental and non-governmental organizations were given an overview of the concepts and tools being developed to address safeguards in REDD+ implementation.

The state of current knowledge and expertise, and the potential support from relevant organizations to address loss and damage associated with adverse effects of climate change, 7 June

The event provided an opportunity for informing Parties on the state of current knowledge and expertise, roles of a diverse range of stakeholders and the potential for support from relevant organizations to address loss and damage associated with climate change impacts. It also aims to catalyze contributions by

relevant organizations based on their already stated willingness to support the implementation of the work programme. Stein Hansen, on behalf of UNDP, presented on UNDPs work in responding to loss and damage from climate change.

Nairobi Work Programme, 7 June

The UNFCCC Secretariat organized a half-day meeting to address issues related to climate change impacts, vulnerability, and adaptation. The main themes were: engaging the private sector on adaptation; applications of climate projections and models at the local level; measuring adaptation outcomes; ecosystem-based approaches to adaptation; and challenges in sharing adaptation best practices between SIDS and LDCs. **UNDP** co-hosted the discussion for SIDS and LDCs with the World Resources Institute.

Accessing Information on Climate Finance: Tools for country action and policy development, 9 June

The UNFCCC Secretariat presented its *Finance Portal for Climate Change*, which currently includes two modules. The first, on national communications, presents information from Annex II Parties on the provision of financial resources related to the implementation of the Convention through their fourth and fifth national communications. The second, on fast-start finance, presents information as submitted by developed country Parties on the resources provided to achieve the above mentioned goal, including ways in which developing country Parties access these resources. A third module on funds managed by the Global Environment Facility is planned for Durban. Go here to access:

http://unfccc.int/cooperation_support/financial_mechanism/finance_portal/items/5824.php

UNDP and World Bank were invited to present the *Climate Finance Options Portal* (<http://www.climatefinanceoptions.org/cfo/>), which provides information for developing countries on where to access a wide range of climate funding sources from multilateral and bilateral institutions, as well as public and private sources. Currently, 53 sources of finance are listed, along with 23 case studies.

World Resources Report 2010-11: Decision Making in a Changing Climate, 9 June

The World Resources Institute presented the main content of their 2010-11 report, *Decision Making in a Changing Climate*, which focuses in particular on how national governments can make effective adaptation decisions in a changing climate. **UNDP** – in particular Bo Lim -- was a key collaborator on the report, and the report has been dedicated to her. Feedback on the report was invited from four Parties: AOSIS, Indonesia, Philippines and Peru, with reactions invited from UNEP, World Bank, and UNDP.

Low Carbon Development Strategies (LCDS): Experiences from Germany's ICI and the EU-UNDP Programme, 10 June

Planned work under Germany's International Climate Initiative and **UNDP's** newly-launched programme, *Climate Change Capacity Building*, were presented. *UNDP's* programme, which is funded by the EU and Germany, will strengthen MRV systems and help identify mitigation actions in 15 countries over four years. Colombia, Morocco, and the Dominican Republic presented their work on low-emission development strategies.

Decision making tools for climate change decision makers: National, regional, local, 10 June

The Regional Environmental Center for Central and Eastern Europe (REC) presented several tools, including a decision-making tool for adaptation and a tool for municipalities planning energy-efficient buildings. **UNDP** was invited to comment on the use and applicability of the tools.

Gender and Mitigation—Chances for Sustainable Development? 10 June

This event, organized by the German Federal Ministry for Economic Cooperation and Development, focused attention to gender within mitigation policies, programs and financing at the global, national and local levels. Speakers included representatives from GGCA, IUCN, CARE Austria, GenderCC and **UNDP**. Presentations provided an overview of gender issues as they relate to mitigation; efforts and possibilities for incorporating gender into mitigation finance mechanisms at the global level; work developing national strategies on gender and climate change; and a local-level effort to develop a gender-sensitive REDD+ program in Zanzibar.

Financial and Economic Needs Studies for Climate Change, 11 June

Twenty-five countries have been supported to undertake financial assessments of national needs for addressing climate change through the UNFCCC's *National Economic, Environment and Development Study project* (http://unfccc.int/cooperation_and_support/financial_mechanism/items/5630.php) and **UNDP's Capacity Development for Policy Makers to Address Climate Change project** (http://www.undpcc.org/content/inv_flows-en.aspx). Four of these countries presented their experiences at a joint UNFCCC/UNDP side event.

The Philippines laid out the political context and the importance for developing countries to be able to quantify the costs of addressing climate change. **The Maldives** described their bottom-up approach to assessing their mitigation and adaptation needs, which includes a goal of carbon neutrality by 2020. Among the challenges faced were: lack of data, no comprehensive costing of the energy sector, and only short-term estimates for adaptation from the National Adaptation Programme of Action (NAPA). Both **Namibia** and **Ecuador** used UNDP's methodology for assessing investments & financial flows (I&FF) to address climate change. Namibia emphasized the broad stakeholder engagement, and how they would now assess two additional sectors. Ecuador noted that the I&FF assessments had led to engagement of the financial sector, which had previously been a challenge. In concluding, **UNDP** noted the importance of the studies, since there are so few quantified national estimates of the costs of climate change.

(The UNDP I&FF assessments were also featured in a blog by the UK's *The Guardian* newspaper on 15 June: <http://www.guardian.co.uk/global-development/poverty-matters/2011/jun/15/climate-change-cost-poor-countries-billions>)

Adaptation Knowledge Day II, 11 June

UNEP, World Bank, IUCN, and UNFCCC held a full-day meeting around four themes: ecosystem-based adaptation; the role of insurance in addressing loss and damage from climate change; financing adaptation; and networking and knowledge management for adaptation. **UNDP** was invited to present the *Adaptation Learning Mechanism* (<http://www.adaptationlearning.net/>) under the fourth theme, and focused on the newer aspects of the site, including discussion forums, video and photo gallery, and the forthcoming radio documentaries. In a plenary discussion re: the proliferation of online knowledge networks, the ALM was recognized as a brand leader in the climate change adaptation field.

Developing Knowledge on the Building Blocks of a Global Mitigation Architecture, 11 June

The German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (BMU) invited **UNDP** to participate in a one-day meeting to share experiences on development of instruments such as low-carbon development strategies (LCDS), Nationally Appropriate Mitigation Actions, and Monitoring, Reporting, and Verification (MRV) for a global climate regime. The BMU's newly launched International Climate Initiative (ICI) is currently conducting projects in China, Mexico, Thailand, and South Africa. **UNDP** presented its planned work programme under the just-launched project, *Climate Change Capacity Building*, which will strengthen MRV systems and help identify mitigation actions in 15 countries over four years. The

project is funded by the EU and Germany. Experiences were also invited from WWI (Caribbean), CfrN (Dominican Republic), Ecofys (Chile), and WRI (building MRV standards).

Women and Climate Finance: Past Experiences Inspiring Future Funds, 13 June

The event was organized through a broad partnership including UNDP, IUCN, WEDO, and UNEP on behalf of the Global Gender and Climate Alliance, the Mary Robinson Foundation, OXFAM, and the Government of the Netherlands. Veerle Vandeweerd, on behalf of **UNDP**, discussed progress and lessons learned for mainstreaming gender into several climate funds.

In-country Institutional Arrangements for Climate Finance: initial review of experiences, 14 June

Accessing and using scaled up financial flows committed by developed countries are proving to be significant challenges for developing countries. Identifying the best-suited institutional arrangements and financial mechanisms to overcome these challenges are top on the agenda of developing countries. Daniela Stoycheva, on behalf of **UNDP**, presented on work being undertaken in the Asia region to support the development of climate fiscal frameworks and national climate funds.

Levelling the Playing Field-Transparency and Negotiation Capacity in the UNFCCC, 16 June

UNfairplay presented its report, “Levelling the Playing Field”, which outlines some of the structural inequalities between countries affecting the UNFCCC process (<http://unfairplay.info/levelling-the-playing-field/>). **UNDP** (Gabriela Fischerova) was invited to present the lessons learned from UNDP’s experience in supporting developing countries on the negotiations, as well describing current UNDP programmes, such as the “Boots on the Ground” initiative, which supports 24 Least Developed Countries.